

Draft Report

**State of Indiana
Consolidated Plan**

2006 Update

DUNS No. 80-989-6723

Draft Report

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**2006 Indiana Consolidated Plan Update
DUNS No. 80-989-6723**

Prepared for

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Map of Indiana Counties



Frequently Used Acronyms

Acronym	Definition
AHP	Affordable Housing Program – a grant program through the Federal Home Loan Bank
BMIR	Below market interest rate
CAP	Community Action Program agency
CBDO	Community Based Development Organization – as defined by the CDBG regulations in 24 CFR 570.204(c)
CDBG	Community Development Block Grant (24 CFR Part 570)
CHDO	Community housing development organization – a special kind of not-for-profit organization that is certified by the Indiana Housing Finance Authority
CPD Notice	Community Planning and Development Notice – issued by the U.S. Department of Housing and Urban Development to provide further clarification on regulations associated with administering HUD grants
CoC	Continuum of Care – a federal program providing funding for homeless programs
DHPA	Division of Historic Preservation and Archeology, a division of the Department of Natural Resources and serves as the State Historic Preservation Officer for Indiana
DNR	Department of Natural Resources
ESG	Emergency Shelter Grant – operating grants for emergency shelters. Applied for through the Family and Social Services Administration
FEMA	Federal Emergency Management Agency
FHLBI	Federal Home Loan Bank of Indianapolis
First Home	Single family mortgage program through IHFA that combines HOME dollars for down payment assistance with a below market interest rate mortgage
FMR	Fair market rents
FMV	Fair market value
FSP Memo	Federal and State Programs Memo – issued by IHFA to provide clarification or updated information regarding grant programs IHFA administers
FSSA	Family and Social Services Administration
GIM	Grant Implementation Manual – given to all IHFA grantees at the start-up training. It provides guidance on the requirements of administering IHFA grants
HOC/DPA	Homeownership Counseling/Down Payment Assistance
HOME	HOME Investment Partnerships Program (24 CFR Part 92)
HOPWA	Housing Opportunities for Persons With AIDS – grant program awarded by HUD to the State Department of Health and administered by the Indiana Family and Social Services Administration
HUD	U.S. Department of Housing and Urban Development

Frequently Used Acronyms

Acronym	Definition
IACED	Indiana Association for Community Economic Development
ICHHI	Indiana Coalition on Housing and Homeless Issues, Inc.
IDEM	Indiana Department of Environmental Management
IDFA	Indiana Development Finance Authority
IORA	Indiana Office of Rural Affairs
IHFA	Indiana Housing Finance Authority
LIHTF	Low Income Housing Trust Fund
MBE	Minority Business Enterprise – certified by the State Department of Administration
NAHA	National Affordable Housing Act of 1990 – federal legislation that created the HOME Investment Partnerships Program
NC	New construction
NOFA	Notice of Funds Availability
OOR	Owner-occupied rehabilitation
PITI	Principal, interest, taxes, and insurance – the four components that make up a typical mortgage payment
QCT	Qualified census tract
RFP	Request for Proposals
RHTC	Rental Housing Tax Credits (also called Low Income Housing Tax Credits or LIHTC)
S+C	Shelter Plus Care - part of the McKinney grant that is applied for directly to HUD through the SuperNOFA application
SHP	Supportive Housing Program - part of the McKinney grant that is applied for directly to HUD through the SuperNOFA application
SHPO	State Historic Preservation Officer (the Division of Historic Preservation and Archeology serves in this capacity for the State of Indiana)
SIRDP	Southern Indiana Rural Development Project
SRO	Single room occupancy
SuperNOFA	Notice of Funds Availability issued by HUD for a number of grant programs. It is an annual awards competition. Shelter Plus Care and Supportive Housing Program and the Continuum of Care are some of the programs applied for through this application process.
TBRA	Tenant-Based Rental Assistance
TPC	Total project costs
URA	Uniform Relocation Act
WBE	Women Business Enterprise – certified by the State Department of Administration

Frequently Used Acronyms

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Purpose of the Consolidated Plan

Beginning in FY 1995, the U.S. Department of Housing and Urban Development (HUD) required states and local communities to prepare a Consolidated Plan in order to receive federal housing and community development funding. The Plan consolidates into a single document the previously separate planning and application requirements for Community Development Block Grants (CDBG), Emergency Shelter Grants (ESG), the HOME Investment Partnerships Program (HOME) and Housing Opportunities for People with AIDS (HOPWA) funding, and the Comprehensive Housing and Affordability Strategy (CHAS). Consolidated Plans are required to be prepared every three to five years; updates to the Plan are required annually.

The Purpose of the Consolidated Plan is:

1. To identify a state's housing and community development needs, priorities, goals and strategies; and
2. To stipulate how funds will be allocated to state housing and community development nonprofit organizations and local governments.

Preparation of a five year Consolidated Plan and an annual update is required by states and entitlement cities in order to receive federal funding for the following programs: the Community Development Block Grant (CDBG), the HOME Investment Partnerships Program, the Emergency Shelter Grant (ESG) and Housing Opportunities for People with AIDS (HOPWA).

This report presents the results of the FY2006 Consolidated Planning effort. The 2006 Consolidated Plan Update provides new information and trends related to the State of Indiana's current and future housing and community development needs. The report contains data gathered through regional forums, key person interviews and secondary sources. The report also contains new funding levels, program dollar allocations and the FY2006 One Year Action Plan.

Compliance with Consolidated Plan Regulations

The State of Indiana's Five-Year Consolidated Plan was prepared in accordance with Sections 91.300 through 91.330 of the U.S. Department of Housing and Urban Development's Consolidated Plan regulations. Appendix H, the "HUD Regulations Cross-Walk" contains a checklist detailing how the Plan meets these requirements.

Organization of the Report

The State's FY2006 Consolidated Plan is organized into seven sections and eight appendices.

- Section I is an introduction to the report.
- Section II discusses the demographic and economic trends in Indiana to set the context for the housing and community development needs and strategies discussed in later sections.
- Section III reports the findings from the citizen participation process conducted for the Plan Update.
- Section IV reports updated information about the State's housing market and needs, including housing vacancies, unit characteristics, affordability, cost burden and the needs of public housing authorities in nonentitlement areas;
- Section V discusses the housing and community development needs of the State's special needs populations. The section gives updated estimates of these populations, reports new programs and initiatives to serve them, and identifies remaining gaps.
- Section VI contains the State's Analysis of Impediments to Fair Housing Choice.
- Section VII contains the State's Five-Year program strategies, the One-Year Action Plan for program year 2006, and the required HUD tables.

The Appendices include:

- A. Consolidated Plan Certifications
- B. Citizen Participation Plan
- C. List of Key Participants
- D. Survey Instruments
- E. County Housing Market Data
- F. 2006 Allocation Plans
- G. Public Comments
- H. HUD Regulations Cross-Walk

Lead and Participating Agencies

Indiana's FY2006 Consolidated Plan Update was a collaborative effort. The Indiana Office of Community and Rural Affairs (OCRA) and the Indiana Housing and Community Development Authority (IHCDA) were responsible for overseeing the coordination and development of the Plan.

The Consolidated Plan Coordinating Committee included representatives from the organizations listed above as well as individuals from the Indiana Family and Social Services Administration (FSSA), Indiana Coalition on Housing and Homeless Issues (ICHHI), the Indiana Association for Community and Economic Development (IACED), the Indiana Civil Rights Commission (ICRC), Rural Opportunities Inc. (ROI), the Economic Development District & Regional Planning Commission, the Indiana Association of Cities and Towns, The Indiana Institute on Disability and Community, and the U.S. Department of Housing and Urban Development (HUD). A list of Committee members and their respective organizations can be found in Appendix C.

The State of Indiana retained BBC Research & Consulting, Inc. (BBC), an economic research and consulting firm specializing in housing research, to assist in the preparation of the FY2006 Consolidated Plan Update.

Citizen Participation Process

The Consolidated Plan Update was developed with a strong emphasis on community input. It also incorporated the several survey efforts that were completed as part of the 2005 Five-Year Consolidated Plan. Citizens participated in the development of the Consolidated Plan Update through:

- A targeted survey of low-income citizens, citizens receiving public housing assistance and citizens with special needs that was distributed by the Consolidated Plan Coordinating Committee and housing and community development stakeholders;
- A key person/organization survey sent to approximately 1,800 stakeholders in the State's nonentitlement areas;
- Key person interviews of stakeholders;
- A 30 day public comment period; and
- Two public hearings about the Plan and fund allocations.

Consultation with Governmental and Nonprofit Organizations

The Consolidated Plan Committee made a significant effort to involve governmental agencies and nonprofit organizations at all levels in the planning process. A comprehensive key person survey was sent to more than 1,800 stakeholders statewide. Key person interviews were also conducted of stakeholders. Among the organizations with which the Committee exchanged information were State and local policymakers, service providers to the State's special needs populations, administrators of public housing authorities, as well as city planners and housing development specialists. The materials that these organizations shared with us are sourced throughout the report.

Key Findings from the Consolidated Plan Research

The FY2006 Consolidated Plan Update placed an emphasis on research collected through citizen and stakeholder surveys and key person interviews. Key findings from the research included:

Trends in Housing and Community Development. A review and analysis of 2000 and 2004 Census data, other economic data, reports and information collected in key person surveys showed that the State has experienced a slowdown in population and job growth. An analysis of housing affordability indicators from the Census showed that the State's low-income households are the most likely to be cost constrained in affording both rental and single family housing.

Population growth. New data released from the U.S. Census Bureau showed that the State is growing more slowly than it did over the last decade. The U.S. Census Bureau estimates the State's 2005 population at 6,271,973, up from 6,080,485 in 2000 and 6,226,537 in 2004. From 2000 to 2005, the State's population increased by 3.1 percent, which was similar to the growth rates of surrounding states. Kentucky grew at the highest rate of 3.1 percent and Ohio grew at the lowest rate of 0.9 percent.

The following exhibit identifies county growth patterns between 2004 and 2005. Counties growing at rates higher than the State overall between 2004 and 2005 are, for the most part, clustered around the State's largest metropolitan areas, while counties with declining population are mostly east and due north of the Indianapolis MSA.

**Exhibit ES-1.
Population Change
of Indiana Counties,
2004 to 2005**

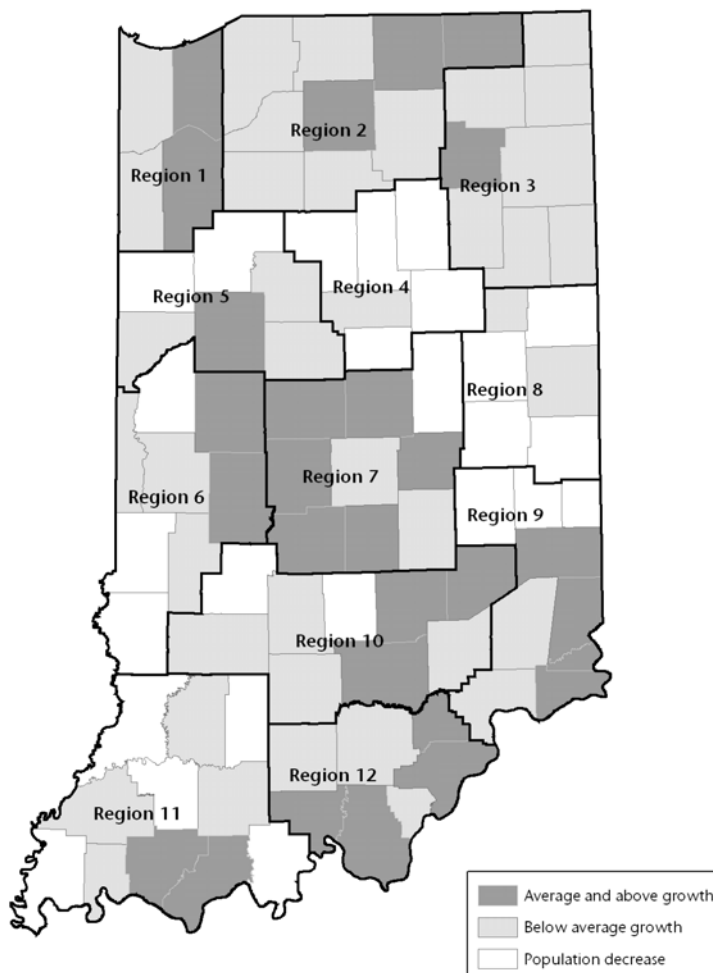
Note:

Indiana's population change was 0.73 percent from 2004 to 2005.

The Commerce regions used throughout this section were based on planning regions that existed at the time of the development of this section.

Source:

U.S. Census Population Estimates, 2004 and 2005 and BBC Research & Consulting.



Age. According to the Census' American Community Survey (ACS) the State's median age is estimated to be 35.7 in 2004, same in 2003¹. In 2004, almost 60 percent of the State's population was between the ages of 20 and 64 years. Overall, 11.8 percent of Indiana's population was age 65 years and over in 2004. Sixty-nine of the 92 counties in Indiana had a higher percent of their populations age 65 years and over than the State average, as is shown in the following exhibit where it is shaded.

**Exhibit ES-2.
Percent of County
Population 65 Years
and Over, 2004**

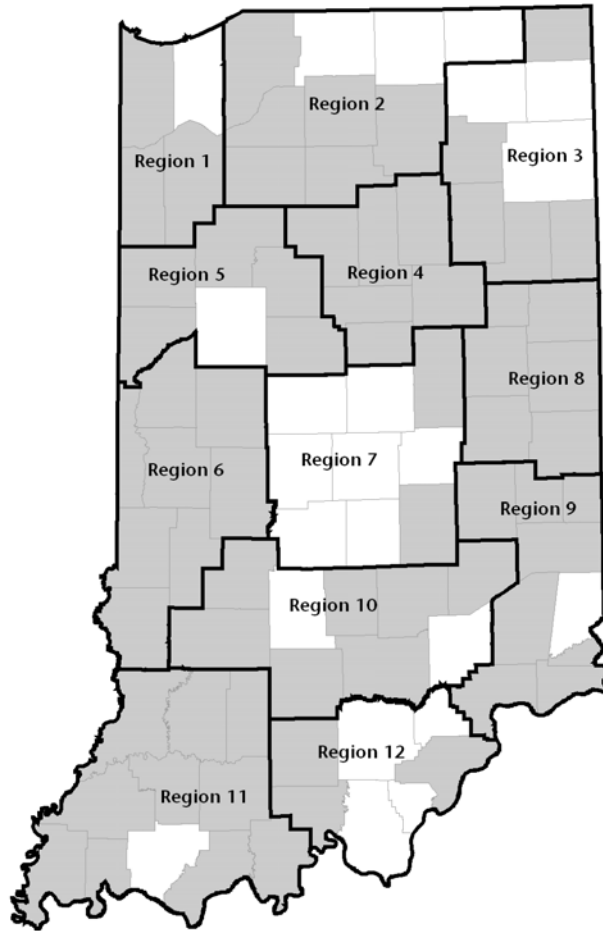
Note:

In 2004, 12.38 percent of the State's population was 65 years and over.

The shaded counties have a higher percentage of their population that is 65 years and over than the State overall.

Source:

Population Division, U.S. Census Bureau.



Racial/ethnic diversity. The Population Division of the U.S. Census provided a comparison of racial and ethnic population of Indiana for 2003 and 2004. As shown in the following exhibit the White population grew at the slowest rate of all races/ethnicities, increasing less than 0.5 percent from 2003 to 2004.

¹ The American Community Survey universe is limited to the household population and excludes the population living in institutions, college dormitories and other group quarters.

Exhibit ES-3.
Change in Race and Ethnic Composition for Indiana, 2003 and 2004

	2003	2004	Percent Change
Total Population	6,195,643	6,237,569	0.7%
American Indian and Alaska Native Alone	17,418	17,532	0.7%
Asian Alone	73,704	73,013	-0.9%
Black or African American Alone	529,738	548,269	3.5%
Native Hawaiian and Other Pacific Islander Alone	2,730	2,833	3.8%
White Alone	5,507,887	5,529,707	0.4%
Two or More Races	64,166	66,215	3.2%
Hispanic or Latino (of any race)	242,518	269,267	11.0%

Source: Population Division, U.S. Census Bureau.

Exhibit ES-4 shows the counties whose African American population—the second largest racial category in Indiana for 2004—is higher than the Statewide percentage of 8.79 percent. It should be noted that these data do not include racial classifications of Two or More Races, which include individuals who classify themselves as African American along with some other race.

Exhibit ES-4.
Counties With a Higher Rate of African Americans Than the State Overall, 2004

	African American Population	Percent of Population
Indiana	548,269	8.8%
Allen County	40,061	11.7%
Lake County	127,962	26.1%
LaPorte County	11,234	10.2%
Marion County	221,189	25.6%
St. Joseph County	31,884	12.0%

Source:
 Population Division, U.S. Census Bureau.

As shown above, the State’s African American population is highly concentrated in the State’s urban counties. These counties contain 79 percent of the African Americans in the State.

