



Building strong and healthy neighborhoods

RHCDA builds strong community-based development organizations in urban core neighborhoods and assists them in the development of affordable and market-rate housing throughout the region, particularly in neighborhoods with the potential for economic mix.

RHCDA follows these strategies to achieve these goals:

- Technical assistance and training in support of community-based development organizations;
- Residential development, in partnership with community-based organizations in the region's neighborhoods; and
- Resource development, such as the RHCDA Predevelopment Loan Fund, the Regional Neighborhood Support Collaborative and the Sustainable Neighborhoods Initiative.

EXECUTIVE DIRECTOR'S REPORT

I am happy to report that 2003 was a year of significant accomplishments at RHCDA and one in which we made a great deal of progress toward achieving our 5-Year Strategic Plan objectives.

One of the most exciting and innovative accomplishments was our creation of the ***Greater St. Louis Land Development Fund***. This new corporation was formed to serve as a community bank to make loans for commercial/industrial development projects in the Greater St. Louis Regional Empowerment Zone. The initial fund of \$6 million is targeted to the development of the Wellston Industrial Park in St. Louis County, and for the North Riverfront Industrial Corridor in the City of St. Louis. This innovative new development tool, which will enhance our neighborhood revitalization efforts in Wellston and Old North St. Louis by encouraging the re-use of older industrial sites and the creation of new permanent employment opportunities, was made possible through a collaboration with Bank of America and Commerce Bank and representatives of the City of St. Louis and St. Louis County.

Our ***Predevelopment Loan Fund*** grew to \$2.25 million in 2003 with the addition of a \$500,000 line of credit from Fannie Mae and a \$250,000 line of credit from Southwest Bank of St. Louis. The RHCDA Predevelopment Loan Fund has grown from its small beginnings into a powerful catalyst for residential development. We hit a major milestone in 2003 when we passed \$6.8 million in predevelopment loans made, leveraging \$209 million in investments in over 1,700 housing units.

We also undertook significant real estate asset dispositions in 2003. RHCDA affiliate entities had acquired ownership interests in these properties in the early 1990's, when we restructured the financing of a number of projects that were in trouble, and in a number of cases where the properties were held by limited partnerships, we stepped in as substitute general partner. After managing them back to profitability, we have now returned them to the more traditional for-profit real estate market. We were able to satisfy all debts, repay all limited partner capital, limited partner preferred returns, and we made a significant cash return for our affiliates!

RHCDA continued major ***Real Estate Development*** initiatives in the Forest Park Southeast, Midtown, Old North St. Louis and the West End neighborhoods in the City of St. Louis and in the City of Wellston in St. Louis County, just to name a few. We currently have 196 units with development costs of \$44 million under development.

We continued our capacity-building programs for community-based development organizations through our ***Regional Neighborhood Support Collaborative*** and ***Community Development Technical Assistance Programs***. The Collaborative has provided over \$1.5 million in 33 grants to 15 community-based development organizations since it was initiated in 1998. The Collaborative is currently working with community-based organizations in the Emerson Park neighborhood in East St. Louis, O'Fallon/Penrose and Old North St. Louis neighborhoods in the City of St. Louis, and Wellston in St. Louis County.

We also provided individualized technical assistance to 16 area community-based development organizations in 2003. Over the past five years, organizations participating in our technical assistance program have placed 436 housing units under development, representing \$75 million of housing investment. However, there continues to be a critical need for the support of independent, self-sustaining community-based development organizations with the financial resources necessary to attract and retain strong and competent community development practitioners. Our aim is to build community-based development organizational capacity and to nurture the professional growth of a new generation of community development and housing development finance professionals that staff them.

In 2003, RHCDA added three new staff members dedicated to our work with the ***Sustainable Neighborhoods Initiative***. Area Resources for Community and Human Services (ARCHS) and the Sustainable Neighborhoods Development Office (SNDO), are our collaborative working partners in this initiative, which is being piloted in nine neighborhoods in the St. Louis metropolitan area, including neighborhoods in the City of St. Louis, St. Louis County, and East St. Louis, Illinois. It is a coordinated, place-based approach to community development that combines housing, economic development and human services, in a single coordinated effort. Under the Sustainable Neighborhoods model, each neighborhood's leadership and resource providers work in consensus to implement sustainable changes in their communities, develop a Community Plan and a set of neighborhood priorities, and work with the Sustainable Neighborhoods Program Partners to integrate housing and other physical development priorities with human services and supportive programs, thereby creating a more comprehensive and sustainable approach to neighborhood and community improvement. Neighborhood leaders – residents, business persons, institutional representatives such as local school officials, religious leaders, health care institution representatives, and elected officials – are the community stewards of the Community Plans and their implementation.

Of course the work of RHCDA would not be possible without the tremendous support of our funders, the dedication and commitment of the individual members of our Board of Directors and a great staff. We are proud of our accomplishments and hope you will agree that we make an important contribution to the health of neighborhoods where we work and to the region as a whole.

