



Program Year 2021
HUD Entitlement Grant Program
FUNDING APPLICATION

HOUSING PROJECTS

SUMMARY INFORMATION

GENERAL INFORMATION

Applicant Legal Name:	Visum Development Group, LLC & Providence Housing Development Corporation
Project Name:	State Street Apartments
Funding Amount Requested:	\$100,000

PROJECT INFORMATION

Project Location(s):	510 West State Street; 507 West Seneca Street, Ithaca, NY 14850			
Project Goal(s) (be specific and succinct):	The project will result in 57 LMI families to obtain permanent quality affordable housing including 6 victims of domestic violence.			
Priority Need(s) Which Project Will Address (Consolidated Plan):	Improve & Expand Affordable Housing Options, Affirmatively Further Fair Housing			
Total Number of Households to Be Served:	57	% Below 80% AMI:	75.44%	% Below 60% AMI: 75.44%
Characteristics of People to Be Served (i.e., youth, elderly, disabled, formerly incarcerated, homeless, etc.):	Multi-family Households including adults and children; Victims of Domestic Violence; disabled; LMI; Homeless			
Proposed Use of Requested Funds (i.e., professional fees, construction, downpayment assistance, etc.):	Professional fees (i.e. engineering, architecture, etc); environmental testing, permit fees, market study, energy consultant, legal fees, etc.			
Total Project Cost:	\$22,909,957	Total Budgeted Matching Funds:	\$22,809,957	

CONTACT INFORMATION

Head of Agency Information	
Name:	Todd Fox
Title:	Executive Director
Address:	119 S. Cayuga Street, Suite 301, Ithaca, NY 14850
Phone Number:	607-793-0082
E-Mail Address:	todd@visumdevelopment.com
Application Contact Information	
Name:	Angela Eicholtz
Title:	Director of Development
Address:	1150 Buffalo Road, Rochester, NY 14624
Phone Number:	585-529-9559
E-Mail Address:	angela.eicholtz@dor.org

PROJECT DESCRIPTION

In the space below, provide a clear project summary that includes a description of the proposed project. Include the Census tract number in which the project will be located (see Application Instructions).

Visum Development Group and Providence Housing Development Corporation (non-profit) will develop 57 quality affordable housing units in the City of Ithaca located in census tract 1 (QCT). The project is located within 0.3 miles of three bus stops and a short walk or bicycle ride from urban parks, Cayuga Lake waterfront, Ithaca Farmers Market, and the Ithaca Children's Garden.

The project is currently in the pre-development phase with the experienced development team having been established. The applicant and sponsor is Visum Development Group, LLC, the developer and management agent is Providence Housing Development Corporation, the consultant is the Quad Group, LLC, the General Contractor is Jason Socola of LECESSE Construction, the Architect is Noah Demarest of Stream Collaborative. Visum Development Group has 11 years of experience in development. Providence Housing has 27 years in building affordable housing and has created more than 1,000 affordable units, in addition, PHDC provides supportive housing for families and individuals. LECESSE Construction has been in business 65 years, with a primary focus on affordable and multi-family housing.

State Street Apartments is a mix-use, community renewal, integrated supportive housing, and workforce opportunity project. The project entails the demolition of 2 existing buildings and the new construction of a single five story mixed-use building. The proposal includes 57 apartments including 1 studio, 22 one-bedrooms, and 34 two-bedrooms apartment units. The project will serve workforce family households earning between 30% to 90%AMI. Common areas include a community room, common laundry, tenant storage and an on-site management office. The project includes one 1,368 gross SF commercial space with a separate entrance located off the south entrance at West State Street. The project's market study shows a capture rate <2% showing a tremendous need for this housing.

The project includes 10 units that will be reserved for special populations. Six units will be reserved for qualified households surviving domestic violence. Of these, three will be 1-bedroom, and three will be 2-bedroom units to accommodate individuals and families where the head of household is a qualified individual. The other four 1-bedroom units will serve homeless individuals with substance use disorder. The applicant has a pending ESSHI application with Catholic Charities of Tompkins/Tioga to provide on-site supportive services to these set-aside residents.



INSERT EXCEL BUDGET SPREADSHEET(S) IMMEDIATELY AFTER THIS PAGE.