Exhibit ES-5, below, shows the percentage of county population that was Hispanic/Latino in 2004 for the 12 counties that have a Hispanic/Latino population above the State average of 4.3 percent. These counties are mainly located in the northern portion of the State.

**Exhibit ES-5.
Counties with a Higher
Rate of Hispanic/Latino
Persons than the State
Overall, 2004**

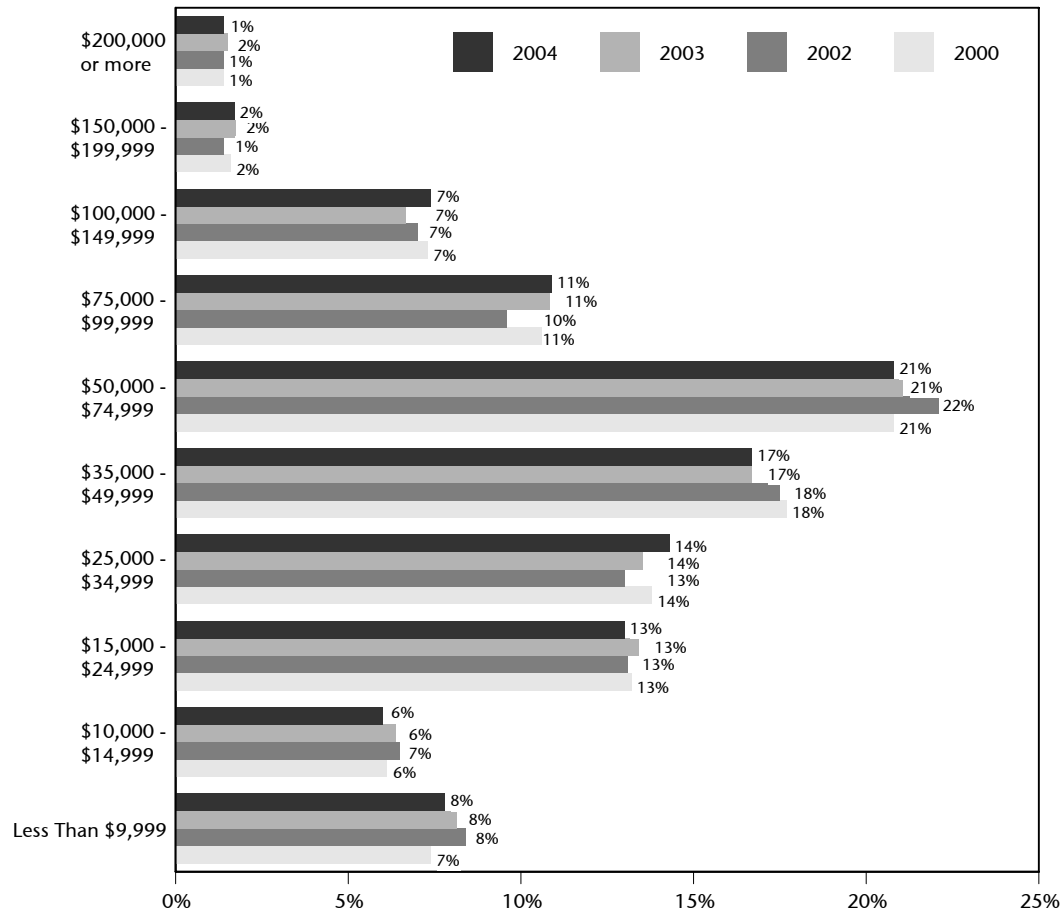
Source:
Population Division, U.S. Census Bureau.

	Hispanic/Latino Population (can be of any race)	Percent of Population
Indiana	269,267	4.3%
Allen County	17,392	5.1%
Cass County	3,801	9.4%
Clinton County	3,632	10.6%
Elkhart County	22,726	11.9%
Kosciusko County	4,461	5.9%
Lake County	66,017	13.4%
Marion County	47,535	5.5%
Mashall County	3,583	7.7%
Noble County	4,201	8.9%
Porter County	8,854	5.7%
St. Joseph County	14,729	5.5%
Tippecanoe County	9,446	6.2%
White County	1,687	6.8%

Income growth. According to the U.S. Census, the median household income for the State in 2000 was \$41,567. This represents an 11 percent increase from the 1990 Census median household income after adjusting for inflation. The ACS reported a median household income of \$42,195 in 2004, compared to \$42,067 in 2003—a less than one percent (.30) increase.

Exhibit ES-6 shows the distribution of income in the State in 2000, 2002, 2003 and 2004 in inflation adjusted dollars. Incomes ranging between \$35,000 and \$149,000 had the most fluctuation across these years. There was also an almost one percentage point increase, from 7.4 percent in 2000 to 8.2 percent in 2003, in the proportion of the State’s households earning \$9,999 and less, but it dropped back down to 7.8 percent in 2004.

Exhibit ES-6.
Percent of Households by Income Bracket, State of Indiana, 2000, 2002, 2003 and 2004



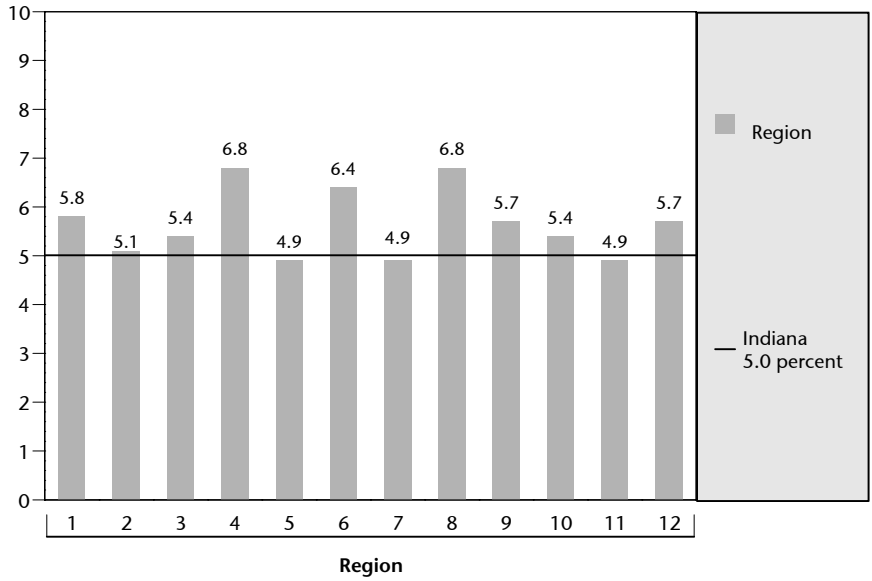
Note: Data are adjusted for inflation.

Source: 2000 Census and 2002, 2003 and 2004 American Community Survey, U.S. Census Bureau.

Employment conditions. As of 2005, the average unemployment rate in Indiana was 5.4 percent. This compares to 5.3 percent in 2004 and 2003 and 5.2 percent in 2002. Unemployment rates are stabilizing, after having risen significantly in 2001.

Six of the 12 Commerce Regions had unemployment rates higher than the State's 2005 average annual unemployment rate of 5.4 percent. Commerce Regions 8 and 4 had the highest unemployment rates of 6.8 percent each and Regions 5, 7 and 11 had the lowest rate of 4.9 percent each. Exhibit ES-7 shows the unemployment rates for the 12 Commerce Regions for 2005.

Exhibit ES-7.
Average Unemployment Rate for Indiana and Commerce Regions, 2005



Source: Indiana Department of Workforce Development, Bureau of Labor Statistics and Indiana Business Research Center, IU Kelley School of Business.

Housing affordability. The ACS estimated the median value of an owner occupied home in the State as \$110,020 in 2004. This compares with the U.S. median of \$151,366 and is the second lowest median compared to surrounding States, as shown in Exhibit ES-8.

**Exhibit ES-8.
Regional Median Owner
Occupied Home Values,
2004**

Note:

The home values are in 2003 inflation-adjusted dollars for specified owner occupied units.

Source:

U.S. Census of the Bureau, American Community Survey, 2004.



Indiana's median gross rent (including contract rent) plus utilities and fuels, was \$589 per month in 2004.

Although housing values in Indiana are still affordable relative to national standards, many Indiana households have difficulty paying for housing. Housing affordability is typically evaluated by assessing the share of household income spent on housing costs, with 30 percent of household income being the affordability threshold.

The ACS reported that in 2004, 20 percent of all homeowners (about 348,000 households) in the State were paying more than 30 percent of their household income for housing, and 38 percent of Indiana renters – or 257,000 – paid more than 30 percent of household income for gross rent.

The State's low-income households are more likely to be cost burdened, as shown in Exhibits ES-9 and ES-10 on the following page

**Exhibit ES-9.
Cost Burden by Income, Owner Households with a Mortgage, 2002**

Percent of Median Household Income	Income Cut-Off	Cost Burdened Owner Households	Percent of Households Cost Burdened	Owners with a Mortgage
Less than or equal to 30%	\$12,390	35,449	92%	38,730
31% to 50%	\$20,650	54,397	88%	62,113
51% to 80%	\$33,040	68,740	51%	135,225
81% to 100%	\$41,300	39,005	33%	119,408
Greater than 100%	\$41,300 +	<u>63,135</u>	8%	<u>795,822</u>
Total Owner Households		260,726	23%	1,151,298

Note: Owner households who pay no mortgage were not included in calculation.

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

**Exhibit ES-10.
Cost Burden by Income of Householder Who Pay Cash Rent, Renters, 2002**

Percent of Median Household Income	Income Cut-Off	Cost Burdened Renter Households	Percent of Households Cost Burdened	Renters Paying Cash Rent
less than or equal to 30%	\$12,390	118,260	78%	152,442
31% to 50%	\$20,650	82,447	77%	106,856
51% to 80%	\$33,040	38,667	29%	135,632
81% to 100%	\$41,300	4,297	7%	63,029
greater than 100%	\$41,300 +	<u>972</u>	1%	<u>154,821</u>
Total Renter Households		244,643	40%	612,780

Note: Renter households paying "no cash rent" were not included in calculation. The possible difference between the ACS Summary Table numbers of cost burdened renter's households (238,114) versus the PUMS cost burdened renters (219,709) may be due to different sampling methodology used for the Summary Tables.

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

Housing and Community Development Needs. The following matrix summarizes the findings from an extensive public outreach effort conducted by the State of Indiana for the Five-Year Consolidated Plan and the FY2006 Consolidated Plan. The public outreach consisted of a large key person mail survey, a 2005 citizen survey conducted by telephone and through mail, a 2006 citizen survey distributed through email and mail, as well as key person interviews.

Housing

Most Needed Housing Type In You Community

2005 Citizen Survey (telephone survey)

- Single family homes
- Senior housing/Assisted living
- Accessible housing for disabled/elderly persons

Key Person Survey

- Single family homes
- Homeless shelters
- Accessible housing for disabled/elderly persons

Inventory and quality

2006 Citizen Survey

23 percent are dissatisfied with the quality of their housing

Top reasons not satisfied with their home

- Needs fixing up
- Too small
- Rent/mortgage too expensive

2005 Citizen Survey (telephone survey)

4 percent are dissatisfied with the quality of their housing

Reasons they haven't made the needed repairs/improvements to their homes

- Can't afford them
- Can't find the time
- Have other priorities

Key Person Survey

Single family homes

- 58 percent felt there was not enough affordable single family housing in their community
- 42 percent responded the quality of single family homes was average

Multifamily housing

- 61 percent felt there was not enough affordable rental housing in their community
- 40 percent responded the quality of multifamily homes was in poor or very poor condition

Affordability

2006 Citizen Survey

28 percent are dissatisfied with the affordability of their home

2005 Citizen Survey (telephone survey)

- 3 percent are unable to afford their housing
- 11 percent receive housing assistance from the government

Key Person Survey

Most needed affordable housing types

- Single family housing
- Subsidized housing
- Emergency housing

Housing

Barriers to homeownership

2005 Citizen Survey (telephone survey)

- Do not have enough money for a downpayment
- Cannot qualify for a mortgage
- Cannot afford monthly mortgage payments

Key Person Survey

- Affordability/cost too high
- Lack of stable income/cyclical income
- Having poor credit history

Homelessness

2006 Citizen Survey

22 percent responded they have been homeless at some point in time

Top reasons they were homeless:

- Had no job or income
- Were living with family/friends and were asked to leave
- Drug or alcohol abuse/addiction

2005 Citizen Survey (telephone survey)

3 percent have been homeless at some point in time

Top reasons they were homeless:

- Evicted/foreclosed upon
- Couldn't find a place they could afford
- Got fired from job

Key Person Survey

Top needs for persons experiencing homelessness

- Transitional housing
- Supportive services
- Emergency shelters

Discrimination

2006 Citizen Survey

Experienced housing discrimination

13 percent responded they have experienced housing discrimination

Top reasons discriminated against

Low income, race and having children

What did you do about the discrimination?

Nothing = 39 percent

2005 Citizen Survey (telephone survey)

Experienced housing discrimination

4 percent responded they have experienced housing discrimination

Top reasons discriminated against

Race, having children and having a low income

What did you do about the discrimination?

Nothing = 69 percent

Lead-Based Paint

2006 Citizen Survey

Has your house or apartment been treated for lead contamination?

Yes = 18 percent, No = 27 percent, Don't know = 55 percent

Have you or any member of your family been tested for lead?

Yes = 14 percent, No = 70 percent, Don't know = 15 percent

Community Development

Top Community Development Needs

2006 Citizen Survey

How would you improve your community?

- Help bring jobs to my city/town
- Build more affordable rental housing
- Build more single family housing
- Build more homeless shelters

2005 Citizen Survey (telephone survey)

- Help bring jobs to my city/town
- Build housing for persons who are disabled and/or seniors
- Build more single family affordable housing

Key Person Survey

- Jobs
- Downtown business environment revitalization
- Facilities/shelters for special needs populations

Community services

2006 Citizen Survey

How satisfied are you with the following aspects of your community?

- Availability of jobs = 55 percent dissatisfied
- Public transportation = 43 percent dissatisfied
- Day care services = 23 percent dissatisfied

2005 Citizen Survey (telephone survey)

Barriers to community and economic development

Key Person Survey

- Jobs that pay a livable wage
- Job growth
- Lack of available funds to make improvements

Community perception

2006 Citizen Survey

2005 Citizen Survey (telephone survey)

Key Person Survey

Has the perception of your community gotten better or worse over the last 5 years?

- Better = 42 percent
- Worse = 58 percent

Rural Poll

Rank of community conditions respondents are "very satisfied" with

- Library services
- Education (K-12)
- Parks and Recreation
- Housing

Strategic Plan and Action Items

During FY2006, the State expects to receive more than \$50 million in the HUD block grants, as shown in Exhibit ES-11 to address housing and community development needs.

Exhibit ES-11.

2006 Consolidated Plan Funding, by Program and State Agency

Program	FY 2006 Funding Allocations
CDBG (Indiana Office of Community and Rural Affairs)	\$31,543,515
HOME (Indiana Housing and Community Development Authority)	\$15,482,872
ADDI (Indiana Housing and Community Development Authority)	\$335,426
ESG (Indiana Housing and Community Development Authority)	\$1,892,729
HOPWA (Indiana Housing and Community Development Authority)	\$818,000
Total	\$50,072,542

Source: State of Indiana and HUD, 2006.

Based on the research conducted for the FY2006 Consolidated Plan, the State has developed the following goals and benchmarks for addressing current and future housing and community development needs:

- **Goal 1.** Expand and preserve affordable housing opportunities throughout the housing continuum.
- **Goal 2.** Reduce homelessness and increase housing stability for special needs populations.
- **Goal 3.** Promote livable communities and community revitalization through addressing unmet community development needs.
- **Goal 4.** Promote activities that enhance local economic development efforts.

The goals are not ranked in order of importance, since it is the desire of the State to allow each region and locality to determine and address the most pressing needs it faces.

Exhibit ES-12 below presents the State's proposed program activities for FY2006 funds, in addition to the expected number of households, units, shelters and communities assisted.

Please see the full Consolidated Plan, especially Section VII, Strategies and Actions and Appendix F, Agency Allocation Plans, for more specific information on the implementation of these goals, the related action items, and program description and application information.