RHCDA INNOVATION: GREATER ST. LOUIS LAND DEVELOPMENT FUND CREATED TO HELP REDEVELOP OLDER INDUSTRIAL SITES

In an exciting new development, and with thanks to two great partners, Bank of America and Commerce Bank, RHCDA has formed the Greater St. Louis Land Development Fund, Inc. ("LDF") as a for-profit corporation, wholly owned by the Technical Assistance Corporation, an RHCDA affiliate. The new corporation was formed to serve as a community bank pursuant to Section 135.400 of the Revised Statutes of Missouri in order to make loans and equity investments for the redevelopment of commercial/industrial sites, provided that there are associated public benefits. The loans and investments are targeted to the Regional Empowerment Zone, in areas of the City of Wellston and in the North Riverfront industrial corridor in the City of St. Louis. Loans and investments in the target areas will assist commercial and industrial projects that are designed to redevelop obsolete or contaminated sites that will create permanent primary employment opportunities. The lending activities of the LDF are managed under an agreement with RHCDA.

The initial \$6 million in capital for the Fund was provided by Bank of America. Commerce Bank purchased \$3 million in Missouri Community Banks Tax Credits, the proceeds of which are pledged to the Fund. The LDF will provide below-market rate loans to the City of St. Louis for the North Riverfront Business Corridor Initiative and to St. Louis County for the Wellston Industrial Park Project.

North Riverfront Business Corridor Initiative

For more than 100 years, the North Riverfront has been a key business corridor for the City of St. Louis. At one time the area was home to nearly 1,000 companies. Since the 1950's, suburbanization and industrial shifts have taken their toll on the Corridor. Lack of contiguous expansion space is a major challenge, despite an excess of vacant land. The Corridor, however, still retains key strengths, such as its proximity to highway, rail and river transport, and access to a regional workforce.

The City of St. Louis has completed a master plan process that envisions the creation of up to 5 million square feet of new privately-developed industrial space (a \$200 million investment) and 1,600 new jobs in the area, through the phased development of three business campuses. The campuses will help retain jobs by providing expansion sites for companies in the Corridor. They will also provide relocation sites for companies displaced by the proposed New Mississippi River Bridge, and sites for new companies to locate in the Corridor. The business campuses will be open to a range of companies, though companies in the food industry and transportation/logistics businesses seem to hold the most promise for expansion. Campuses will include amenities to make them competitive with suburban business parks, including secure access, landscaping and lighting. With the assistance of a \$4.9 million loan from the LDF, the City will spearhead site assembly and infrastructure improvements, then solicit private developers to create space for end users.

Wellston Industrial Park

In cooperation with the City of Wellston, the St. Louis County Economic Council (SLCEC) is overseeing development of the Wellston Industrial Park - Phase II, a 24-acre light industrial park that will complete the assemblage of a 40-acre light industrial corridor in Wellston.

Property acquisition was initiated in fall 2003. Development of a remediation action plan for the Abex site is underway and cleanup is expected to begin in spring 2004. Upon completion of these activities, the Greater St. Louis Land Development Fund anticipates making a \$1.1 million loan to St. Louis County to assist with the cost of installation of new infrastructure throughout the area.

RHCDA administers several programs that are aimed at improving neighborhoods and increasing the capacity of neighborhood-based development organizations to successfully address neighborhood redevelopment:

RHCDA PREDEVELOPMENT LOAN FUND INCREASES TO \$2.25 MILLION

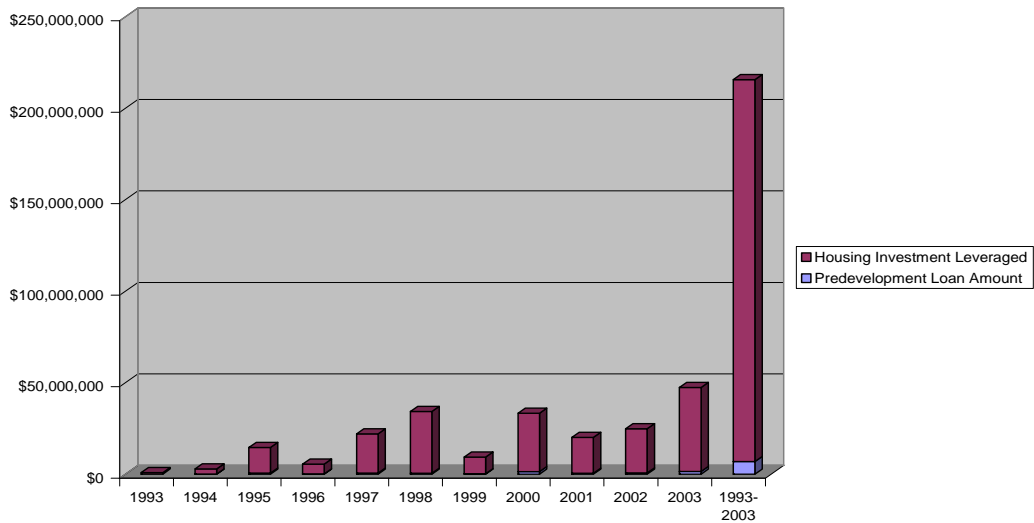
The RHCDA Predevelopment Loan Fund provides a source of funds for neighborhood based not-for-profit organizations to pay costs incurred during the early stages of neighborhood real estate development projects. Most non-profit organizations do not have the financial ability to pay for the fees and costs necessary to advance a development project to the point where construction loan funds become available. Conventional financing from banks is generally not available to these organizations to pay for these predevelopment costs. Neither do these organizations have sufficient built-up equity or reserve funds to initiate the projects they plan to develop.