HOUSING PROJECT DEVELOPMENT BUDGET - PERMANENT FINANCING

Note: Please complete separate "Developpt. Budget - Constr." tab for construction financing, if applicable.

SOURCES - PERMANENT FINANCING

FUNDING SOURCE TITLE		AMOUNT SECURED*	AMOUNT UNSECURED**	% OF TOTAL BUDGET
1.	PY2021 CDBG/HOME		\$100,000.00	0.44%
2.	Tompkins County Community Housing Development Fund	\$150,000.00		0.65%
3.	HCR - CIF		\$500,000.00	2.18%
4.	FHTF & HTF		\$3,900,000.00	17.02%
5.	LIHTC Equity		\$11,786,421.00	51.45%
6.	SLIHC Equity		\$3,239,484.00	14.14%
7.	CPC conventional loan		\$2,800,000.00	12.22%
8.	Deferred Developer Fee	\$434,052.00		1.89%
TOTAL SECURED & UNSECURED FUNDING		\$584,052.00	\$22,325,905.00	100.00%
TOTAL PROJECT BUDGET		\$22,909,957.00		100%

LEVERAGE OF SECURED FUNDING PERCENTAGE	2.55%
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* Supporting documentation is required for amounts listed as secured.

** Please be sure to list all unsecured funding amounts (e.g., funding applied for, but not yet received).

USES

PERSONNEL EXPENSES: POSITION TITLES	PROPOSED CDBG/HOME	PROPOSED OTHER	TOTAL
			\$0.00
			\$0.00
			\$0.00
A-TOTAL PROPOSED PERSONNEL BUDGET	\$0.00	\$0.00	\$0.00

NON-PERSONNEL EXPENSES: LINE ITEM/TYPE	PROPOSED CDBG/HOME	PROPOSED OTHER	TOTAL
Acquisition - Land		\$1,200,000.00	\$1,200,000.00
Acquisition - Buildings			\$0.00
Construction		\$16,145,472.00	\$16,145,472.00
Construction Contingency		\$595,472.00	\$595,472.00
Hazmat Abatement			\$0.00
Architectural & Engineering Fees		\$775,000.00	\$775,000.00
Other Professional Fees		\$360,123.00	\$360,123.00
Construction Financing Costs		\$657,859.00	\$657,859.00
Permanent Financing Costs		\$90,000.00	\$90,000.00
Developer Fee		\$2,500,000.00	\$2,500,000.00
Capitalized Operating Reserve		\$296,483.00	\$296,483.00
Capitalized Replacement Reserve			\$0.00
Soft Cost Contingency		\$125,173.00	\$125,173.00
Relocation Assistance		\$25,000.00	
Total of All Other Costs (list separately individual line items exceeding \$50,000)			\$0.00
Initial Operating Deficit		\$91,500.00	\$91,500.00
Marketing		\$27,875.00	\$27,875.00
Mainenance/Equipment		\$20,000.00	\$20,000.00
B-TOTAL PROPOSED NON-PERSONNEL BUDGET	\$0.00	\$22,909,957.00	\$22,884,957.00
(A+B) TOTAL PROPOSED PROJECT BUDGET	\$0.00	\$22,909,957.00	\$22,909,957.00

HOUSING PROJECT DEVELOPMENT BUDGET - CONSTRUCTION FINANCING

SOURCES - CONSTRUCTION FINANCING

FUNDING SOURCE TITLE		AMOUNT SECURED*	AMOUNT UNSECURED**	% OF TOTAL BUDGET
1.	PY2021 CDBG/HOME			0.00%
2.	LIHTC Tax Credits		\$7,071,853.00	30.87%
3.	SLIHC Tax Credits		\$1,943,690.00	8.48%
4.	Deferred Developer Fee	\$1,875,000.00		8.18%
5.	Deferred Reserve Contributions	\$296,483.00		1.29%
6.	NYS HCR CIF Loan		\$500,000.00	2.18%
7.	Tompkins County Community Housing Development Fund	\$150,000.00		0.65%
8.	Construction Loan		\$11,072,932.00	48.33%
TOTAL SECURED & UNSECURED FUNDING		\$2,321,483.00	\$20,588,475.00	100.00%
TOTAL PROJECT BUDGET		\$22,909,958.00		100%

LEVERAGE OF SECURED FUNDING PERCENTAGE	10.13%
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* Supporting documentation is required for amounts listed as secured.