**Exhibit ES-12.
Strategies and Action Matrix, 2006 Action Plan**

Goals	Funds	Activities	Funding Goals	Assistance Goals	
1. Expand and preserve affordable housing opportunities throughout the housing continuum.	HOME and ADDI	Transitional Housing - Rehabilitation and New Construction	\$10,100,000	For Housing from Shelters to Homeownership, QAP, HOME OOR = 362 units, For First Home = 700 units	
		Permanent Supportive Housing - Rehabilitation and New Construction			
		Rental Housing - Rehabilitation and New Construction			
		Homebuyer - Rehabilitation and New Construction			
	CDBG	CHDO Operating Support	\$700,000		
		CHDO Predevelopment and Seed Money Loans	\$400,000		
		Downpayment Assistance	\$3,070,011		
		Emergency shelters	\$4,507,568		For all CDBG (Housing) = 184 units
		Youth shelters			
		Transitional housing			
Migrant/seasonal farmworker housing					
Permanent supportive housing					
Rental housing					
2. Reduce homelessness and increase housing stability for special needs populations.	HOME	See special needs housing activities in Goal 1.			
	CDBG	See special needs housing activities in Goal 1.			
	ESG	Operating support	\$1,324,910	92 shelters	
		Homeless prevention	\$113,566	37 shelters	
		Essential services	\$302,836	56 shelters	
		Accessibility Rehab	\$56,781	3 shelters	
					For all activities = 34,250 unduplicated clients served
	HOPWA	Rental assistance	\$396,900	137 households/units	
		Short-term rent, mortgage, utility assistance	\$194,040	420 households/units	
		Supportive services	\$120,206	264 households	
Housing information		\$31,654	32 households		
Project sponsor information		\$61,740			
Acquisition, Rehabilitation and Conversion		\$44,100			
Operating costs		\$8,820	5 units		

Exhibit ES-12. (continued)
Strategies and Action Matrix, 2006 Action Plan

Goals	Funds	Activities	Funding Goals	Assistance Goals
3. Promote livable communities and community revitalization through addressing unmet community development needs.	CDBG, Community Focus Fund	Downtown/neighborhood revitalization	\$650,000	2 projects
		Construction of fire stations	\$1,640,000	4 fire stations
		Fire truck purchases	\$730,000	5 fire trucks
		Historic preservation	\$750,000	2 projects
		Construction/rehabilitation of wastewater collection and treatment systems	\$6,109,130	14 systems
		Construction/rehabilitation of water distribution and treatment systems	\$3,870,000	8 systems
		Construction of stormwater collection systems	\$1,540,000	3 systems
		Community development projects	\$6,540,000	15 facilities/projects
	CDBG	Planning grants	\$1,441,539	34 planning grants
		Foundations	\$100,000	
4. Promote activities that enhance local economic development efforts.	CDBG	Community Economic Development Fund	\$1,794,826	
		See community and economic development activities in Goal 3.		

Source: Indiana Office of Community and Rural Affairs and Indiana Housing and Community Development Authority.

SECTION I.
Introduction

SECTION I.

Introduction

Purpose of the Consolidated Plan

Beginning in FY 1995, the U.S. Department of Housing and Urban Development (HUD) required states and local communities to prepare a Consolidated Plan in order to receive federal housing and community development funding. The Plan consolidates into a single document the previously separate planning and application requirements for Community Development Block Grants (CDBG), Emergency Shelter Grants (ESG), the HOME Investment Partnerships Program (HOME) and Housing Opportunities for People with AIDS (HOPWA) funding and the Comprehensive Housing and Affordability Strategy (CHAS). Consolidated Plans are required to be prepared every three to five years; updates to the Plan are required annually.

The Purpose of the Consolidated Plan is:

1. To identify a state's housing and community development needs, priorities, goals and strategies; and
2. To stipulate how funds will be allocated to state housing and community development nonprofit organizations and local governments.

This report is the 2006 State of Indiana Five-Year Consolidated Plan Update. It is the first annual update to the State of Indiana FY2005 five-year Consolidated Plan. This report contains new information about demographic, economic and housing market trends in the State; an analysis of Statewide affordable housing needs; findings from the citizen participation process; and a current analysis of the needs of special populations. In addition, the State has updated its FY2005 Strategies & Action Plan for FY2006 to reflect the changing housing and community development needs in the State.

Compliance with Consolidated Plan Regulations

The State of Indiana's 2006 Consolidated Plan Update was prepared in accordance with Sections 91.300 through 91.330 of the U.S. Department of Housing and Urban Development's (HUD) Consolidated Plan regulations. Appendix H, the "HUD Regulations Cross-Walk" contains a checklist detailing how the Update meets these requirements.

Organization of the Report

The State's FY2006 Consolidated Plan is organized into seven sections and eight appendices.

- Section I is an introduction to the report.

- Section II discusses the demographic and economic trends in Indiana to set the context for the housing and community development needs and strategies discussed in later sections.
- Section III reports the findings from the citizen participation process conducted for the Plan Update.
- Section IV reports updated information about the State's housing market and needs, including housing vacancies, unit characteristics, affordability, cost burden and the needs of public housing authorities in nonentitlement areas;
- Section V discusses the housing and community development needs of the State's special needs populations. The section gives updated estimates of these populations, reports new programs and initiatives to serve them, and identifies remaining gaps.
- Section VI contains the State's Analysis of Impediments to Fair Housing Choice.
- Section VII contains the State's Five-Year program strategies, the One-Year Action Plan for program year 2006, and the required HUD tables.

The Appendices include:

- A. Consolidated Plan Certifications
- B. Citizen Participation Plan
- C. List of Key Participants
- D. Survey Instruments
- E. County Housing Market Data
- F. 2006 Allocation Plans
- G. Public Comments
- H. HUD Regulations Cross-Walk

Lead and Participating Agencies

Indiana's FY2006 Consolidated Plan Update was a collaborative effort. The Indiana Office of Community and Rural Affairs (OCRA) and the Indiana Housing and Community Development Authority (IHCDA) were responsible for overseeing the coordination and development of the Plan.

The Consolidated Plan Coordinating Committee included representatives from the organizations listed above as well as individuals from the Indiana Family and Social Services Administration (FSSA), Indiana Coalition on Housing and Homeless Issues (ICHHI), the Indiana Association for Community and Economic Development (IACED), the Indiana Civil Rights Commission (ICRC),

Rural Opportunities Inc. (ROI), the Economic Development District & Regional Planning Commission, the Indiana Association of Cities and Towns, The Indiana Institute on Disability and Community, and the U.S. Department of Housing and Urban Development (HUD). A list of Committee members and their respective organizations can be found in Appendix C.

The State of Indiana retained BBC Research & Consulting, Inc. (BBC), an economic research and consulting firm specializing in housing research, to assist in the preparation of the FY2006 Consolidated Plan Update.

Citizen Participation Process

The Consolidated Plan Update was developed with a strong emphasis on community input. It also incorporated the several survey efforts that were completed as part of the 2005 Five-Year Consolidated Plan. Citizens participated in the development of the Consolidated Plan Update through:

- A targeted citizen mail survey of low-income citizens, citizens receiving public housing assistance and citizens with special needs;
- A key person/organization survey sent to more than 1,800 stakeholders in the State's nonentitlement areas;
- Key person interviews of stakeholders;
- Three citizen forums targeted to certain special needs populations;
- A 30 day public comment period; and
- Two public hearings about the Plan and fund allocations.

Consultation with Governmental and Nonprofit Organizations

The Consolidated Plan Committee made a significant effort to involve governmental agencies and nonprofit organizations at all levels in the planning process. A comprehensive key person survey was sent to more than 1,800 stakeholders statewide. Key person interviews were also conducted of stakeholders. Among the organizations with which the Committee exchanged information were State and local policymakers, service providers to the State's special needs populations, administrators of public housing authorities, as well as city planners and housing development specialists. The materials that these organizations shared with us are sourced throughout the report.

Acknowledgments

Each member of the Consolidated Plan Coordinating Committee made valuable contributions to this process and merits special recognition.

SECTION II.
Socioeconomic Analysis

SECTION II.

Socioeconomic Analysis

This section discusses the demographic and economic characteristics of the State of Indiana, including changes in population, household characteristics, income and employment to set the context for the housing and community development analyses in latter sections of the State of Indiana 2006 Consolidated Plan Update. This section incorporates the most recently released socioeconomic data from the U.S. Census Bureau and State data sources.

Population Characteristics

The U.S. Census Bureau estimates the State's 2005 population at 6,271,973, up from 6,080,485 in 2000 and 6,226,537 in 2004. From 2000 to 2005, the State's population increased by 3.1 percent, which was similar to the growth rates of surrounding states. Kentucky grew at the highest rate of 3.1 percent and Ohio grew at the lowest rate of 0.9 percent.

Future growth. The Indiana Business Research Center (IBRC) projects a State population of 6,417,198 in 2010. This equates to an average annual growth of one-half of 1 percent from 2004 to 2010, or about half of the average annual growth rate experienced in the prior decade and about the same growth rate experienced from 2000 to 2004.

Components of growth. According to the Census Bureau, the primary driver of population growth from 2003 to 2004 was natural increase—i.e., births minus deaths—that added 30,731 people to the State during the year. Immigration from foreign countries added 9,062 people to the State and 5,061 residents moved to Indiana from other states.

The Census Bureau also reports the cumulative estimates of population change from 2000 to 2005. Again the primary population growth was natural increase, through which the State added 159,488 people. Immigration from foreign countries added 55,656 people to the State and Indiana lost 17,000 residents to other states. The following exhibit shows the components of the population change for 2001 through 2005.

**Exhibit II-1.
Components of
Population Change in
Indiana, 2001 to 2005**

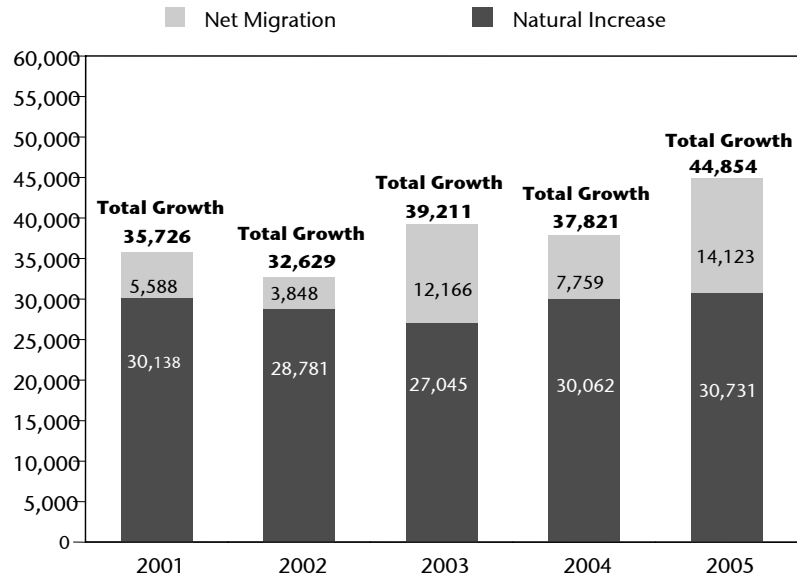
Note:

Population changes for each year are from July 1 to July 1 of the next year. The 2000 population change is not included because it is from April 1 to July 1 of 2000.

Natural increase is births minus deaths.

Source:

U.S. Census Population Estimates.



Growth of nonentitlement areas. The nonentitlement areas of the State made up nearly 60 percent of the population in 2000.¹ According to the Census’ 2004 population estimates, with the addition of Columbus, Michigan City, LaPorte and Hamilton County to the entitlement cities, the nonentitlement areas of the State made up 58 percent of the population in 2004, or approximately 3,600,000 persons.

Exhibit II-2 on the following page shows the population changes of the State’s entitlement and nonentitlement areas between 2003 and 2004. The bolded areas show the largest population increase and decrease for the entitlement counties and cities. Of the entitlement areas, Hamilton County’s population increased at the highest rate at 6 percent. When comparing the cities, West Lafayette’s population decreased the most by 4.11 percent and Goshen’s population increased the most by 2.58 percent.

¹ The term “entitlement areas” refers to cities and counties that, because of their size, are able to receive CDBG funding directly. These areas must complete a Consolidated Plan separately from the State’s to receive funding. The requirements for receiving HOME, Sand HOPWA funds are all slightly different, but are generally based on size and need. For purposes of this report, “nonentitlement” refers to cities and towns that do not file Consolidated Plans individually and are not able to receive funding from the HUD programs directly. The entitlement areas in Indiana include the cities of Anderson, Bloomington, Carmel, Columbus, East Chicago, Elkhart, Fort Wayne, Gary, Goshen, Hammond, Indianapolis, Kokomo, La Porte, Lafayette, Michigan City, Mishawaka, Muncie, New Albany, South Bend, Terre Haute, West Lafayette, Hamilton County and Lake County.

**Exhibit II-2.
2002 to 2004 Population Growth**

	2003		2004		Percent Change 2002 - 2003
	Number	Percent	Number	Percent	
Indiana	6,195,643	100%	6,226,537	100%	0.50%
Non-Entitlement	3,614,818	58%	3,634,715	58%	0.55%
CDBG Entitlement	2,580,825	42%	2,591,822	42%	0.43%
CDBG Entitlement Areas:					
Hamilton County	216,826		229,840		6.00%
Lake County	487,476		490,089		0.54%
East Chicago	31,366		31,237		-0.41%
Gary	99,961		99,516		-0.45%
Hammond	80,547		79,985		-0.70%
Balance of Lake County	275,602		279,351		1.36%
Cities					
Anderson	58,394		57,942		-0.77%
Bloomington	70,642		68,779		-2.64%
Columbus	39,058		39,251		0.49%
Elkhart	51,682		51,878		0.38%
Evansville	117,881		117,156		-0.62%
Ft. Wayne	219,495		219,351		-0.07%
Goshen	29,787		30,555		2.58%
Indianapolis (balance)	783,438		784,242		0.10%
Kokomo	46,154		46,070		-0.18%
LaPorte	21,067		20,982		-0.40%
Lafayette	61,229		59,753		-2.41%
Michigan City	32,335		32,179		-0.48%
Mishawaka	48,396		48,385		-0.02%
Muncie	66,521		67,166		0.97%
New Albany	36,973		36,877		-0.26%
South Bend	105,540		105,494		-0.04%
Terre Haute	58,096		57,224		-1.50%
West Lafayette	29,835		28,609		-4.11%

Note: Columbus, Michigan City, LaPorte and Hamilton County are included in the 2000 and 2002 entitlement area. The cities of Beech Grove, Lawrence, Speedway, Southport and the part of the Town of Cumberland located within Hancock County are not considered part of the Indianapolis entitlement community. Applicants that serve these areas would be eligible for CHDO Works funding. HOME entitlement areas include: Bloomington, East Chicago, Evansville, Fort Wayne, Gary, Hammond, Indianapolis, Lake County, St. Joseph County Consortium, Terre Haute, Tippecanoe County Consortium. The Population Division did not have 2005 estimates available for cities.

Source: 2000 U.S. Census and Population Division, U.S. Census Bureau.

Growth by county. Exhibit II-3 identifies county growth patterns between 2004 and 2005. Counties growing at rates higher than the State overall between 2004 and 2005 are, for the most part, clustered around the State's largest metropolitan areas, while counties with declining population are mostly east and due north of the Indianapolis MSA.

**Exhibit II-3.
Population Change
of Indiana Counties,
2004 to 2005**

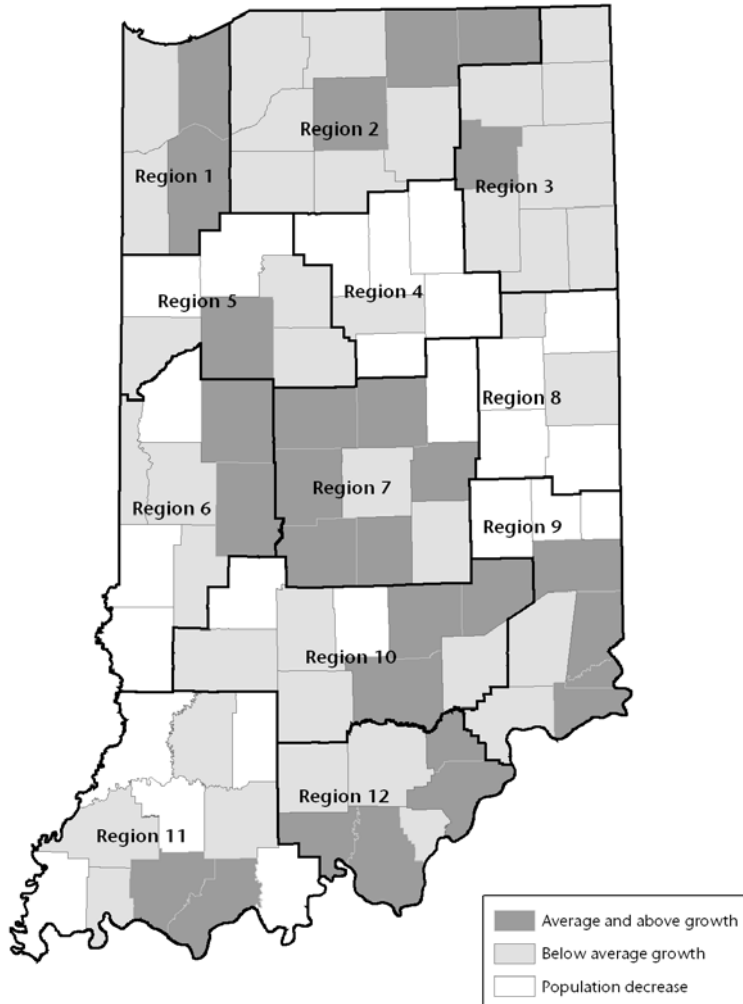
Note:

Indiana's population change was 0.73 percent from 2004 to 2005.

The Commerce regions used throughout this section were based on planning regions that existed at the time of the development of this section.

Source:

U.S. Census Population Estimates, 2004 and 2005 and BBC Research & Consulting.