The purpose of the RHCDA Predevelopment Loan Fund is to enable not-for-profit community-based development organizations to advance their development project from a concept to the point where it is possible to access traditional sources of development financing. RHCDA funds are available at below market interest rates. The Fund is revolving and RHCDA is obligated to repay the majority of the funds to others.

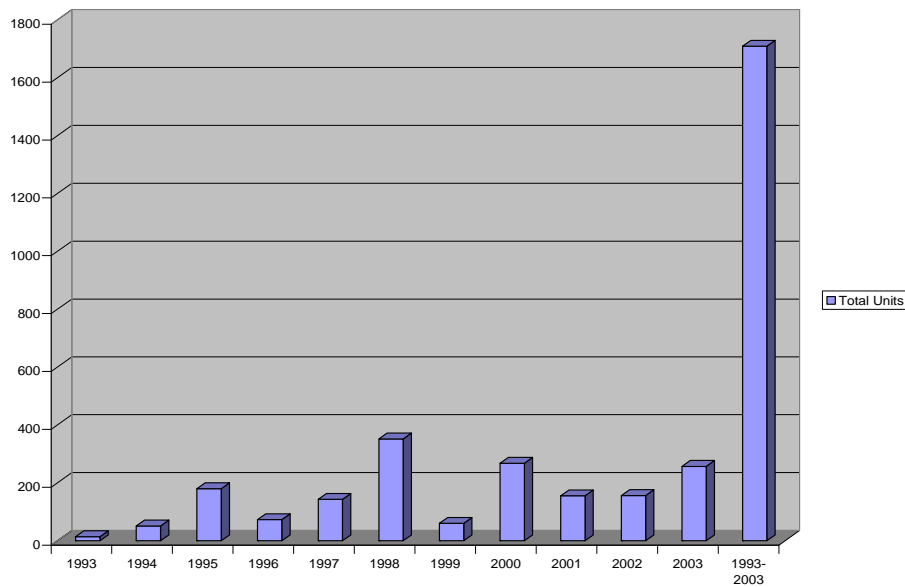
In 2003, RHCDA's Predevelopment Loan Fund was increased to \$2.25 million with the addition of a \$250,000 line of credit from Southwest Bank of St. Louis and a \$500,000 line of credit from Fannie Mae. They join a \$1 million line of credit from State Farm Insurance Companies and a \$500,000 contribution from May Department Stores.

Since our Predevelopment Loan Fund was started in 1993, RHEDA has made \$6.8 million in predevelopment loans to community-based development organizations, leveraging \$209 million in total housing development investments in over 1,700 housing units.

**RHEDA Predevelopment Loan Fund 1993-2003
Housing Development Investments Leveraged**



**RHEDA Predevelopment Loan Fund 1993-2003
Units Developed**



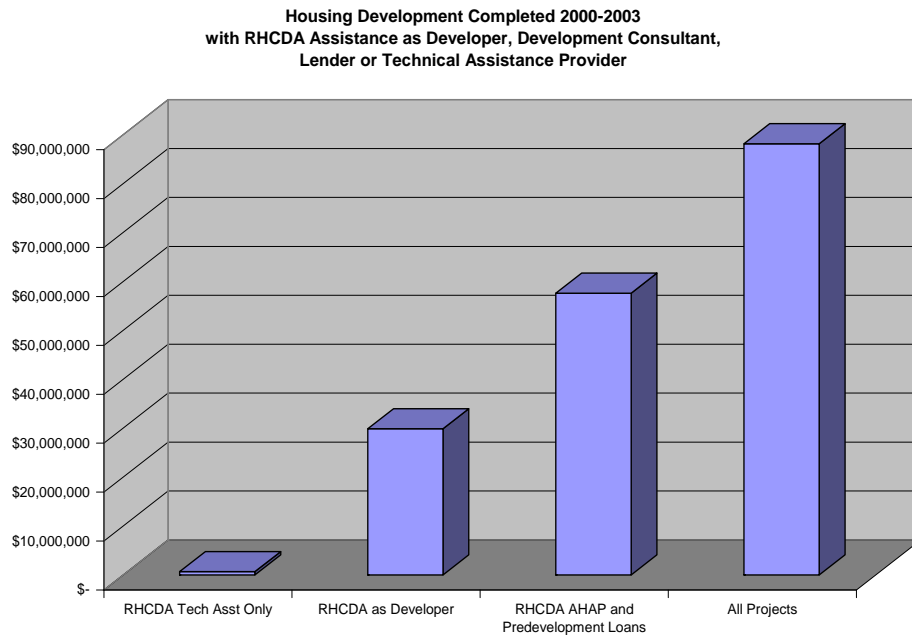
Loans made in 2003 were:

Project	Loan Amount	Estimated Development Cost	Units
1 Highland/North Newstead	196,025	3,920,000	18
2 Lillian Park Town homes	59,450	5,787,000	28
3 Maffitt Garden Homes	97,500	1,829,000	10
4 Old North St. Louis Apartments	75,750	6,900,000	32
5 Park East III Apartments	145,750	7,645,000	41
6 Russell Place	60,000	1,490,000	6
7 Salisbury Park Apartments	135,360	1,219,000	6
8 V.A.L. Project	100,000	1,050,000	7
9 Wells/Clara Estates	49,970	1,481,000	10
10 Wellston Multi-Family	500,000	10,346,000	75
11 West End Scattered Sites	70,000	4,344,000	24
TOTAL	\$1,489,805	\$46,011,000	257

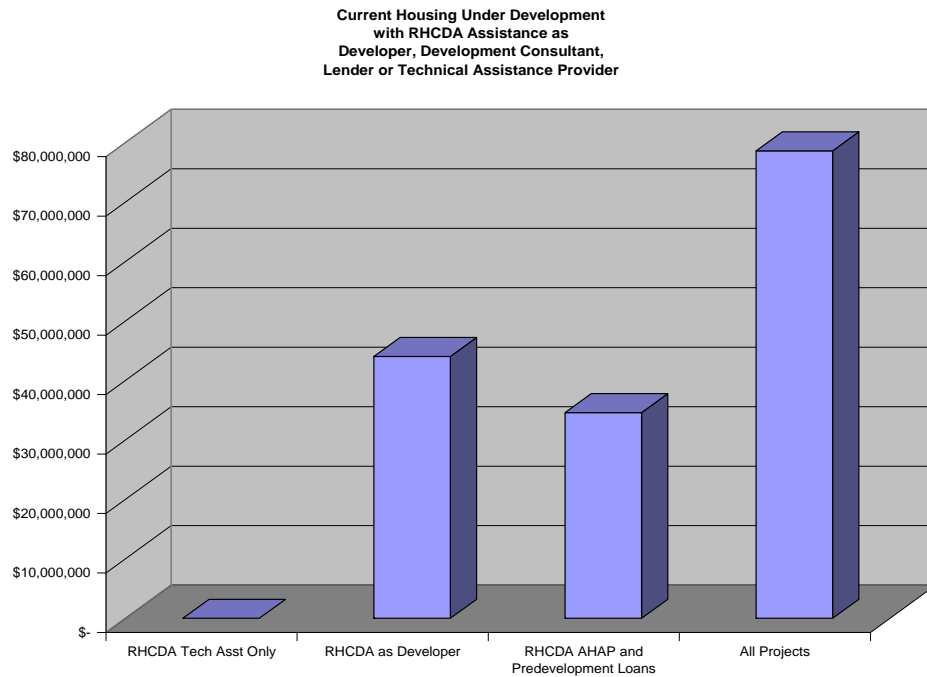
REAL ESTATE DEVELOPMENT

RHCDA, acting through affiliate entities formed for the purpose, may act as the developer or co-developer on projects in partnership with community-based development organizations in the region's neighborhoods as a means of building the capacity of the community-based partner and to catalyze the neighborhood revitalization process. RHCDA also provides real estate development consulting services or, through affiliate entities, may act as the developer for difficult projects of civic importance. We sometimes serve as the applicant for Missouri Affordable Housing Assistance Program Tax Credits and lend the resulting tax credit qualifying contributions to other affordable housing development projects.

From 2000-2003, as a developer, lender and technical assistance provider, RHCDA assisted in the completion of 606 units of housing, representing \$88 million in housing investments. RHCDA was the developer or development consultant for 224 of these housing units (\$30 million).



RHCDA is currently assisting the development of 503 units of housing, representing \$79 million in housing investments, as a developer, development consultant, lender and technical assistance provider. RHCDA is the developer or development consultant for 196 of these housing units, representing \$44 million in housing investments.



HISTORIC REHAB OF PARK EAST APARTMENTS IS COMPLETED!