** Please be sure to list all unsecured funding amounts (e.g., funding applied for, but not yet received).

RENTAL CONSTRUCTION/REHABILITATION CONSTRUCTION

Projected Rent Schedule (in \$)

Affordable Unit Types (Example: 2 BR/1.5 Bath - 60% AMI)	# of Units	Monthly Contract Rent/Unit	Monthly Utilities Allowance/Unit	Adjusted Monthly Rent/Unit	Adjusted Annual Rent/Type
Studio/1BA (30% AMI) - ESSHI	1	749	59	690	8280
1BR/1BA (30% AMI) - ESSHI	5	737	70	667	40020
2BR/1BA (30% AMI) - ESSHI	4	962	86	876	42048
1BR/1BA (30% AMI)	1	472	70	402	4824
2BR/1BA (30% AMI)	1	567	86	481	5772
1BR/1BA (50% AMI)	2	787	70	717	17208
2BR/1BA (50% AMI)	6	945	86	859	61848
1BR/1BA (60% AMI)	9	945	70	875	94500
2BR/1BA (60% AMI)	14	1134	86	1048	176064
1BR/1BA (90% AMI)	7	1230	70	1160	97440
2BR/1BA (90% AMI)	7	1615	86	1529	128436
SUBTOTAL AFFORDABLE UNITS:	57				676440

Market-Rate Unit Types (Example: 1 BR/1 Bath)					
SUBTOTAL MARKET-RATE UNITS:					

TOTAL RENTAL UNITS:	57				676440
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Commercial Revenue (Example: 1st floor daycare)	Net Rentable Sq. Ft.	\$/NRSF per Year		Monthly Commercial Revenue	Annual Commercial Revenue
<i>1st floor commercial</i>	876	12		876	10512
laundry	NA			370.5	4446
TOTAL COMMERCIAL REVENUE:	876				14958

RENTAL HOUSING CONSTRUCTION PRO-FORMA					
		Assumed	(in \$)		
		Annual			
		Change	Year 1	Year 5	Year 10
Potential Gross Income					
Affordable Units		2%	676440	730555.2	798199.2
Market-Rate Units		2%	0	0	0
Commercial Space		2%	10512	11352.96	12404.16
Other (laundry, parking, etc.)		2%	4446	4801.68	5246.28
Total Potential Gross Income			691398	691398	691398
Vacancy Allowance				0	0
Vacancy Allowance - Affordable (3%)		2%	33822	36527.76	39909.96
Vacancy Allowance - Market-Rate (5%)		2%	0	0	0
Vacancy Allowance - Commercial (10%)		2%	1273	1374.84	1502.14
Total Vacancy Allowance			35095	35095	35095
Effective Gross Income			656303	656303	656303
Operating Expenses				0	0
	Real Estate Taxes	3%	64326	72045.12	81694.02
	Insurance	3%	50000	56000	63500
	Heat	3%	7466	8361.92	9481.82
	Gas	3%	0	0	0
	Electricity	3%	7070	7918.4	8978.9
	Water & Sewer	3%	8281	9274.72	10516.87
	Sidewalk & Stormwater assessment	3%	0	0	0
	Other Utility - elevator	3%	5000	5600	6350
	Property Management	3%	51726	57933.12	65692.02
	Repairs & Maintenance	3%	36600	40992	46482
	Admin. Payroll	3%	0	0	0
	Admin. Payroll taxes & benefits	3%	0	0	0
	Maintenance Payroll	3%	60000	67200	76200
	Maintenance Payroll taxes & benefits	3%	15600	17472	19812
	Marketing	3%	4000	4480	5080
	Security	3%		0	0
	Snow removal/mowing	3%	500	560	635
	Other: Legal, accounting, supplies	3%	11200	12544	14224
	Other: compliance, phone, inter, training	3%	51907	58135.84	65921.89
	Total Expenses	3%		0	0
	Operating Reserves	3%	20293	22728.16	25772.11
	Replacement Reserves	3%	14250	15960	18097.5
Total Expenses & Reserves			408219	457205.28	518438.13
Net Operating Income			248084	199097.72	137864.87
Debt Coverage Ratio		1.2	1.2	1.2	1.2
Potential Cash Flow Available for Debt Service			206,736.7	165,914.8	114,887.4
Note: If different assumptions are used, please justify the modified assumption.					