Population of Commerce Regions. In 2005, Commerce Region 7 (which contains Indianapolis) had the largest population of approximately 1,718,892 compared to all 12 commerce regions in the State. Commerce Regions 1 and 2 (located near the Chicago metropolitan area) were next largest. Commerce Region 9 had the smallest population in 2005, with less than 198,000 persons.

**Exhibit II-4.
Population of Indiana
Commerce Regions,
2005**

Source:
U.S. Census Bureau and Indiana Business
Research Center.

	2005	Percent of State
Indiana	6,271,973	100%
Region 1	697,401	11%
Region 2	789,307	13%
Region 3	599,379	10%
Region 4	281,512	4%
Region 5	250,679	4%
Region 6	278,079	4%
Region 7	1,718,892	27%
Region 8	294,937	5%
Region 9	197,815	3%
Region 10	408,654	7%
Region 11	462,211	7%
Region 12	293,107	5%

Exhibits II-5 and II-6 below show the estimated percent change in population by Commerce Regions from 2004 to 2005. Four commerce regions were above the State growth: Commerce Regions 1 and 7 (which includes the Indianapolis MSA) had the highest population growth. Six of the 12 regions grew at below average rates and two lost population.

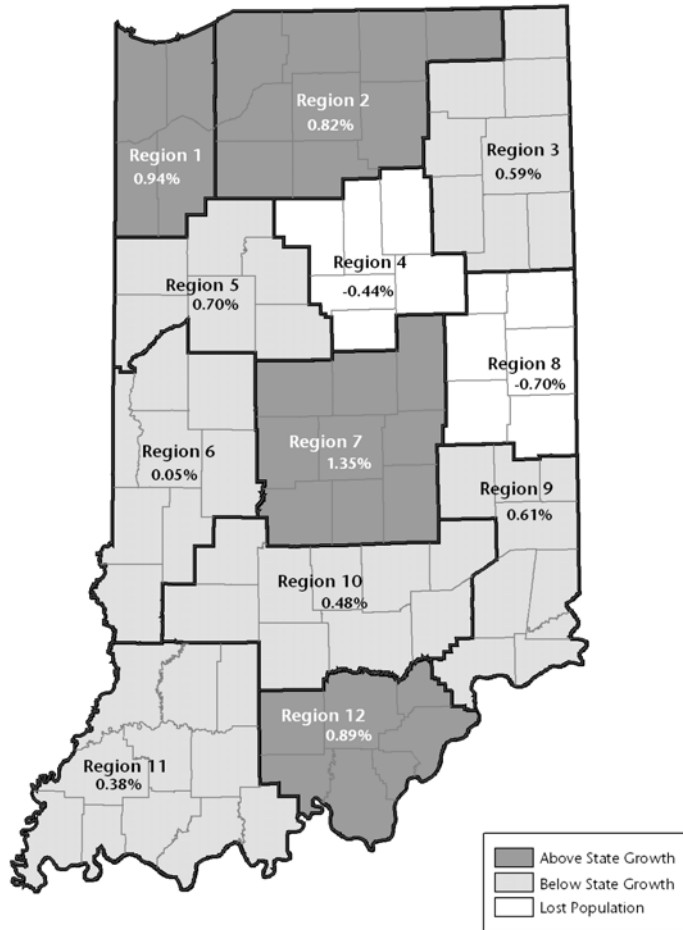
**Exhibit II-5.
Population Change for
Indiana Commerce
Regions, 2004 and 2005**

Note:

Indiana's population change was 0.73 percent from 2004 to 2005.

Source:

U.S. Census Bureau and Indiana Business Research Center.



**Exhibit II-6.
Population Change for
Indiana Commerce
Regions, 2004 and 2005**

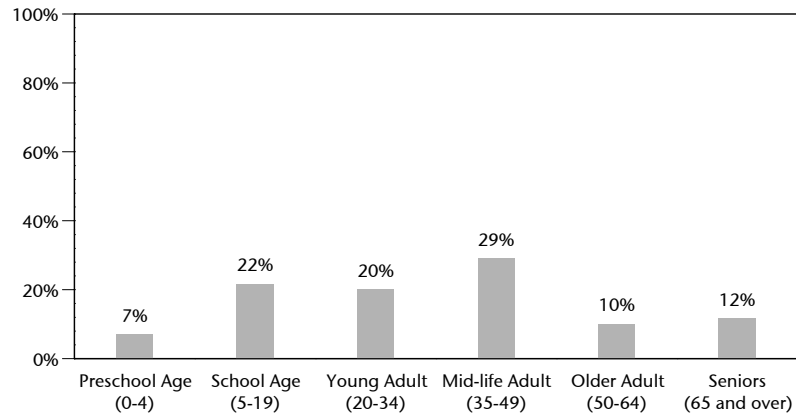
Source:
U.S. Census Bureau and Indiana Business
Research Center.

	2004	2005	2004-2005 Percent Change	Compared to State Percent Change
Indiana	6,226,537	6,271,973	0.73%	
Region 1	690,891	697,401	0.94%	Above
Region 2	782,857	789,307	0.82%	Above
Region 3	595,869	599,379	0.59%	Below
Region 4	282,746	281,512	-0.44%	Lost
Region 5	248,928	250,679	0.70%	Below
Region 6	277,936	278,079	0.05%	Below
Region 7	1,696,002	1,718,892	1.35%	Above
Region 8	297,012	294,937	-0.70%	Lost
Region 9	196,621	197,815	0.61%	Below
Region 10	406,699	408,654	0.48%	Below
Region 11	460,467	462,211	0.38%	Below
Region 12	290,509	293,107	0.89%	Above

Age. According to the Census' American Community Survey (ACS) the State's median age is estimated to be 35.7 in 2004, same in 2003². Exhibit II-7 shows the estimated age distribution of the State's population in 2004 according to the Census.

**Exhibit II-7.
Indiana Population
by Age Group, 2004**

Source:
American Community Survey,
2004, U.S. Census Bureau.



² The American Community Survey universe is limited to the household population and excludes the population living in institutions, college dormitories and other group quarters.

In 2004, almost 60 percent of the State's population was between the ages of 20 and 64 years. Overall, 11.8 percent of Indiana's population was age 65 years and over in 2004. Sixty-nine of the 92 counties in Indiana had a higher percent of their populations age 65 years and over than the State average, as is shown in the following exhibit where it is shaded.

**Exhibit II-8.
Percent of County
Population 65 Years
and Over, 2004**

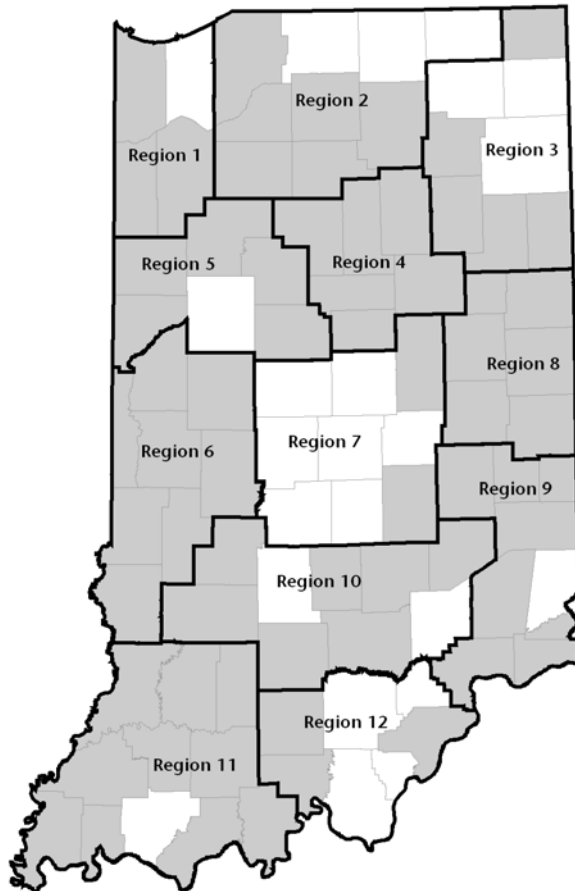
Note:

In 2004, 12.38 percent of the State's population was 65 years and over.

The shaded counties have a higher percentage of their population that is 65 years and over than the State overall.

Source:

Population Division, U.S. Census Bureau.



Commerce regions. The distribution of each Regions' population among four age groups—preschool, school aged, adult and older—are shown in Exhibit II-9. The 12 Commerce Regions have similar distribution patterns for all age groups. As shown in the exhibit, Regions 4 and 8 have slightly higher proportions of elderly persons and Regions 5 and 10 have proportionately more adults and fewer school-aged children.

**Exhibit II-9.
Indiana Commerce
Regions, Population
by Age Group, 2004**

Source:
US Census Bureau and Indiana Business
Research Center.

	2004 Population	Preschool (0 to 4)	School Age (5 to 17)	Adult (18 to 64)	Older (65 plus)
Indiana	6,195,643	7%	19%	62%	12%
Region 1	691,850	7%	19%	62%	13%
Region 2	784,177	7%	20%	60%	13%
Region 3	596,568	7%	20%	61%	12%
Region 4	283,304	6%	18%	61%	15%
Region 5	249,266	6%	16%	66%	11%
Region 6	278,415	6%	17%	62%	14%
Region 7	1,700,201	8%	19%	62%	11%
Region 8	297,553	6%	17%	62%	15%
Region 9	196,639	6%	19%	61%	13%
Region 10	407,530	6%	17%	65%	12%
Region 11	461,070	6%	18%	62%	14%
Region 12	290,996	6%	18%	63%	12%

Race and ethnicity. In 2004, 88.7 percent of residents in Indiana classified their race as White. The next largest race classification was African American at 8.8 percent. The remaining races made up less than 3 percent of the State's total population.

The U.S. Census defines ethnicity as persons who do or do not identify themselves as being Hispanic/Latino and treats ethnicity as a separate category from race. Persons of Hispanic/Latino descent represented 4.3 percent of the State's population in 2004. Exhibit II-10 shows the breakdown by race and ethnicity of Indiana's 2004 population.

**Exhibit II-10.
Indiana Population by
Race and Ethnicity, 2004**

Source:
Population Division, U.S. Census Bureau.

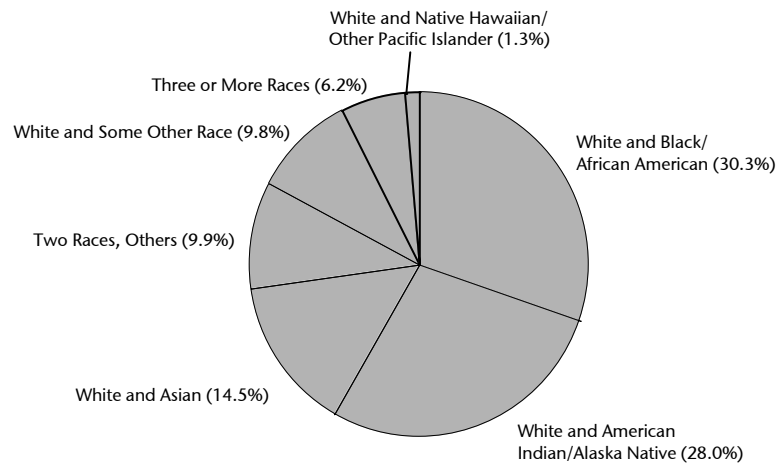
	2004	Percent of Total Population
Total Population	6,237,569	100%
American Indian and Alaska Native Alone	17,532	0.3%
Asian Alone	73,013	1.2%
Black or African American Alone	548,269	8.8%
Native Hawaiian and Other Pacific Islander Alone	2,833	0.0%
White Alone	5,529,707	88.7%
Two or More Races	66,215	1.1%
Hispanic or Latino (of any race)	269,267	4.3%

In the 2000 Census, people were given many options for racial classification, including identifying with more than one race. In all, 66,215 persons, or 1.1 percent of Indiana residents are estimated to be of more than one race in 2004. In 2000, 30.3 percent of the Indiana residents who chose this classification were White and African American and 28.0 percent were White and American Indian or Alaskan Native. Among those identifying with more than one race, 6.2 percent identified themselves as belonging to Three or More Races.

Exhibit II-11 illustrates the percentage of Indiana residents identifying with more than one race in 2000. (Data are not available for 2004.)

**Exhibit II-11.
Indiana Residents
Identifying With More
Than One Race in 2000**

Source:
U.S. Bureau of the Census, 2000.



The Population Division of the U.S. Census provided a comparison of racial and ethnic population of Indiana for 2003 and 2004. As shown in the following Exhibit the White population grew at the slowest rate of all races/ethnicities, increasing less than 0.5 percent from 2003 to 2004. The State’s Asian population declined slightly over the past year. However, previously it was the fastest growing population group, increasing by 5.6 percent from 2002 to 2003 (this population group was also the fastest growing from 2000 to 2002). The State’s Hispanic/Latino population increased at a rate of 11 percent from 2003 to 2004.

**Exhibit II-12.
Change in Race and Ethnic Composition for Indiana, 2003 and 2004**

	2003	2004	Percent Change
Total Population	6,195,643	6,237,569	0.7%
American Indian and Alaska Native Alone	17,418	17,532	0.7%
Asian Alone	73,704	73,013	-0.9%
Black or African American Alone	529,738	548,269	3.5%
Native Hawaiian and Other Pacific Islander Alone	2,730	2,833	3.8%
White Alone	5,507,887	5,529,707	0.4%
Two or More Races	64,166	66,215	3.2%
Hispanic or Latino (of any race)	242,518	269,267	11.0%

Source: Population Division, U.S. Census Bureau.

Concentration of race/ethnicity. The State’s population of African Americans and persons of Hispanic/Latino descent are highly concentrated in a handful of counties, most of which contain entitlement areas. Exhibits II-13 and II-14 show the counties which contain the majority of these population groups.

Exhibit II-13 shows the counties whose African American population—the second largest racial category in Indiana for 2004—is higher than the Statewide percentage of 8.79 percent. It should be noted that these data do not include racial classifications of Two or More Races, which include individuals who classify themselves as African American along with some other race.

**Exhibit II-13.
Counties With a Higher
Rate of African
Americans Than the
State Overall, 2004**

Source:
Population Division, U.S. Census Bureau.

	African American Population	Percent of Population
Indiana	548,269	8.8%
Allen County	40,061	11.7%
Lake County	127,962	26.1%
LaPorte County	11,234	10.2%
Marion County	221,189	25.6%
St. Joseph County	31,884	12.0%

As shown above, the State’s African American population is highly concentrated in the State’s urban counties. These counties contain 79 percent of the African Americans in the State.

Exhibit II-14, below, shows the percentage of county population that was Hispanic/Latino in 2004 for the 12 counties that have a Hispanic/Latino population above the State average of 4.3 percent. These counties are mainly located in the northern portion of the State.

**Exhibit II-14.
Counties with a Higher
Rate of Hispanic/Latino
Persons than the State
Overall, 2004**

Source:
Population Division, U.S. Census Bureau.

	Hispanic/Latino Population (can be of any race)	Percent of Population
Indiana	269,267	4.3%
Allen County	17,392	5.1%
Cass County	3,801	9.4%
Clinton County	3,632	10.6%
Elkhart County	22,726	11.9%
Kosciusko County	4,461	5.9%
Lake County	66,017	13.4%
Marion County	47,535	5.5%
Mashall County	3,583	7.7%
Noble County	4,201	8.9%
Porter County	8,854	5.7%
St. Joseph County	14,729	5.5%
Tippecanoe County	9,446	6.2%
White County	1,687	6.8%

Commerce Regions. The Indiana Business Research Center reported race estimates for each of the 12 Indiana Commerce Regions for 2004. The following exhibits show that Region 1 (which includes Jasper, Lake, Newton and Porter counties) continues to have the highest percentage of its population that is non-White. In 2004, 18.9 percent of its population was African American. Another Region with a relatively high percentage of non-Whites was Region 7, which includes the Indianapolis MSA. The 2004 estimates show 14.4 percent of the Region 7 population as African American.