In one of the most significant revitalization efforts to take place in the Forest Park Southeast neighborhood in many years, RHCDA is partnering with Forest Park Southeast Development Corporation and U.S. Bancorp CDC in the historic rehabilitation of 73 affordable rental units located in 24 buildings in the newly designated Forest Park Southeast Historic district. The 24 buildings are all located in a 3x4 block area, just walking distance from the BJC/Washington University Medical Center campus. Construction began in August 2002 and was completed in November, 2003. The strong demand for this housing has been demonstrated by the brisk lease up. At the end of 2003, the development had achieved an 85% occupancy rate, with full lease-up expected by the end of January 2004

R.G. Ross Construction provided general contracting services, Grice Group provided architectural services, and The Lipton Group is providing property management services. The \$7.25 million project received a predevelopment loan and bridge financing from RHCDA, bridge financing from Washington University Medical Center and construction financing from U.S. Bank N.A. The Missouri Housing Development Commission allocated federal and state housing tax credits to the project. The State Historic Preservation Office and the National Park Service certified the project for historic preservation tax credits. These combined tax credits generated \$5.25 million in equity investment provided by U.S. Bancorp CDC, which also made a \$1.2 million Affordable Housing Assistance Program charitable contribution to the project.

The Forest Park Southeast neighborhood is a Sustainable Neighborhoods Initiative community that has seen many recent revitalization investments, including the neighborhood’s principal anchor, BJC Health Systems Hospital Complex, McCormack House II, an 89-unit affordable senior apartment community at Manchester and Kingshighway, completed by McCormack Baron Associates in 2002 and creating an attractive new entrance to the neighborhood; and the

opening of the beautiful new Adams Community Center, directly behind Adams School, which recently underwent a spectacular renovation and re-opening after being dormant for years.

In a companion to the Park East Apartments project, RHCDA is also partnering with the neighborhood housing corporation to develop Park East Homes, the historic rehab of 11 more buildings to be re-sold as market rate single-family homes. Construction on Park East Homes was begun in early December 2003 with completion scheduled for late 2004. The base price of the eleven fully renovated Park East Homes will range from \$149,900 to \$169,900, with a broad array of custom upgrades and finishes available. Park East Homes will bolster the for-sale market in the neighborhood, further stabilize the area, and add to the supply of high-quality homes for sale in the Forest Park Southeast Neighborhood.

Also planned is another phase of Park East Apartments, to consist of approximately 30 mixed-income historic rehab units. RHCDA is co-developing with FPSE Development Corp and providing predevelopment financing. Site control has been obtained and we are working on project financing.

NEW HOME CONSTRUCTION GATHERS STEAM IN THE WEST END NEIGHBORHOOD

The West End Estates development, consisting of market rate 3- and 4-bedroom homes ranging from 1400 sq. ft. to 2600 sq. ft., priced at \$173,000 to \$233,000, gathered steam in 2003 with the development of fourteen homes. All fourteen homes, located on the 5800 block of Enright, including two display units, were completed and sold in 2003. A new display unit began construction in the 5700 block of Enright in December of 2003.

The development is bordered by Cabanne Avenue to the north, Enright to the south, Clara to the east, and Hamilton to the west. The new home sites are located in the 5700 and 5800 blocks of Enright, Clements, Cates and Cabanne. These homes are being developed by a partnership between Banc of America CDC and West End Community Conference. C.F. Vatterott is the general contractor and Mary "One" Johnson is the sales agent. Bank of America is providing project equity and construction financing. RHCDA is the construction management agent.

The goals of this community partnership are to redevelop this part of the West End neighborhood with over fifty new homes, provide a stimulus for additional market rate housing in North St. Louis and expand the capacity of the community-based development organization partner.

NEW TOWN HOME DEVELOPMENT IN DEBALIVERE NEIGHBORHOOD

RHCDA is partnering with West End Community Conference and Town and Country Homes to develop a new market-rate 42-unit town home project on a large site in the 5300 block of Delmar (between Union and DeBaliviere). The site is several blocks east of the "East Loop," where other exciting recent developments have been completed, such as the Pageant Theater and the new Regional Arts Commission headquarters.

RHCDA is providing assistance in the site development for the project. Plans call for a private street and all of the necessary utilities to be constructed with building sites then transferred to the home builder, Town and Country Homes. Partnering with West End Community Conference, RHCDA acquired the site in 2003. Site preparation work began shortly thereafter. The first four-unit town home site has been transferred to the builder and is under construction. Site development for the whole project is scheduled for completion by late summer 2004.

Funding assistance for the site development costs is being provided by the City of St. Louis Community Development Administration. Construction financing is being provided by Bank of America. Total site and building development will exceed \$8 million.

WELLSTON REVITALIZATION CONTINUES

In Wellston, RHCDCA is continuing its partnership with WCSA to develop new homes. In 2003, site assembly began for the new 34-unit/\$6 million single-family affordable homeownership "Wellston Heights" project, which should break ground in 2004. C.F. Vatterott Construction will be the builder. With affordability assistance to be provided by St. Louis County to income-eligible buyers, the three- and four-bedroom homes will have effective sale prices between \$93,500 and \$111,000.

RHCDCA and WCSA also began predevelopment planning for a third phase of WCSA Homes, an affordable single-family lease-purchase initiative (RHCDCA and WCSA have already developed 66 of these single-family lease-purchase homes in Wellston). Total project costs for these 12-units, which are expected to break ground in 2004, are estimated at \$2.5 million, with construction/bridge financing coming through Bank of America. The newly constructed single-family homes will provide much needed housing on vacant residential lots and building sites.