PROJECT DESCRIPTION (cont.)

Explain how the amount of funding requested is justified, taking into account other available sources of funding for the project type. Explain how and when the cost estimates for the project were prepared. Provide the name, title, company name, and qualifications of individual(s) who prepared the cost estimates.

The cost estimates are based on the projected expenses that were compiled by the senior management team at Providence Housing using vendor quotes and similar projects under management. We have over 35 years of experience in the affordable housing arena and currently manage over 1,000 affordable housing units within update New York. The team included Angela Eicholtz, Director of Development and Helen Bianchi, VP Asset Management.

Construction estimates were prepared by Jason Socola, Vice President of LECESSE Construcion.

All final budgets were reviewed by an independent principal consultant, Chris Dirr, of Quad Group LLC.

Is the proposed activity located in the Flood Hazard Area? Yes No

- If so, in the space below, describe how your plans for the project take this into account.

not applicable

If your project involves Tenant-Based Rental Assistance (TBRA), in the space below, explain how you will locate and secure appropriate units that meet Housing Quality Standards and are rent-reasonable.

not applicable

POPULATION SERVED & PROJECT IMPACT

Describe the population the project will serve, being sure to include income levels (i.e., 30% AMI, 50% AMI, 60% AMI, 80% AMI), and any special needs characteristics (e.g., disabled, elderly, homeless). How has the project been designed to address the specific needs of this population?

The project will serve workforce family households earning between 30% to 90% AMI. All tenants served are LMI. Six of the apartments will be reserved for qualified households surviving domestic violence. Four of the apartments will be reserved for homeless individuals with substance abuse disorders.

Explain the project goal(s). How will each goal be measured and documented to confirm whether or not it has been met?

The project goal is to provide affordable housing to LMI individuals and families that fall between 30% - 90% AMI, victims of domestic violence, and homeless individuals with substance abuse issues. The goal is measured by providing prospective tenant with a housing application to determine their eligibility. Once the tenant is determined to meet the income or other eligibilities, a yearly lease will be signed and reviewed annually to assure tenants are in compliance with AMI guidelines. All documentation will be kept on file and submitted to the Ithaca Urban Renewal Agency as requested.

The applicant is aware of the income verification requirements that come with home funding, and are capable of and will manage the process.

The applicant will work with Providence Housing Development Corporation, who has 27 years of experience in development and property management of affordable housing. They will help maintain and manage the project and management of the property.

LECESSE Construction has provided an operating cost breakdown of building cost.

POPULATION SERVED & PROJECT IMPACT (cont.)

Will your project advance the City's goal of ending and preventing homelessness? How?

The lack of affordable housing has led to high rent burdens, overcrowding, and substandard housing. This burden has not only forced people to become homeless, but it has put a large and growing number of people at risk of becoming homeless. State Street Apartments will advance the City's goal of ending and preventing homelessness by providing safe, decent, and affordable housing. This housing will be accessible and allow for older residents to age in place. The project will also have units set aside for victims of domestic violence and homeless individuals with substance abuse disorders. These populations were flagged by the local government and the Continuum of Care as being populations that were most in need.

Will your project advance the City's goal of moving people out of poverty? How?

Yes, our project will advance the City's goal of moving people out of poverty. State Street Apartments will allow for individuals and families to obtain housing stability. Housing stability will reduce the cycles of homelessness. In the City of Ithaca there is a shortage of affordable housing leaving 53% of all City households cost-burdened. Our project will help reduce the shortage of affordable housing. This advances upward mobility by promoting access to safe housing. Housing stability helps individuals and families move out of poverty by decreasing rent burden and allowing for people to manage their finances. Decent, safe, and affordable housing is fundamental to achieving self-sufficiency. Adequate housing, transportation and medical care allow people to achieve the stability they need to seek, find, and keep jobs to become valued members of their communities.