Exhibit II-15.
Percentage of Population by Race and Ethnicity for Indiana Commerce Regions, 2004

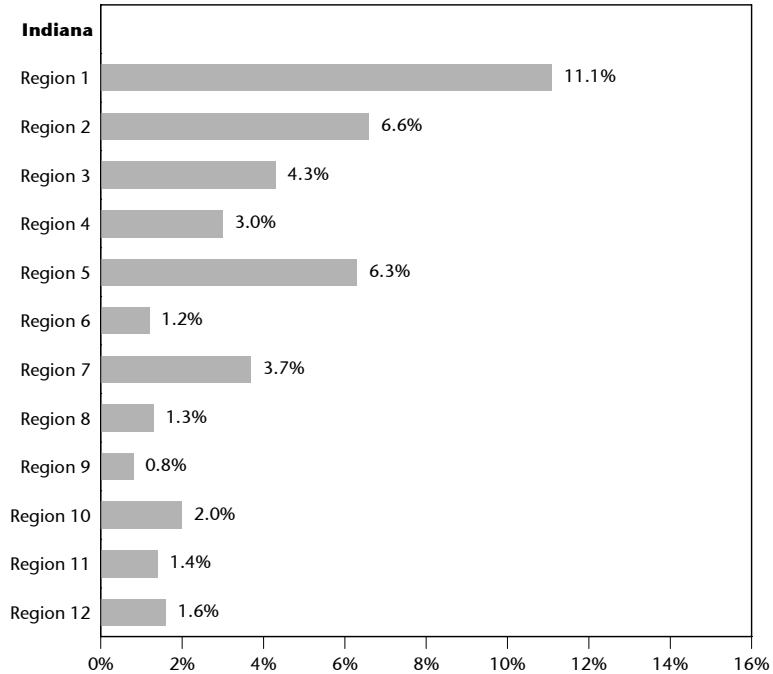
	African American or Black	American Indian or Alaska Native	Asian	White	Two or More Races	Hispanic/Latino
Region 1	18.9%	0.3%	0.9%	78.7%	1.0%	11.1%
Region 2	7.0%	0.3%	1.0%	90.3%	1.3%	6.6%
Region 3	6.9%	0.3%	1.1%	90.4%	1.2%	4.3%
Region 4	4.6%	0.5%	0.7%	93.2%	1.0%	3.0%
Region 5	1.9%	0.2%	3.2%	93.8%	0.8%	6.3%
Region 6	3.4%	0.3%	0.8%	94.7%	0.8%	1.2%
Region 7	14.4%	0.3%	1.5%	82.5%	1.2%	3.7%
Region 8	4.2%	0.2%	0.6%	94.1%	0.9%	1.3%
Region 9	0.8%	0.2%	0.4%	98.1%	0.5%	0.8%
Region 10	1.5%	0.3%	1.9%	95.4%	0.9%	2.0%
Region 11	3.9%	0.2%	0.6%	94.5%	0.7%	1.4%
Region 12	3.8%	0.3%	0.5%	94.5%	0.9%	1.6%

Source: Population Division, U.S. Census Bureau.

Commerce Region 1, Commerce Region 2 and Commerce Region 5—all located in the Northwest portion of the State—showed the highest rates of residents classifying themselves as Hispanic/Latino. In fact, over half of the Hispanic/Latino residents in the State live in one of these three regions. Exhibit II-16 on the following page illustrates the percentage of each region’s population that was Hispanic/Latino in 2004.

**Exhibit II-16
Percent of Each
Commerce Regions'
Population That is
Hispanic/Latino, 2004**

Source:
Population Division, U.S. Census Bureau.



Household composition. According to the ACS, just over half of Indiana’s households in 2004 (52 percent) were married couples, which is slightly higher than the national rate of 50 percent. The majority of Indiana married couple households (54 percent) did not have children under 18 years. Of households with children 18 years and under, 23 percent were female-headed with no husband present. The ACS reported that 22 percent of households had one or more persons aged 65 years or over in 2004; this was the same as 2002 and 2003. The distribution of the State’s households by type is shown in Exhibit II-17.

**Exhibit II-17.
Household Composition
in Indiana, 2004**

Note:
“Other family household” is the balance of family households less married couple families less female householder families.

Source:
American Community Survey 2004,
U.S. Census Bureau and BBC Research &
Consulting.

	Number	Percentage
Total Households	2,412,885	100%
<i>Married-couple families</i>	<i>1,259,245</i>	<i>52%</i>
With one or more people under 18 yrs	574,684	24%
No people under 18 yrs	684,561	28%
<i>Female householder, no husband present</i>	<i>271,425</i>	<i>11%</i>
With one or more people under 18 yrs	189,290	8%
No people under 18 yrs	82,135	3%
<i>Other family household</i>	<i>91,242</i>	<i>4%</i>
With one or more people under 18 yrs	56,458	2%
No people under 18 yrs	34,784	1%
<i>Householder living alone</i>	<i>666,240</i>	<i>28%</i>
<i>Other household types</i>	<i>124,733</i>	<i>5%</i>
Aged 65 years and over	533,656	22%

The number of married couple households with children rose 8 percent from 2003 to 2004. Other families with children under 18 years increased 14 percent.³

The ACS also reported households that had unmarried partners. In 2004, there was an estimated number of approximately 128,000 unmarried partner households (5 percent of households) in the State. This was a 5 percent increase from the 2003 estimate.

Commerce Regions. The Indiana Business Research Center reported household type by Commerce Region for 2000. In general, household compositions were similar across the regions, with a few small differences. Commerce Regions 5 and 10 (which include smaller MSAs) had the lowest rate of single parent households at 7 percent each. Commerce Region 9 (which includes no MSAs) had the highest percentage of married households with and without children and the lowest percentage of “Other” and households living alone when compared to the other commerce regions. Exhibit II-18 on the next page shows the distribution of household composition for the Commerce Regions in 2000.

Exhibit II-18.
Household Composition in Indiana and Commerce Regions, 2000

	Households in 2000	Married With Children	Married Without Children	Single Parents	Living Alone	Other
Indiana	2,336,306	24%	30%	9%	26%	11%
Region 1	252,308	23%	29%	10%	25%	13%
Region 2	284,966	25%	30%	9%	25%	11%
Region 3	221,486	26%	29%	9%	26%	10%
Region 4	112,234	22%	33%	9%	26%	10%
Region 5	91,993	23%	29%	7%	26%	14%
Region 6	106,220	23%	32%	8%	27%	10%
Region 7	629,655	24%	27%	10%	27%	12%
Region 8	120,118	21%	32%	9%	27%	11%
Region 9	72,241	27%	33%	8%	23%	9%
Region 10	156,495	23%	31%	7%	26%	12%
Region 11	178,513	24%	31%	8%	27%	10%
Region 12	110,077	24%	32%	9%	24%	11%

Source: U.S. Census Bureau, Indiana Business Research Center and BBC Research & Consulting.

Linguistically isolated households. The 2000 Census and 2004 ACS measured households that were “linguistically isolated”—that is, where no member 14 years and older speaks English only or speaks English “very well.” In 2000, 29,358 households (1.3 percent of total households) in Indiana were reported to be linguistically isolated. Of these households, 15,468 speak Spanish; 13,820 speak an Asian or Pacific Islander language; 7,960 speak another Indo-European language; and the remainder speaks other languages. In 2004, 2.2 percent of the population was estimated to be linguistically isolated. This was almost a full percentage point increase from 2000.

³ “Other families” is the balance of family households less married couple families less female householder families.

Exhibit II-19 shows the percentage of households that were reported to be linguistically isolated in 2000 by county, with the shaded areas representing counties with a higher percentage than the State overall.

**Exhibit II-19.
Percent of Households
Linguistically Isolated, by
County, 2000**

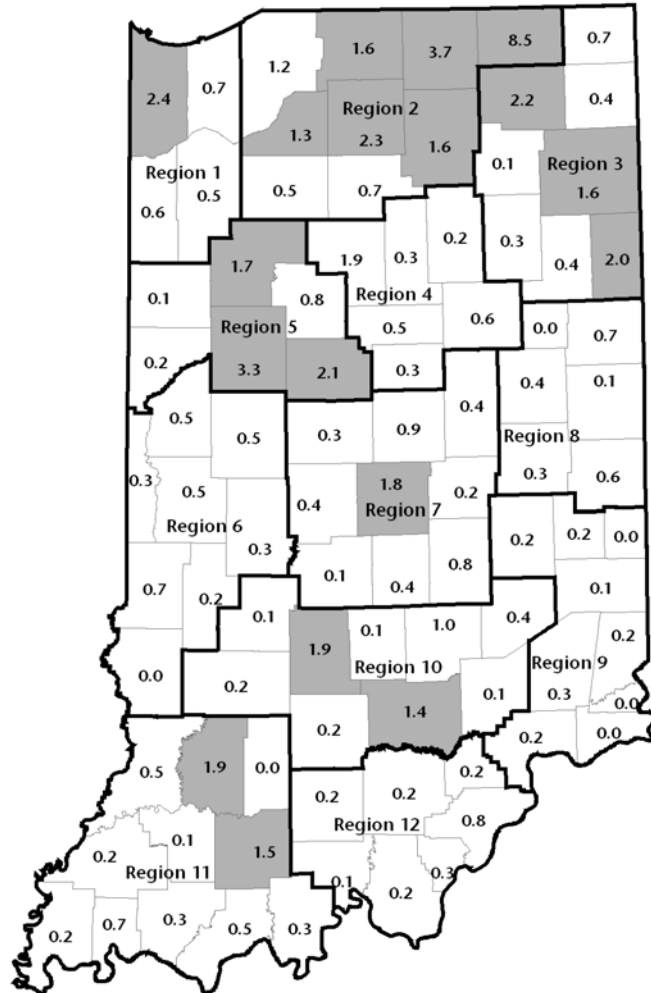
Note:

In 2000, 1.3 percent of total households in Indiana were reported to be linguistically isolated.

The shaded counties have a higher percent of their population that is linguistically isolated than the State overall.

Source:

U.S. Bureau of the Census, 2000



Income

Median Income. According to the U.S. Census, the median household income for the State in 2000 was \$41,567. This represents an 11 percent increase from the 1990 Census median household income after adjusting for inflation. The ACS reported a median household income of \$42,195 in 2004, compared to \$42,067 in 2003—a less than one percent (.30) increase.

According to the Indiana Business Research Center, Indiana’s annual *per capita* personal income for 2003 was \$28,838. Only two of the Commerce Regions—Region 7 (containing Indianapolis) and Region 11—were higher than the State’s per capita personal income with annual per capita personal incomes of \$33,373 and \$29,175, respectively. Commerce Region 6 had the lowest annual per capita personal income with \$23,960. The following exhibit shows annual per capita personal income in 2003 by Commerce Region.

**Exhibit II-20.
Annual Per Capita
Personal Income for
Indiana and Commerce
Regions, 2003**

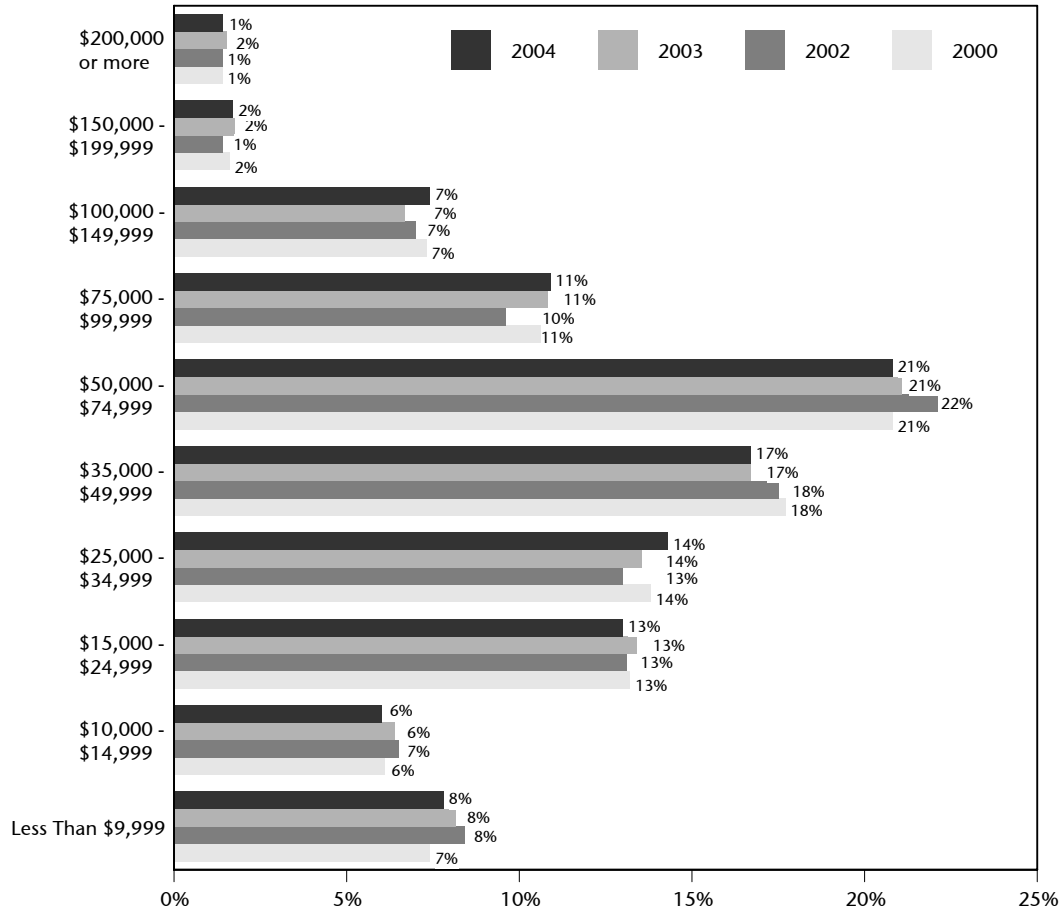
Source:
U.S. Census Bureau, U.S. Bureau of
Economic Analysis and IBRC.

	Per Capita Personal Income	Above State Per Capita Personal Income
Indiana	\$28,838	
Region 1	\$27,773	No
Region 2	\$27,790	No
Region 3	\$28,355	No
Region 4	\$27,281	No
Region 5	\$25,193	No
Region 6	\$23,960	No
Region 7	\$33,377	Yes
Region 8	\$25,403	No
Region 9	\$26,197	No
Region 10	\$25,843	No
Region 11	\$29,175	Yes
Region 12	\$27,202	No

Income Distribution. Exhibit II-21 shows the distribution of income in the State in 2000, 2002, 2003 and 2004 in inflation adjusted dollars. Incomes ranging between \$35,000 and \$149,000 had the most fluctuation across these years. There was also an almost one percentage point increase, from 7.4 percent in 2000 to 8.2 percent in 2003, in the proportion of the State's households earning \$9,999 and less, but it dropped back down to 7.8 percent in 2004.

Exhibit II-21.

Percent of Households by Income Bracket, State of Indiana, 2000, 2002, 2003 and 2004



Note: Data are adjusted for inflation.

Source: 2000 Census and 2002, 2003 and 2004 American Community Survey, U.S. Census Bureau.

Poverty. The 2000 Census reported that the State of Indiana had 9.5 percent of its population living below the poverty level, or approximately 560,000 persons. Since 2000, according to the ACS, the State’s poverty rate has risen 1.3 percentage points to 10.8 percent. Indiana ranked below Illinois, Kentucky, Michigan and Ohio, in both years 2000 and 2004, in its percent of population living in poverty.

Demographics of persons in poverty. The 2004 ACS estimated that, of the State’s population living in poverty, 35.8 percent were children under the age of 18—12.4 percent of the State’s population living in poverty was under the age of 5 years and 23.4 percent was children aged 5 to 17. Persons who are elderly (65 years and over) made up 8.1 percent of the State’s persons in poverty in 2004.

According to ACS data, children (under the age 18) made up 26.4 percent of the State’s population overall in 2004 and 35.8 percent of the State’s poor population are under the age of 18 years.

Therefore, the State’s children disproportionately live below the poverty level. In contrast, elderly persons made up 11.8 percent of the State’s overall population in 2004, but represented 8.1 percent of the State’s poor population.

Of Indiana's total population under 5 years of age, 18.8 percent were estimated to be living in poverty in 2004, compared to 15.5 percent in 2000. (A child is considered to be living in poverty if the adults in their family earned less than the poverty threshold for their family size). For all children 17 and younger, 14.6 percent were estimated to be living in poverty in 2004, up slightly from 11.7 percent in 2000. These percentages compare with 9.8 percent for adults ages 18 to 64 years and 7.3 percent for seniors in 2004. In 2000, 8.5 percent of adults ages 18 to 64 and 7.0 percent of seniors were living in poverty.

Although actual numbers are rarely available, it is generally accepted that persons with special needs have a higher incidence of poverty than populations without special needs. The 2000 Census provides data on the rates of poverty for persons with disabilities (in addition to elderly rates of poverty which are presented above), but not for other special needs populations. In 2004, approximately 16.7 percent of persons in Indiana who were disabled were living in poverty, compared to 10.8 percent of Indiana's population overall and 9.0 percent of persons without disabilities. Therefore, persons with disabilities are twice as likely to be living in poverty as persons overall and the non-disabled.

Of the State's families with children living in poverty in 2004, 21 percent were married couples with children, 6 percent were single men with children and 55 percent were single women with children. That is more than ten times as many single women with children as single men with children lived in poverty in 2004. Exhibit II-22 shows the family types of persons living in poverty in 2004.

**Exhibit II-22.
Family Type of Families
in Poverty, 2004**

Source:
American Community Survey, 2004.

