



Riley Area and Monument Management teaming up again, in hopes of developing

A Davlan for the East End

EIGHT YEARS AFTER THE OPENING OF the Davlan building in the 400 block of Mass Ave, Riley Area Development Co. and Monument Realty have plans that will – if realized – dramatically change a second Mass Ave block.

The project is Trail Side on Mass Ave, a four-story building the two organizations want to build at 875 Mass Ave, a tract of land now occupied by a one-story structure owned, but much underused, by the Center Township Trustee's Office.

The project cleared a major hurdle in early January, when Mayor Greg

Artwork by
A2SO4
design firm.



▲ If federal tax credits can be secured, a four-story, mixed-use building will be constructed at 875 Mass Ave – currently the site of a non-historic one-story building owned by the Center Township Trustee's Office. The structure, which will also include a basement level, will front the Northeast Corridor of the Indianapolis Cultural Trail.



▲ Surface parking will be featured at the rear of the proposed four-story building. The six-story Center Township trustee's building is at rear.

Ballard signed off on the project, boosting the project's chances of success. Equally as important, the city committed \$200,000 of Community Development Block Grant funds to the project, increasing the likelihood that the Indiana Housing and Community Development Authority will award federal tax credits. Those tax credits are essential to make the project economically feasible. The decision on the application for tax credits is expected in late March.

Riley Area and Monument floated the same basic plan a year ago, but couldn't get city officials to support the idea. Bill Gray, executive director of Riley Area Development Corp., and Brian Murphy of Monument Realty/Monument Management attribute that lack of support to the newness of the Ballard Administration, and to the fact that the housing portion bore some of the direct land costs. In the 2009 application, all land costs are absorbed by the retail component.

If the tax credits are awarded, construction would begin this summer, with occupancy expected by the end of 2010. The developers are encouraged by the fact that The National Bank of Indianapolis has agreed to finance the project, while Great Lakes Capital Fund will purchase the tax credits. "That shows those organizations' commitment to the community," Murphy said.

Trail Side would feature 24,000 square feet of commercial/retail space, plus 63 one-bedroom apartments which will, like the Davlan, be a mix of both market-rate and "affordable" units targeted for people of modest incomes. Basement level space will also be available in the \$10 million project, which will include 20,000 square feet of "community space" to

Federal tax credits

The Low Income Housing Tax Credit was created under the Tax Reform Act of 1986 to provide incentives for the utilization of private equity in the development of affordable housing aimed at low-income Americans. The tax credits are more attractive than tax deductions because they provide a dollar-for-dollar reduction in a taxpayer's federal income tax, whereas a tax deduction only provides a reduction in taxable income.

Development capital is raised by selling the credits to an investor, usually an investment group. The buyer can then take a federal tax credit equal to a large percentage of the cost incurred for development of the low-income units in a rental housing project.

be used by community service organizations, the residents themselves, by Riley Area, and by the township trustee.

"The Davlan changed Mass Ave forever," Gray said. "It has made the biggest difference," he added, remembering a time when the west side of the 400 block contained nothing but filled-in windows and a vacant public housing project. The Davlan (and its sister project, the Avenue Condominiums and Hoosier Retail Flats) brought

50 occupied apartments, eight occupied condominiums, and retail space now occupied by some of the city's most flourishing businesses – At Home in the City/Silver in the City, Global Gifts, Hoaglin To Go Café and Marketplace, Starbucks, Elements restaurant, and Three Dog Bakery.

The arrival of those storefronts led to an evolution on the opposite side of the street, where shoppers can now find Mass Ave Toys, Luna Records, Eye Candy and Sakura Urban Design.

The Davlan was "by far the largest investment in dollars Mass Ave had seen for decades," said Brian Murphy, a principal with Monument Realty and Monument Management, which like Riley Area is headquartered on the lower level of the Davlan building.

As long as five years ago, the vibrancy of the 400 bloc started Gray and Murphy thinking about the trustee's underused building. They saw the Davlan's typical waiting list for renters; they saw the shoppers streaming into the street-level storefronts.