Longer range, RHCDCA is working with Banc of America CDC and WCSA on a town house apartment project on a 6.8 acre tract in the west end of the City of Wellston. The site was acquired in 2003 and planning is underway on project design.

Wellston is a Sustainable Neighborhoods Initiative community and has seen major investments by the State of Missouri and St. Louis County in industrial development and job training programs at the MET Center. Our new Greater St. Louis Land Development Fund will be providing financing for Wellston Industrial Park – Phase II, a 24-acre light industrial park that will complete the assemblage of a 40-acre light industrial corridor in Wellston.

PHYLLIS WHEATLEY APARTMENTS COMPLETED

The end of 2003 saw the completion of construction at the Phyllis Wheatley Apartments. The building, formerly the home of the YWCA Phyllis Wheatley Branch, was converted into 33 units of affordable housing. RHCDCA, working as development consultant to the YWCA, structured the development, finalized financing and investment and has overseen construction. The \$6.5 million project utilizes federal and state historic tax credits and affordable housing tax credits. The Lawrence Group was project architect and R.G. Ross Construction was the general contractor. US Bank provided the construction/bridge financing and U.S. Bancorp Community Development Corporation is the equity investor.

MAJOR REVITALIZATION UNDERWAY IN HISTORIC OLD NORTH ST. LOUIS NEIGHBOOD

RHCDCA has teamed up with the Old North St. Louis Restoration Group (ONSLRG) to form Old North St. Louis Homes, Inc. This development joint venture was formed to revitalize the southern half of the Old North St. Louis neighborhood. The neighborhood, located just north of downtown St. Louis—one of St. Louis' oldest neighborhoods—has seen decades of disinvestment and indiscriminate building demolition. The project redevelopment area is now characterized by large tracts of vacant ground punctuated by a few remaining historic structures. RHCDCA, along with ONSLRG, has developed plans to re-capture the former vibrancy and spirit of the community by developing over 100 new, historically sensitive and renovated market rate homes in 3 phases. The \$9.6 million first phase includes complementary public improvements and an affordable housing component. The development is highly leveraged with generous support

from the Danforth Foundation, the City of St. Louis, the Greater St. Louis Regional Empowerment Zone, Construction Financing through Bank of America, and equity from the sale of Historic Tax Credits. The development area is roughly bounded by Hadley Street on the east, North Florissant Avenue on the west, Monroe Street on the south and Benton Street on the north. The entire project, approximately 30 acres, lies within the Old North St. Louis National Register Historic District. Also planned is the complementary development of Old North St. Louis Apartments – a 32-unit mixed-income historic rehab project. RHCDA is co-developing with Old North St. Louis Restoration Group and providing predevelopment financing. Site control has been obtained and we are working on project financing.

The main boulevard through the neighborhood, North Market Street, has been selected for Phase I of the project, where the development of 41 single-family homes (4 rehab and 37 new historically sensitive infill) is planned. Market rate homes ranging from 1,350 to 2,100 square feet will be sold at prices ranging from \$140,000 to \$200,000. Phases II and III of the project will provide over 60 more homes, both rehab and new, on Benton and Monroe Streets.

Also planned for the area are pocket parks, the revitalization of Jackson Park, located at the eastern end of North Market Street, and new sidewalks and curbs, alleys, street lighting and landscaping to enhance the curb appeal of the area and the marketability of the new development. Development plans are also underway for the rehabilitation of buildings on the 14th Street mall and include artists' work/live spaces and new commercial ventures. A home repair program and homeownership training for issues ranging from financing to home maintenance is available through community grants from the University of Missouri – St. Louis to the Old North St. Louis Restoration Group and Catholic Commission on Housing.

Construction is scheduled to begin in early 2004. When completed, North Market Place will again be a desirable residential neighborhood with the rhythm and feel of a restored historic community. The homes of North Market Place will afford new home convenience with the charm of historic design. North Market Place will truly be "Downtown's New Neighbor."

RHCDA'S COMMUNITY DEVELOPMENT TECHNICAL ASSISTANCE AND REGIONAL NEIGHBORHOOD SUPPORT COLLABORATIVE GRANT PROGRAMS HELP BUILD LOCAL CDC CAPACITY

In 2003, RHCDA continued its capacity-building programs for community-based development organizations through its Regional Neighborhood Support Collaborative and Community Development Technical Assistance Programs. Organizational development and building real estate development related expertise among these community-based groups are the primary objectives for these programs.

Regional Neighborhood Support Collaborative

Strong and competent community revitalization organizations are essential to the continued improvement of our region. The Regional Neighborhood Support Collaborative was established in 1998 to provide operating grants to select community-based development organizations to help develop their capacity to successfully address problems and undertake the revitalization of their neighborhoods in a coordinated and multi-dimensional way. Major funders of the "Collaborative" include the Enterprise Foundation, Fannie Mae Foundation, May Department Stores Company, Bank of America, Commerce Bank and U.S. Bank.