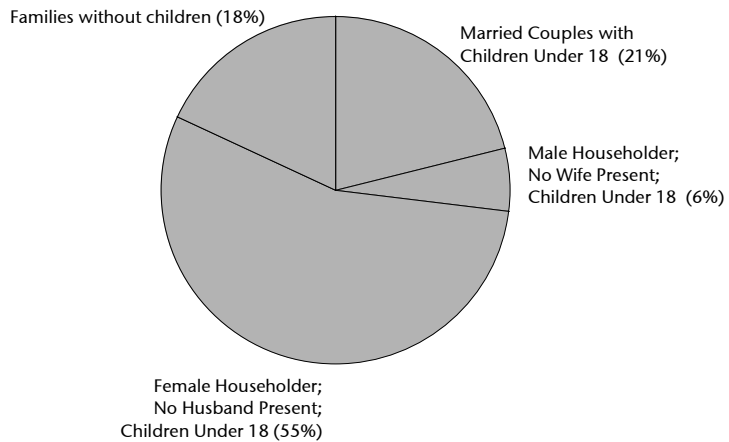
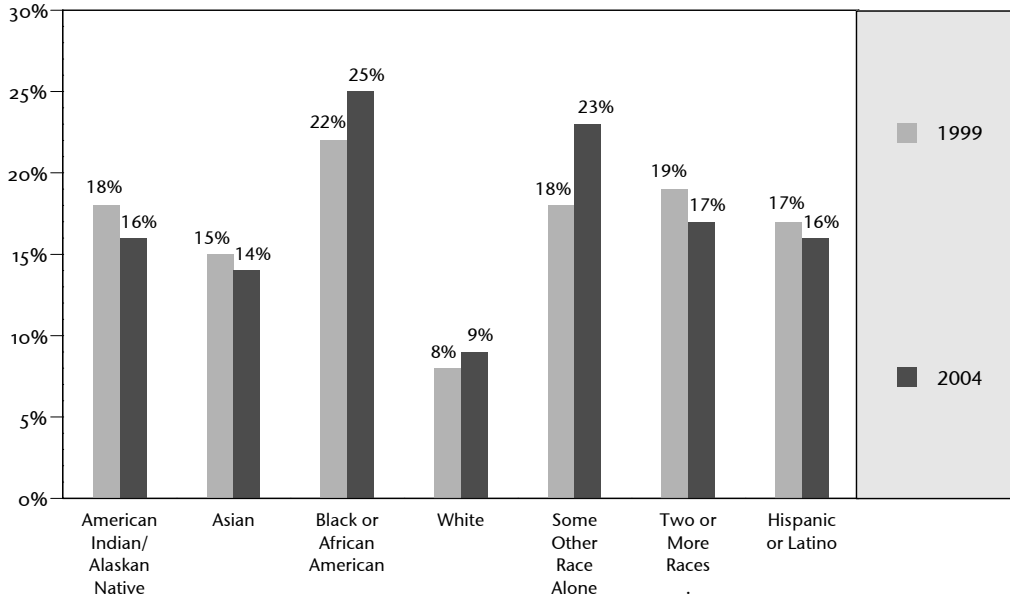


Exhibit II-23 compares the percentage of persons living in poverty by race and ethnicity in 1999 and 2004. Persons in the State who were White had the lowest poverty rate; African Americans, Hispanics/Latinos and those of Two or More Races had the highest rates of poverty in the State.

Exhibit II-23.
Percentage of Population Living in Poverty, by Race and Ethnicity, 1999 and 2004



Source: U.S. Census Bureau, 2000 and American Community Survey, 2004.

Of the State of Indiana’s total population of persons living in poverty in 2004, 72 percent were White, 19 percent were Black/African American, 6 percent were Hispanic/Latino and 4 percent were Some Other Race. This compares to a household distribution of 87 percent White, 8 percent Black/African American, 4 percent Hispanic/Latino and 2 percent Some Other Race. Therefore, the State’s non-White populations are disproportionately likely to be living in poverty.

Regional poverty rates. The following exhibit shows poverty rates overall and for children for the highest poverty counties in each Region. Vigo, Knox and Delaware counties have the highest poverty rates—all more than 13 percent of the population overall. Lake, Grant, Vigo, Marion, Know, Davies sand Crawford all have poverty rates for children of 18 percent or more.

**Exhibit II-24.
Poverty Rates by Region
and Highest County
Rates within Regions,
2003**

Source:
Small Area Income and Poverty Estimates,
U.S. Census Bureau.

	Pct. Poverty Rate Overall	Pct. Poverty Rate of Children Under 18
Indiana	10.0	13.7
Comm 1, Lake County	12.7	18.5
Comm 2, St. Joseph County	11.8	15.8
Comm 2, Starke County	11.7	17.3
Comm 3, Allen County	10.2	13.9
Comm 3, Adams County	9.9	15.4
Comm 4, Grant County	12.5	18.3
Comm 5, Tippecanoe County	11.9	12.8
Comm 6, Vigo County	13.7	18.7
Comm 7, Marion County	12.5	18.3
Comm 8, Delaware County	13.4	17.2
Comm 9, Switzerland County	10.9	15.5
Comm 10, Monroe County	12.4	13.2
Comm 10, Greene County	10.9	15.5
Comm 11, Knox County	13.7	18.4
Comm 11, Daviess County	12.4	18.1
Comm 12, Crawford County	12.9	18.9

Self-sufficiency standard. In 2005, the Indiana Coalition on Housing and Homeless Issues commissioned a study to examine how much income is needed for different family types to adequately meet basic needs, without public or private assistance. This income level is called the *self-sufficiency standard*. The standard is determined by taking into account the costs of housing, child care, food, transportation, health care and miscellaneous expenses for several family types, as well as any tax credits a family might receive. The study calculated the standard for metropolitan areas and all communities in the State.

Exhibit II-25 on the following page shows the hourly self-sufficiency standard for all counties in the State for a single adult and a single adult with a preschooler. The counties with the highest self-sufficiency standard, or the least affordable counties, included Hamilton, Porter, Hendricks, Johnson, Marion, Lake, Hancock and Bartholomew

**Exhibit II-25.
Hourly Self-Sufficiency
Standard, 2005**

Source:

The Self-Sufficiency Standard for Indiana 2005
prepared by the Indiana Coalition on Housing and
Homeless Issues.

County	Adult	Adult with Preschooler
Adams	\$6.43	\$9.31
Allen	\$7.36	\$11.52
Bartholomew	\$8.01	\$12.74
Benton	\$7.01	\$10.39
Blackford	\$6.89	\$9.56
Boone	\$7.83	\$12.88
Brown	\$7.78	\$10.62
Carroll	\$6.81	\$9.56
Cass	\$6.67	\$9.47
Clark	\$7.46	\$10.52
Clay	\$6.62	\$9.53
Clinton	\$7.32	\$10.43
Crawford	\$6.71	\$9.25
Daviess	\$6.48	\$9.00
Dearborn	\$7.22	\$11.41
Decatur	\$7.39	\$10.06
DeKalb	\$7.13	\$9.87
Delaware	\$7.33	\$11.94
Dubois	\$6.69	\$9.72
Elkhart	\$7.65	\$11.11
Fayette	\$6.87	\$9.44
Floyd	\$7.48	\$10.43
Fountain	\$6.87	\$9.31
Franklin	\$6.95	\$9.87
Fulton	\$7.07	\$9.53
Gibson	\$6.80	\$9.36
Grant	\$7.04	\$9.93
Greene	\$6.09	\$9.03
Hamilton	\$9.19	\$15.67
Hancock	\$8.06	\$12.56
Harrison	\$7.10	\$10.09
Hendricks	\$8.69	\$13.59
Henry	\$7.09	\$10.12
Howard	\$7.28	\$11.49
Huntington	\$7.16	\$10.88
Jackson	\$7.25	\$10.39
Jasper	\$7.32	\$10.36
Jay	\$6.47	\$9.19
Jefferson	\$6.60	\$9.05
Jennings	\$6.90	\$9.72
Johnson	\$8.28	\$14.01
Knox	\$6.46	\$9.01
Kosciusko	\$6.99	\$10.43
LaGrange	\$7.29	\$10.36
Lake	\$8.11	\$13.07
LaPorte	\$7.27	\$10.75

**Exhibit II-25. (cont'd)
Hourly Self-Sufficiency
Standard, 2005, Continued**

Source:

The Self-Sufficiency Standard for Indiana 2005
prepared by the Indiana Coalition on Housing and
Homeless Issues.

County	Adult	Adult with Preschooler
Lawrence	\$6.91	\$9.76
Madison	\$7.48	\$11.05
Marion	\$8.22	\$14.20
Marshall	\$7.14	\$10.36
Martin	\$6.39	\$9.12
Miami	\$6.55	\$9.82
Monroe	\$7.72	\$12.45
Montgomery	\$6.92	\$10.05
Morgan	\$7.79	\$11.39
Newton	\$6.97	\$9.96
Noble	\$7.46	\$9.82
Ohio	\$7.03	\$10.41
Orange	\$6.33	\$8.85
Owen	\$6.95	\$9.62
Parke	\$6.81	\$9.44
Perry	\$6.48	\$8.85
Pike	\$6.49	\$9.36
Porter	\$8.85	\$13.93
Posey	\$6.89	\$10.60
Pulaski	\$7.02	\$9.78
Putnam	\$7.37	\$10.42
Randolph	\$6.65	\$9.20
Ripley	\$7.34	\$11.80
Rush	\$7.11	\$9.89
Scott	\$7.03	\$9.51
Shelby	\$7.72	\$11.29
Spencer	\$6.52	\$9.25
St. Joseph	\$7.47	\$11.87
Starke	\$7.12	\$9.63
Steuben	\$7.31	\$10.91
Sullivan	\$6.20	\$8.47
Switzerland	\$6.89	\$9.99
Tippecanoe	\$7.87	\$12.56
Tipton	\$7.12	\$10.42
Union	\$6.95	\$9.88
Vanderburgh	\$7.47	\$11.66
Vermillion	\$6.23	\$8.97
Vigo	\$6.84	\$10.00
Wabash	\$6.41	\$9.65
Warren	\$7.01	\$9.95
Warrick	\$7.41	\$10.98
Washington	\$6.75	\$9.10
Wayne	\$6.87	\$9.27
Wells	\$6.95	\$9.76
White	\$7.75	\$10.25
Whitley	\$6.89	\$9.91

Basic family budgets. A similar study to the self-sufficiency study was prepared in 1999 and released in 2001 by the Economic Policy Institute. This study indicated that the average one-parent, two-child family in rural Indiana would have to earn \$26,618 in pre-tax income (\$2,218 monthly) in order to meet all of its expenses. This study also made use of basic family budgets and its methodology in developing the budgets was similar to the self-sufficiency standard. The Economic Policy Institute study covered the entire U.S., while the self-sufficiency study was tailored to Indiana.

Exhibit II-26 shows the basic family budget study’s estimated monthly expenses needed for a one-parent, two-child family to maintain a safe and decent standard of living in rural Indiana.

**Exhibit II-26.
Basic Monthly Budget:
One-Parent, Two-Child
Family, Rural Indiana,
1999**

Source:

Hardships In America: The Real Story of Working Families, Economic Policy Institute, 2001.

Line Item	Monthly Amount	Percent of Total
Housing	\$420	18.9%
Food	\$351	15.8%
Child Care	\$637	28.7%
Transportation	\$197	8.9%
Health Care	\$207	9.3%
Other Necessities	\$239	10.8%
Taxes	<u>\$167</u>	<u>7.5%</u>
Total	\$2,218	100.0%

A county level comparison of the average weekly earnings of Indiana households against the above budget found that two out of three non-MSA counties sustain monthly earnings *below* what is required of a one-parent, two-child family to maintain a safe and decent standard of living in rural Indiana.

Sources of income. Another indicator of the economic well being of families in Indiana is the percentage of families receiving public assistance. The 2000 Census collected data about sources of supplemental income, such as Supplemental Security Income (SSI) and Public Assistance Income. In 2000, 3.5 percent of the State’s households received SSI and 2.6 percent received Public Assistance. According to the ACS, 2.9 percent of households in Indiana received SSI in 2000 and 2003. (The lower percentage for the ACS—other than reported by the 2000 Census—is likely due to the ACS data being limited to the household population and excludes the population living in institutions, college dormitories and other group quarters.) In 2004 it increased to 3.5 percent of households that received SSI benefits.

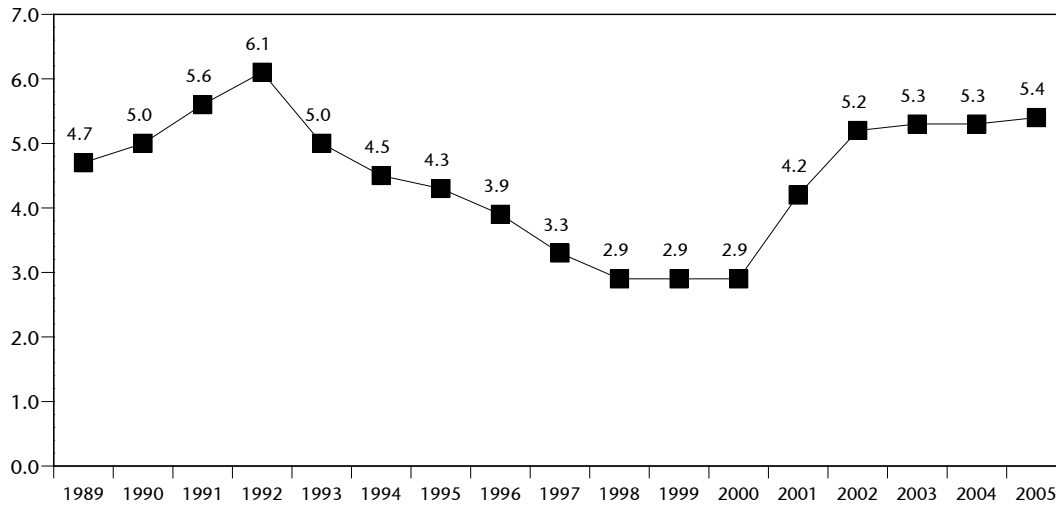
Recent estimates indicate that program participation in Temporary Assistance to Needy Families (TANF) increased from 2000 to 2001. Statewide, the rate of participation rose by 0.5 percentage points to 1.8 percent from 1.3 percent. There were nearly 9,000 more families participating in 2001 and 31,780 more individuals receiving assistance. Lake and Marion Counties made up 46 percent of TANF participants and had the highest rates of program participation. MSA counties average 1.25 percent participation in TANF in 2001 compared to 0.89 percent for MSA counties.

There has also been a recent uptick in food stamps program participation. The monthly average number of persons receiving food stamps in Indiana was 331,206 in 2001. This was 33,865 more than in 2000, an increase of 11.4 percent. However, the average number of food stamps recipients per month has declined by 17.6 percent Statewide since 1996.

Employment

Unemployment rate. As of 2005, the average unemployment rate in Indiana was 5.4 percent. This compares to 5.3 percent in 2004 and 2003 and 5.2 percent in 2002. Unemployment rates are stabilizing, after having risen significantly in 2001. Exhibit II-27 illustrates the broad trend in unemployment rates since 1989.

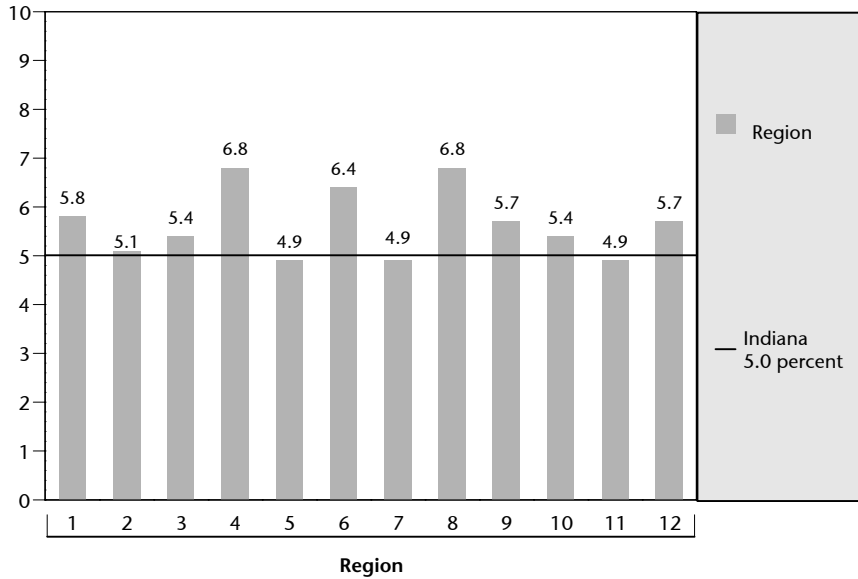
**Exhibit II-27.
Indiana’s Average Annual Unemployment Rate from 1989 to 2005**



Source: Indiana Department of Workforce Development, Bureau of Labor Statistics and Indiana Business Research Center, IU Kelley School of Business.

Six of the 12 Commerce Regions had unemployment rates higher than the State’s 2005 average annual unemployment rate of 5.4 percent. Commerce Regions 8 and 4 had the highest unemployment rates of 6.8 percent each and Regions 5, 7 and 11 had the lowest rate of 4.9 percent each. Exhibit II-28 shows the unemployment rates for the 12 Commerce Regions for 2005.

Exhibit II-28.
Average Unemployment Rate for Indiana and Commerce Regions, 2005



Source: Indiana Department of Workforce Development, Bureau of Labor Statistics and Indiana Business Research Center, IU Kelley School of Business.