PROMOTION OF FAIR HOUSING

How will your project address any of the factors contributing (“Contributing Factors”) to fair housing issues and problems in the City of Ithaca? Refer to: [Explanation of IURA Assessment of Fair Housing Contributing Factors](#) document.

Visum Development Group and Providence Housing Development Corporation will observe all requirements of the Fair Housing Laws and in accordance with the Affirmative Fair Housing Marketing Plan (AFHMP). All employees will receive training and instructions pertaining to all applicable Fair Housing and Civil Rights Laws. Discussions will be encouraged to further clarify and doubts or ambiguities.

All staff members are trained to obey all fair housing laws, to refrain from discrimination regarding any application for housing on the basis of race, color, religion, origin, sex, or marital status, and to affirmatively promote fair housing.

Fair housing posters will be prominently displayed in the rental office.

ORGANIZATIONAL CAPACITY

Describe your organization's experience in successfully implementing projects of similar scope and comparable complexity to the proposed project.

The developer and property management will be provided by Providence Housing Development Corporation. Providence housing has 27 years of successfully developing and managing projects like the proposed project.

The construction will be done by LECESSE construction. LECESSE construction has extensive background on building affordable housing.

The applicant currently owns rental properties that are both commercial and residential. The applicant is able to financially manage property, comply to city and building codes, repair and provide maintenance needs to maintain property.

Describe your staffing plan for the proposed project. Indicate what percentage of each staff member's time will be allocated to this project and how many other projects, in addition to the one proposed, each staff member will be responsible for. *If you are requesting funds to pay for staff salaries, please explain how the proposed project will be impacted, if full funding is not awarded.*

We anticipate to have a full time property manager and a full time maintenance person at the property once completed.

The property manager will be responsible to leasing the apartments, addressing individual issues, management of rent, enforcing leases, and maintaining and securing premises.

The property maintenance person will be responsible for keeping the property clean and in good condition. They will supervise the landscaping, painting, carpentry, and renovation of apartments.

The funds being requested are for the development of the building and not linked to funding of staff positions.

CERTIFICATION & SUBMISSION REQUIREMENTS

By checking this box and providing the following information, I certify the statements made in this application are true and correct, and I am authorized to submit this application on behalf of my organization.

Todd Fox	2/25/2021
Name	Date
Visum Development Group, LLC	Owner/Co-developer
Organization	Title/Role
todd@visumdevelopment.com	607-793-0082
E-Mail Address	Phone Number

Is your organization a 501(c)(3)? Yes No

Federal Tax ID: 81-3166337

DUNS #: _____

Required Attachments:

- Excel budget page(s) — refer to Application Instructions
- Resumés of key staff and/or consultants who will be responsible for this activity
- List of your organization’s current board members
- Architectural drawings, including site plan(s)
- Copies of all environmental reports and related documents (e.g., SHPO review) completed to date
- Cost estimates prepared by qualified third parties (e.g., architect, engineer, etc.)
- Letter(s) of commitment from any other individuals or entities (outside your own organization) whose participation is required for project completion
- Evidence of commitment for any funds indicated as “secured” in your project budget
- Most recent Form 990 or tax returns for the applicant entity

Optional Attachments:

- Letters of support
- Program materials (e.g., brochures, program guidelines, outreach materials)

IMPORTANT: Unlike prior years, all application materials are to be submitted *electronically*, by e-mailing Charles Pyott, Contracts Monitor, at: cpyott@cityofithaca.org . Call (607) 274-6565 for questions/assistance.

CERTIFICATION & SUBMISSION REQUIREMENTS

By checking this box and providing the following information, I certify the statements made in this application are true and correct, and I am authorized to submit this application on behalf of my organization.

Angela Eicholtz	2/25/2021
Name	Date
Providence Housing Development Corporation	Co-developer/Property Manager
Organization	Title/Role
angela.eicholtz@dor.org	585-529-9559
E-Mail Address	Phone Number

Is your organization a 501(c)(3)? Yes No

Federal Tax ID: 22-3311544

DUNS #: 051087018

Required Attachments:

- Excel budget page(s) — refer to Application Instructions
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