Capacity building objectives include consensus-building skills among the broadest possible resident, business and institutional constituent base; planning skills; real estate development and human development skills; general organizational skills; and administrative and management skills for the internal operation of the organization.

The Collaborative has provided over \$1.5 million in 33 grants to 15 community-based development organizations since it was initiated in 1998. The Collaborative is currently working with community-based organizations in the Emerson Park neighborhood in East St. Louis, O'Fallon/Penrose and Old North St. Louis neighborhoods in the City of St. Louis, and Wellston in St. Louis County.

TECHNICAL ASSISTANCE

RHCDA provides technical assistance to organizations engaged in community development. *In 2003, we provided individualized technical assistance to 16 different St. Louis area community-based development organizations,* with activities ranging from providing real estate acquisition assistance, organizational strategic planning, financial management assistance, and real estate development technical assistance.

Over the past five years, community-based development organizations participating in RHCDA's community development technical assistance program have placed 436 housing units under development, representing \$75 million of housing investment.

SUSTAINABLE NEIGHBORHOODS INITIATIVE

Community development implementation strategies growing out of the Sustainable Neighborhoods planning and continuing assessment process are being actively pursued in several neighborhoods. Development concepts are taking shape in a few others, while in some neighborhoods, challenges to development remain. Along with the development initiatives taking place in Forest Park Southeast, Old North St. Louis and Wellston, the following provides a summary of development projects in other Sustainable Neighborhoods for which RHCDA is providing assistance:

EMERSON PARK

Parsons Place Phase II – 102-unit mixed-income rental new construction project. RHCDA is providing ongoing technical assistance to Emerson Park Development Corporation (EPDC), the development partner to McCormack Baron Salazar. Construction is slated to begin in 2004.

Emerson Park Place – 12-unit affordable single-family new construction homeownership project. RHCDA is providing development consulting services to EPDC. EPDC has site and we are working on project financing.

ESL Housing Authority "Master Developer" Plan – Phase I – 70+ unit mixed-income new rental and homeownership project. RHCDA is providing consulting and technical assistance to EPDC in its potential role in new Housing Authority sponsored public housing replacement program.

JENNINGS

Churches Helping Older Independent Residents (CHOIR) – RHCDA is providing direct technical assistance to increase the organization's capacity to do more and larger senior home improvement projects in Jennings.

St. Louis County Lead Abatement/Home Improvement Program – RHCDA successfully negotiated to target Jennings residents for participation in this program. 1,600 senior and lower-income households in Jennings have received direct mailings encouraging their participation in this free home improvement program.

Troubled Multi-Family Project Strategies – RHCDA is working on initial concepts with the City of Jennings and St. Louis County regarding mitigation strategies for a number of older, poorly-managed large multi-family projects existing in and adjacent to Jennings which have had a

negative impact on the Jennings Sustainable Neighborhood. Currently refining potential acquisition/rehab/finance approaches.

Single Family Rehab Program – RHCDA has worked closely with UMSL to perform a housing conditions study, and analyze the findings. Analysis continues as a first step in defining potential development opportunities.

LEMAY

Lemay Child & Family Center – expansion of facility. RHCDA providing technical assistance and project funding with the allocation of a direct grant from RHCDA-administered HUD Neighborhood Initiative Grant Program. The Center has completed architectural design and engineering work. Fund raising program is now underway to locate required sources of financing to complete project.

Alexian Brothers Senior Housing Development – proposed senior independent living complex. RHCDA assisted in providing market and demographic data to developer, as well as participating in site analysis tasks. Project feasibility is presently being assessed by the development group.

Homeownership Concept Plan – potential new 20/24-unit new homeownership project. RHCDA is working with local neighborhood and civic organizations to assess suitability of a proposed site for a new residential development.

MARK TWAIN/WALNUT PARK EAST/WALNUT PARK WEST

Lillian Park Town Homes – 14-unit new market-rate single-family homeownership project. RHCDA is providing technical assistance to project sponsor, Riverview/West Florissant Housing Corp. to structure project financing. We anticipate financing decisions by spring 2004.

Lillian Park Apartments – 28-unit new affordable rental development. RHCDA is providing development consulting services and predevelopment financing to project sponsor, Riverview/West Florissant Housing Corp. Pre-development work continues in anticipation of the October 2004 MHDC application deadline.

Walnut Park Neighborhood Signage Program – RHCDA is assisting with the real estate development aspects (municipal approvals, permits, construction-related work) of implementing the Neighborhood Signage Program, identified as the Neighborhood Leadership Team's top Immediate Priority.

NORTH CENTRAL CITY CLUSTER (Covenant-Blu, Grand Center, Vandeventer)

Community Center – multi-purpose community and recreational facility. RHCDA is providing project funding with the allocation of a direct grant from RHCDA-administered HUD Neighborhood Initiative Grant Program. RHCDA is working with neighborhood stakeholders on a proposal to temporarily locate the new Community Center in the presently unused Carver School. This approach would provide more concentrated services in the immediate vicinity of the new Blumeyer HOPE VI development, and would facilitate the provision of services and recreational programs while the plans for the construction of a new facility are finalized and effected.