County unemployment rates ranged from a low of 3.1 percent in Hamilton County to a high of 8.4 percent in Grant County. Exhibit II-29 shows the 2005 average annual unemployment rates by county, as reported by the Indiana Department of Workforce Development. The shaded counties have an average unemployment rate higher than the Statewide average.

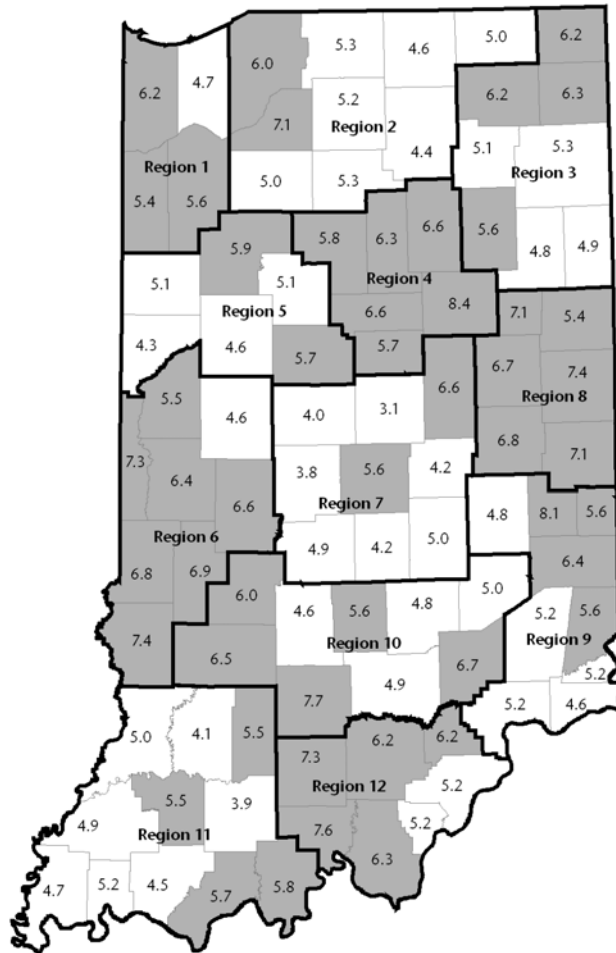
**Exhibit II-29.
Average Annual
Unemployment Rates by
County, 2005**

Note:

Indiana's unemployment rate was 5.4 percent in 2005. Shaded counties have rates equal or higher than the State's overall.

Source:

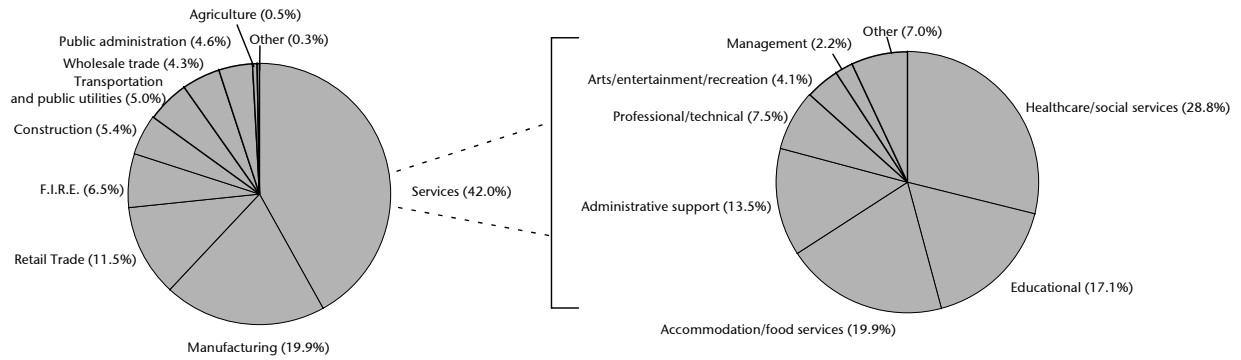
Indiana Department of Workforce Development, Bureau of Labor Statistics and Indiana Business Research Center, IU Kelley School of Business.



Employment sectors. Goods producing industries other than agriculture—that is, mining, manufacturing and construction—remain a major source of employment in Indiana. Indeed, Indiana had the highest percentage of goods producing, non-farm jobs in 2000 compared to its neighboring States, according to the Bureau of Labor Statistics. The data indicate that the percentage of the State's economy composed of non-farm, goods producing jobs was nearly 26 percent. The services sector (comprising diverse activities from food service to information technology, health care and the many types of public administration) made up the remainder of Indiana's non-agricultural economy. Recently, the service sector has become the dominant employment-producing industry.

Exhibit II-30 shows the distribution of jobs by industry for the third quarter of 2005 (the latest quarter for which data are available).

**Exhibit II-30.
Employment by Industry, State of Indiana, Third Quarter 2005**



Note: F.I.R.E. includes financial, insurance and real estate services.
Source: Indiana Business Research Center (based on ES202 data).

Although the services industry holds an employment edge Statewide and across the State's Commerce Regions, manufacturing remains an important employer. Commerce Regions located in the northeast to north-central part (particularly Regions 2 and 4) of the State tend to have higher percentages of manufacturing jobs than the other regions of the State. Service jobs are more dominant in Commerce Regions 1, 5, 7 and 8. The following exhibit shows the percentage of jobs by sector for each Commerce Region.

**Exhibit II-31.
Employment by Industry for Each Commerce Region, Third Quarter 2005**

	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9	Region 10	Region 11	Region 12
Total employment	262,744	376,375	287,692	112,362	105,002	106,738	870,833	110,909	66,211	173,330	225,858	108,309
Agricultural	0.5%	0.4%	0.3%	0.9%	1.3%	0.6%	0.2%	0.4%	0.3%	0.4%	0.6%	0.3%
Services	45.4%	35.4%	38.5%	38.3%	43.7%	39.1%	44.7%	44.8%	32.5%	32.8%	38.7%	36.8%
Manufacturing	14.5%	33.1%	25.4%	30.0%	23.2%	22.3%	12.0%	20.8%	20.2%	24.4%	21.5%	20.0%
Retail Trade	13.0%	10.3%	10.8%	11.7%	11.6%	12.7%	11.3%	13.0%	11.0%	11.2%	11.0%	13.2%
Transportation and Public Utilities	4.9%	2.8%	4.9%	2.6%	3.1%	3.7%	6.4%	3.2%	3.6%	4.7%	5.6%	6.5%
Construction	7.3%	4.4%	5.1%	3.5%	4.5%	4.4%	6.1%	3.9%	4.2%	4.6%	5.7%	6.5%
Wholesale Trade	3.5%	4.4%	5.0%	2.4%	2.4%	2.3%	5.0%	2.8%	1.5%	2.4%	4.1%	2.5%
F.I.R.E.	5.1%	5.0%	6.5%	4.5%	5.5%	5.0%	9.2%	5.2%	4.1%	5.1%	5.0%	4.8%
Public Administration	5.1%	3.9%	3.4%	5.7%	3.9%	7.3%	4.8%	4.8%	5.4%	4.1%	5.1%	5.4%
Other	0.6%	0.4%	0.2%	0.4%	0.8%	2.7%	0.3%	1.1%	17.0%	10.2%	2.7%	4.1%

Note: F.I.R.E is Finance, Insurance and Real Estate.

Source: Indiana Business Research Center (based on ES202 data) and BBC Research & Consulting.

It should be noted that the fast growing services sector, health care and social services, is a very diverse category and occupations can range from high-paying health services professionals (e.g., doctors, medical) to those employed in the social services and foodservices industries who earn substantially lower wages. In general, wages in the services sector are lower than in the manufacturing sector.

Exhibit II-32 shows the average weekly wage by employment industry for the State as of third quarter 2005.

Exhibit II-32.
Average Weekly Wage by Industry, Third Quarter 2005

	Average Weekly Wages
Total	\$689
Agriculture, Forestry, Fishing and Hunting	\$465
Mining	\$1,006
Utilities	\$1,204
Construction	\$796
Manufacturing	\$925
Wholesale Trade	\$907
Retail Trade	\$431
Transportation and Warehousing	\$738
Information	\$782
Finance and Insurance	\$914
Real Estate and Rental and Leasing	\$583
Professional, Scientific, and Technical Services	\$924
Management of Companies and Enterprises	\$1,336
Administrative and Support/Waste Management/Remediation Services	\$457
Educational Services	\$707
Health Care and Social Services	\$713
Arts, Entertainment, and Recreation	\$462
Accommodation and Food Services	\$232
Other Services(Except Public Administration)	\$457
Public Administration	\$681
Unallocated	\$524

Source: Indiana Business Research Center (based on ES202 data).

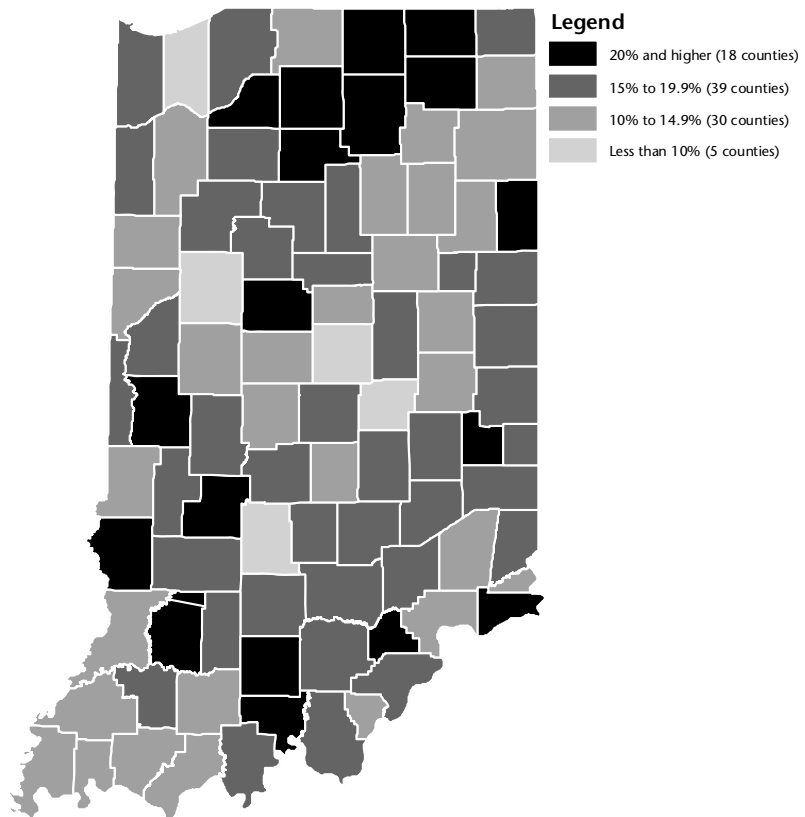
Educational attainment. According to the ACS, the percent of Indiana residents who have earned a bachelor's degree increased between 2000 and 2004 from 12.3 percent to 13.6 percent. This was 3.6 percent lower than the U.S. average (17.2 percent) in 2004.

The 2000 Census reported that Indiana had a decline in the percentage of individuals aged 25 to 34 and 35 to 44 who had completed high school, indicating an outmigration of more educated people from the State. The following exhibit shows the percent of Indiana residents between the ages of 18 and 44 who had *not* completed high school in 2000. Only five counties had non-completion rates of less than 10 percent; most counties had between 10 and 20 percent of their residents without high school diplomas.

**Exhibit II-34.
Percent Ages 18 to 44
Not Completing High
School, 2000**

Note:
The data do not include students who do not participate in public schools.

Source:
"In Context" Indiana Department of Commerce, January/February, 2003.



SECTION III.

Housing and Community Development Needs

SECTION III.

Housing and Community Development Needs

This section discusses the State's housing and community development conditions and needs, as identified by citizens through surveys and public comments. This section partially satisfies the requirements of Sections 91.305, 91.310, and 91.315 of the State Government's Consolidated Plan Regulations. A more comprehensive market analysis for the State and a discussion of the challenges of housing special needs groups are found in the Housing Market Analysis and Special Needs sections of this report.

Background on primary data sources. This section reports the findings from an extensive public outreach effort conducted by the State of Indiana for the Five-Year Consolidated Plan and the FY2006 Consolidated Plan. The public outreach consisted of a large key person mail survey, a 2005 citizen survey conducted by telephone and through mail, a 2006 citizen survey distributed through email and mail, as well as key person interviews.

Key person mail survey. In February 2006, approximately 1,800 community surveys were distributed to local government leaders; providers of housing, health, and other community services; members of housing and community coalitions; and other interested parties. A total of 212 surveys were received, representing 72 of the State's 92 counties. Roughly 25 percent of the survey respondents represented local governments in the State; 24 percent were housing providers; 11 percent were social service providers, 7 percent were advocacy/education organizations; 5 percent were economic development professionals; and the remaining respondents represented other types of organizations (e.g., day care provider, health care providers, etc.).

2006 Citizen survey. In February and March 2006, the Consolidated Plan Coordinating Committee and housing and community development stakeholders distributed a survey to citizens to collect information about their housing needs, and the housing and community development needs in their communities. A total of 802 surveys were received from citizens in nonentitlement areas.

2005 Citizen survey. As part of the 2005 Consolidated Plan, a statistically significant telephone survey was conducted of citizens in nonentitlement areas in the State. An identical survey was conducted of special needs populations through the Internet and via mail. The data from these surveys are included in the Consolidated Plan Update for 2006, since the data are still recent, do not duplicate the work completed in the 2006 Update, and the surveys provide a comprehensive look at housing and community development needs.

Indiana Rural Poll. During the summer of 2005 a telephone survey was conducted of Indiana residents living outside of Indiana's Urbanized Areas. The surveys were conducted and analyzed by the Social Research Institute at Purdue University. Several of the topic areas included in the survey are relevant to the Consolidated Plan and have been included in this section.

Summary Findings

The following matrix summarizes key findings from the surveys.

Housing

Most Needed Housing Type In You Community

2005 Citizen Survey (telephone survey)

- Single family homes
- Senior housing/Assisted living
- Accessible housing for disabled/elderly persons

Key Person Survey

- Single family homes
- Homeless shelters
- Accessible housing for disabled/elderly persons

Inventory and quality

2006 Citizen Survey

23 percent are dissatisfied with the quality of their housing

Top reasons not satisfied with their home

- Needs fixing up
- Too small
- Rent/mortgage too expensive

2005 Citizen Survey (telephone survey)

4 percent are dissatisfied with the quality of their housing

Reasons they haven't made the needed repairs/improvements to their homes

- Can't afford them
- Can't find the time
- Have other priorities

Key Person Survey

Single family homes

- 58 percent felt there was not enough affordable single family housing in their community
- 42 percent responded the quality of single family homes was average

Multifamily housing

- 61 percent felt there was not enough affordable rental housing in their community
- 40 percent responded the quality of multifamily homes was in poor or very poor condition

Affordability

2006 Citizen Survey

28 percent are dissatisfied with the affordability of their home

2005 Citizen Survey (telephone survey)

- 3 percent are unable to afford their housing
- 11 percent receive housing assistance from the government

Key Person Survey

Most needed affordable housing types

- Single family housing
- Subsidized housing
- Emergency housing

Housing

Barriers to homeownership

2005 Citizen Survey (telephone survey)

- Do not have enough money for a downpayment
- Cannot qualify for a mortgage
- Cannot afford monthly mortgage payments

Key Person Survey

- Affordability/cost too high
- Lack of stable income/cyclical income
- Having poor credit history

Homelessness

2006 Citizen Survey

22 percent responded they have been homeless at some point in time

Top reasons they were homeless:

- Had no job or income
- Were living with family/friends and were asked to leave
- Drug or alcohol abuse/addiction

2005 Citizen Survey (telephone survey)

3 percent have been homeless at some point in time

Top reasons they were homeless:

- Evicted/foreclosed upon
- Couldn't find a place they could afford
- Got fired from job

Key Person Survey

Top needs for persons experiencing homelessness

- Transitional housing
- Supportive services
- Emergency shelters

Discrimination

2006 Citizen Survey

Experienced housing discrimination

13 percent responded they have experienced housing discrimination

Top reasons discriminated against

Low income, race and having children

What did you do about the discrimination?

Nothing = 39 percent

2005 Citizen Survey (telephone survey)

Experienced housing discrimination

4 percent responded they have experienced housing discrimination

Top reasons discriminated against

Race, having children and having a low income

What did you do about the discrimination?

Nothing = 69 percent

Lead-Based Paint

2006 Citizen Survey

Has your house or apartment been treated for lead contamination?

Yes = 18 percent, No = 27 percent, Don't know = 55 percent

Have you or any member of your family been tested for lead?

Yes = 14 percent, No = 70 percent, Don't know = 15 percent

Community Development

Top Community Development Needs

2006 Citizen Survey

How would you improve your community?

- Help bring jobs to my city/town
- Build more affordable rental housing
- Build more single family housing
- Build more homeless shelters

2005 Citizen Survey (telephone survey)

- Help bring jobs to my city/town
- Build housing for persons who are disabled and/or seniors
- Build more single family affordable housing

Key Person Survey

- Jobs
- Downtown business environment revitalization
- Facilities/shelters for special needs populations

Community services

2006 Citizen Survey

How satisfied are you with the following aspects of your community?

