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\$12.3-million grant awarded to Muncie

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The city succeeded on its third attempt to get federal funds for the planned rebuilding of Munsyana Homes.

MUNCIE -- The Muncie Housing Authority has finally received a \$12.3-million federal HOPE VI grant to rebuild Munsyana Homes. 'It's going to be a big change and hopefully will change the neighborhood from Industry clear to the downtown,' said Emma Price, who has lived at Munsyana since 1952.

U.S. Sen. Evan Bayh, D-Ind., and Republican Congressman Mike Pence learned Monday from Mel Martinez, secretary of the U.S. Department of Housing and Urban Development, that Muncie's latest application for HOPE VI funds had been approved. Bayh hoped the new affordable housing would boost economic development in Muncie, a goal Pence shared. 'We could not be more pleased that the mayor's [Dan Canan's] vision for downtown redevelopment has taken one giant step to reality,' Pence said. Canan said, 'This certainly has been a team effort,' as he informed members of Muncie City Council on Monday night.

Two earlier efforts to obtain HOPE VI funds failed, although the MHA started a portion of the new Millennium Place anyway, using MHA modernization and state tax credits financing to build 30 units. 'Our work toward the first project demonstrates that we have the capacity to deliver the project,' MHA Director Charles Weatherly said. Olon Dotson, Millennium project manager, said that higher standards set by HUD favored cities that had good applications. Many larger cities with existing HOPE VI grants have not completed the projects, he said. The MHA has a private developer, F&C Real Estate Services, Indianapolis, ready to provide private funds to finish the 224-unit rebuild of Munsyana. F&C also will manage the development.

Dotson said tax credit applications would be filed soon to match the grant. Negotiating an agreement with HUD to obtain the funds might take as much as a year, housing officials estimated. Dotson predicted the rest of Munsyana would be demolished a year after that to clear the way for more new construction. 'It will sure have an impact on the neighborhood and could bring other investment to the area,' Weatherly said.

Price said she hoped she would be around to move into one of the new homes. The project also includes the proposed Howard Square, new townhouses for seniors east of the Muncie Downtown YMCA.

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