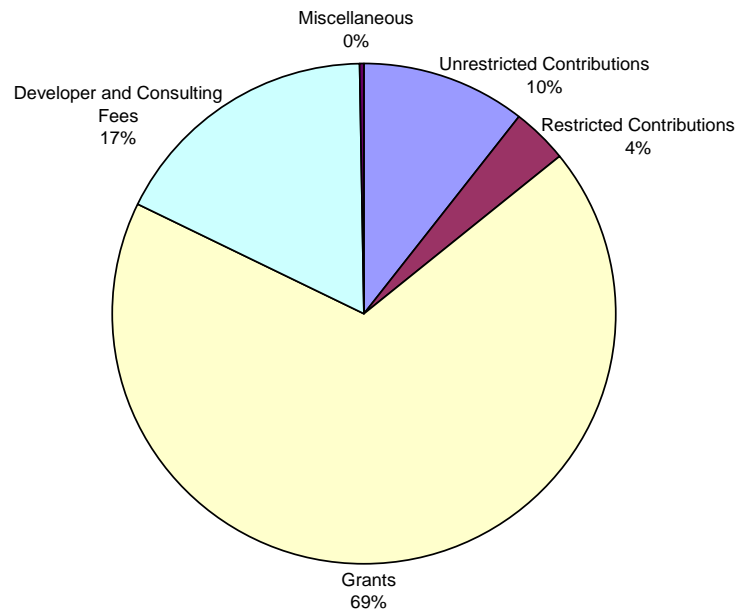
SOUTH CITY CLUSTER (Benton Park West, Fox Park, Gravois Park, McKinley Heights)

Shenandoah Avenue Town Homes – 25-unit market –rate rehab and new infill single-family homeownership project. RHCDA is working with the project sponsor, DeSales Community Housing Corp. regarding project finance, development planning. The first phase has been narrowed to create earlier funding/implementation scenario.

Gravois Park Neighborhood Development Plan -- a guideline for developing actions aimed at "fleshing out" the development initiatives in a targeted area of the South City Cluster. RHCDA organized and led a working coalition of neighborhood interests, city housing staff, elected officials, and leaders of community based organizations. The result of this work is the emergence of a potential mixed housing development on several blocks to the north and south of Cherokee Street*. Conceptualization and pre-development tasks continue.

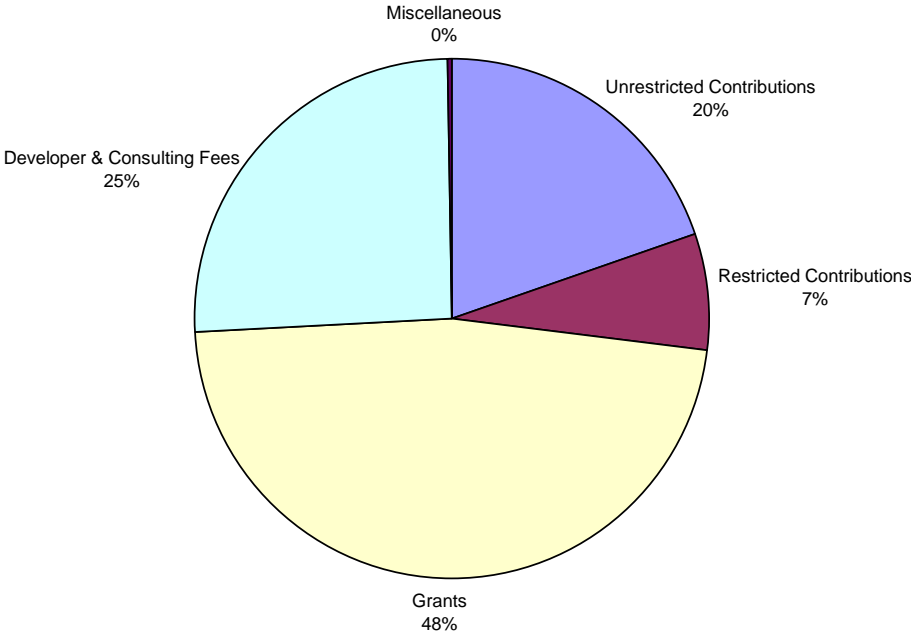
OPERATING REVENUES AND 2003 FINANCIAL STATEMENTS

RHCDA 2003 Revenue for Operations



In 2003, 17% of RHCDA's revenue for operations was generated by our developer and consulting fees, 69% from grants (both private foundation and public sources) and 14% from contributions. The amount of our operating support derived from grants was unusually high in 2003.

RHCDA Operating Revenues 2000-2003



From 2000-2003, RHCDA's operating revenue averaged 25% from developer and consulting fees, 48% from grants and 27% from contributions.

RHCDA'S BOARD OF DIRECTORS

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Westmoreland Associates, L.L.C.

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