They came to believe they could duplicate the success – with some tweaks gained from the Davlan experience – to spur the same sort of benefits in the 800 block, where developer Tom

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Battista has jump-started the process with his East End Shops. The successful mix of businesses there includes R Bistro, Mass Ave Wine Shoppe, Best Chocolate in Town, Evolve Salon, and three art galleries.

The added perk: The pending arrival of the Indianapolis Cultural Trail, which will run along Mass Ave directly in front of the new Trail Side building on its way to 10th Street and a connection to the Monon Trail.

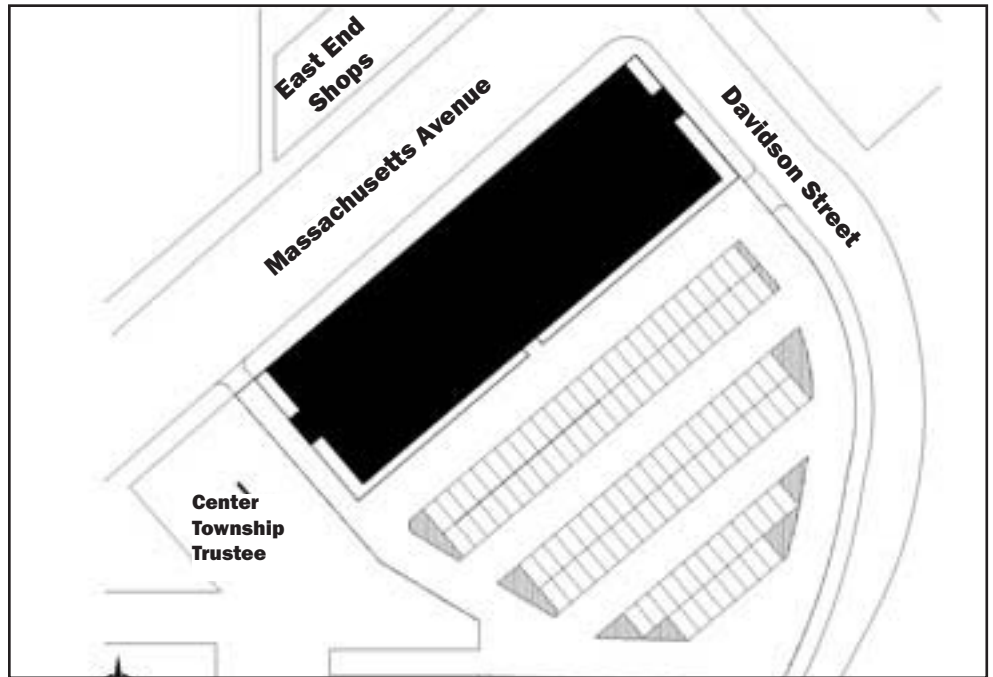
Furthermore, both Gray and Murphy believe the project has synergy with plans to rejuvenate the Near Eastside, where the interest and involvement of the Super Bowl Committee Civic Legacy Campaign is giving that area the highest hopes it has had for years.

Under the current proposal, Riley Area and Monument would own and operate the facility under a 50-year lease with the Center Township Trustee's Office, which will retain ownership of the land itself.

The property includes enough space for off-street parking to accommodate both the residential and commercial needs of the facility, Murphy added.

A year ago, the previous plan allowed for a second building on the site, to be used as parking as well as to house a YMCA facility. Gray said the YMCA has not yet determined what its ultimate Downtown strategy will be, but that the four-story building is designed with such future growth in mind.

Said Eric Ellsworth, executive director of the YMCA of Greater Indianapolis, "The YMCA long-range plans include a full-service YMCA facility – in addition to the current Athenaeum location. To date a site has not been secured but a few options are being explored."



The 4-story Trailside on Mass Ave project would sit across the street from the East End Shops.

– Bill Brooks