- Availability of jobs = 55 percent dissatisfied
- Public transportation = 43 percent dissatisfied
- Day care services = 23 percent dissatisfied

2005 Citizen Survey (telephone survey)

Barriers to community and economic development

Key Person Survey

- Jobs that pay a livable wage
- Job growth
- Lack of available funds to make improvements

Community perception

2006 Citizen Survey

2005 Citizen Survey (telephone survey)

Key Person Survey

Has the perception of your community gotten better or worse over the last 5 years?

- Better = 42 percent
- Worse = 58 percent

Rural Poll

Rank of community conditions respondents are "very satisfied" with

- Library services
- Education (K-12)
- Parks and Recreation
- Housing

Key person mail survey

- Just over three-fourths of survey respondents felt that the housing in their communities was in less than good condition. When asked to rate the quality of single family and multifamily housing, both types of housing were rated “average” quality.
- The survey data show a preference for rehabilitation of housing stock rather than new development: 71 percent of respondents agreed with the need to focus on improving housing through rehabilitation, compared to 44 percent who agreed that communities need to add housing through new construction.
- The top-needed housing types identified by the 2006 survey respondents were single family housing, subsidized housing and emergency shelters.
- The greatest impediments to owning a home, as identified by the 2005 survey respondents, included affordability/high housing prices, lack of stable income/cyclical income, having a poor credit history, and unable to come up with a downpayment.
- Respondents were asked what is most needed in their communities to meet the needs of persons experiencing homelessness. The top needs supportive services, emergency shelters and transitional housing.
- According to the survey respondents, the top barriers to community and economic development in Indiana are employment related, including jobs that pay livable wages and job growth.

2006 Citizen Survey

- Over half (51 percent) responded they were satisfied with their cost of housing; 54 percent were satisfied with the quality of their housing; 35 percent were satisfied with housing for persons with disabilities; and 33 percent were satisfied with the availability of emergency shelters.
- Sixteen percent responded the reason they were not satisfied with their current home or apartment was that it needs fixing up, another 16 percent responded their current home is too small, and another 15 percent said their rent/mortgage is too expensive.
- The top most needed types of housing in their community were single family homes and homeless shelters.
- Approximately 22 percent of the citizen respondents replied they have been homeless at some point in time. The top reason they were homeless had to do with having no job or income.
- The majority of citizen respondents were generally neither satisfied or dissatisfied with the several aspects of their community. However, 55 percent of respondents were dissatisfied with the availability of jobs in their community.

- If respondents were given \$1 million they could use to improve their community most would use the money to help bring jobs to their city/town, build more affordable rental housing and build more single family affordable housing.
- Approximately 13 percent of citizen respondents had experienced housing discrimination, 80 percent had not and the remaining 7 percent did not know if they had been discriminated. The most common reason given as to why respondents were discriminated was that they have a low income. Approximately 40 percent said they did nothing about the discrimination.

2005 Citizen survey

- According to a telephone survey of residents in nonentitlement areas in the State, most of the State's renters would prefer to own a house or a condo/townhome. Barriers to owning a home as identified by these renters included not having enough money for a downpayment, not qualifying for a mortgage, and not being able to afford a monthly mortgage payment. Of those who tried to get a home loan and could not, the top reasons included poor credit, not enough credit to get a loan, and having a high debt-to-income ratio.
- Three percent (10 respondents) of the telephone survey and 19 percent (13 respondents) of the mail/Internet survey said that they have been homeless before. Common reasons for homelessness were not being able to find an affordable place to live, being evicted/foreclosed upon and becoming sick and unable to work.
- Twenty-seven percent of the owners responding to the telephone survey and 67 percent of owners responding to the mail/Internet survey reported having repairs/improvements that have not been made to their house. The top repairs needed for both surveys respondents earning less than \$35,000 include repairs to the windows/doors and roofing.
- Eighty-three percent of the telephone survey respondents who are renters and 84 percent of mail/Internet survey respondents who are renters said that their landlords make repairs promptly when needed. Most of the survey respondents whose landlords do not make repairs were lower income.
- The top responses of how survey respondents would spend \$1 million dollars to improve their community included "help bring jobs to my city/town," "build housing for persons who are disabled and/or seniors," "build child care centers" and "build more single family affordable housing."
- Respondents of both types of citizen surveys said that the housing type most needed in their communities is single family homes—nearly one-third of both types of respondents cited this need. Also important to the mail/Internet respondents (29 percent) was the need for accessible housing for disabled persons/elderly.

Housing and Community Development/Key Person Survey

In February and March 2006, approximately 1,800 surveys were distributed to local government officials, community leaders, housing providers, economic development professionals, social service organizations, health care professionals and others. The surveys asked respondents a number of questions about housing and community development needs, including fair housing in their communities. A total of 212 surveys were returned, for a response rate of 12 percent.

A number of surveys were received from entitlement communities. In cases where the surveys represented the conditions of entitlement communities only, the surveys were not included in the overall sample.

Background on respondent organizations. Surveys were received from organizations in 72 of the 92 counties in Indiana. Exhibit III-1 shows the distribution of the various types of organizations from which surveys were received. As the exhibit shows, a wide variety of organizations were represented in the 2006 survey data. The organizations that are most likely to respond to the survey instrument continued to be units of local government. In 2006, there were twice as many health care providers completing the survey than in years past.

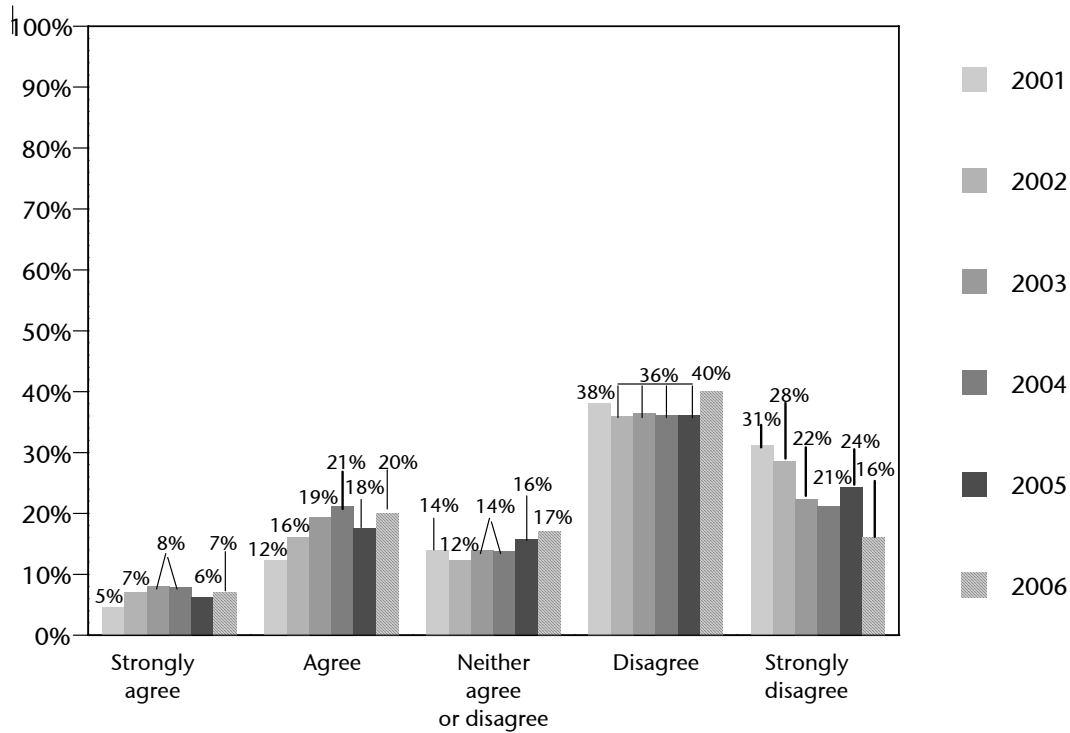
**Exhibit III-1.
Distribution of Respondents by Type of Organization, 2001 to 2006**

Type of Organization	2001	2002	2003	2004	2005	2006
Advocacy/education	5%	6%	7%	7%	8%	7%
Affordable housing provider	12%	13%	12%	9%	14%	14%
Citizen	-	2%	2%	3%	1%	1%
Day care (adult and child)	-	2%	2%	1%	2%	2%
Economic or community development	8%	9%	10%	8%	4%	5%
Employment/training provider	-	2%	1%	3%	2%	2%
Financial institutional/lender	1%	0%	3%	4%	1%	1%
Group home	-	2%	2%	1%	1%	2%
Health care provider	-	2%	3%	4%	4%	8%
Homeless shelter	-	4%	3%	3%	9%	5%
Legal assistance	1%	0%	0%	1%	1%	0%
Local government	46%	29%	26%	28%	26%	25%
Property manager	1%	2%	3%	2%	2%	2%
Senior center	-	2%	0%	0%	1%	0%
Senior housing provider	-	3%	2%	2%	3%	3%
Social service provider	-	10%	10%	12%	11%	11%
Other	26%	12%	14%	12%	12%	11%
Total	100%	100%	100%	100%	100%	100%

Source: Key Person Survey, Indiana Consolidated Plan, 2001 to 2006.

Housing inventory and quality. Respondents were asked a number of questions about the supply and condition of the housing in their communities. As shown in Exhibit III-2, 56 percent of respondents felt that there was not enough housing in their communities to meet their needs. This rate was similar to the previous three years of 2003, 2004 and 2005 at 59, 57 and 60 percent, respectively, and is less than the years prior to 2003.

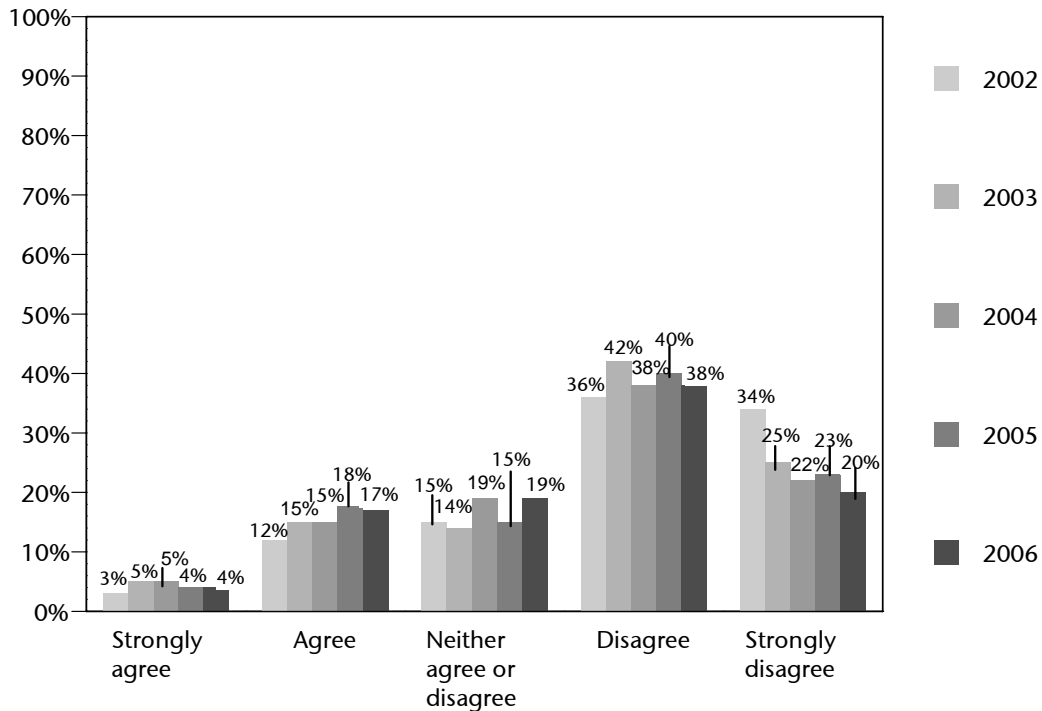
Exhibit III-2.
There is Enough Housing in This Community to Meet Demand



Source: Key Person Survey, Indiana Consolidated Plan, 2001 to 2006.

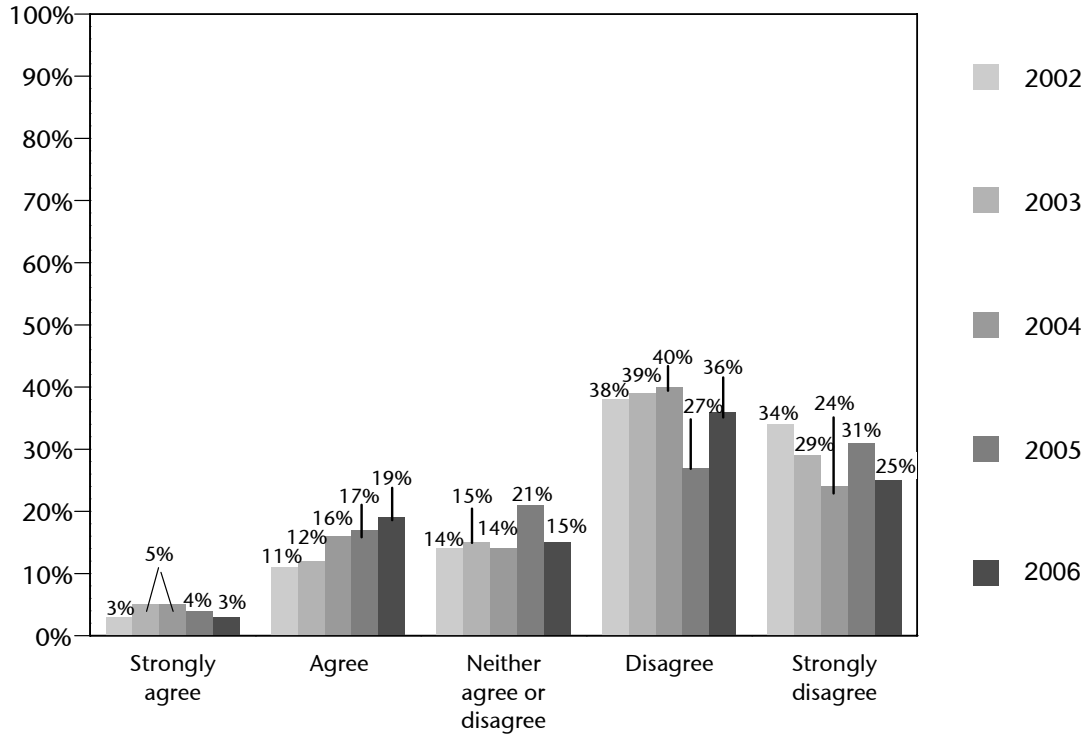
As shown in the following exhibits, 58 percent of the survey respondents disagreed with the statement in the survey “There is enough affordable *single family* housing in this community.” And 61 percent responded they disagreed there is enough *rental* housing in their community. Only 21 percent of the 2006 respondents felt that there was adequate affordable single family housing and 22 percent felt there was enough affordable rental housing, which is similar to 2004 and 2005 results.

Exhibit III-3.
There is Enough Affordable *Single Family* Housing in This Community



Source: Key Person Survey, Indiana Consolidated Plan, 2001 to 2006.

Exhibit III-4.
There is Enough Affordable Rental Housing in This Community



Source: Key Person Survey, Indiana Consolidated Plan, 2001 to 2006.

Respondents were asked if the housing stock in their communities was in good condition. Over half (52 percent) disagreed that the housing stock was in good condition, 21 percent agreed, and the final 27 percent neither agreed nor disagreed. Compared to the responses in 2001 through 2004 and 2006, there was a slightly higher rate of disagreement in 2005.

Respondents were also asked to rate the quality of their community's single family and multifamily housing stock. Exhibit III-5 shows how respondents rated the condition of the housing stock in their communities in 2002 through 2006.

Exhibit III-5.
Quality of Single Family and Multifamily Housing, 2002 to 2006

Quality	Single Family					Multifamily				
	2002	2003	2004	2005	2006	2002	2003	2004	2005	2006
Very Good	5%	4%	5%	4%	2%	3%	4%	4%	4%	2%
Good	20%	24%	21%	25%	23%	19%	18%	21%	22%	19%
Average	48%	46%	46%	45%	42%	37%	40%	37%	40%	39%
Poor	21%	21%	24%	23%	26%	31%	28%	29%	25%	32%
Very Poor	6%	5%	4%	3%	6%	10%	10%	9%	9%	8%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: Key Person Survey, Indiana Consolidated Plan, 2001 to 2006.

The assessment of housing condition was relatively similar in 2002 through 2005 and in 2006 there was a noticeable increase in the percentage of respondents who rated single and multi family poor and very poor. For all years, respondents ranked the quality of multifamily housing stock below that of the single-family housing stock. In 2005, 39 percent of respondents said the multifamily housing stock in their communities was in poor to very poor condition, compared with 32 percent for single family housing stock. The percentage of respondents ranking multifamily housing stock in poor condition improved from 2002 to 2005, and in 2006 people who responded multifamily housing stock is in poor condition increased 17 percent to 40 percent.

Exhibits III-6 and III-7 show responses to questions pertaining to the need for new construction and rehabilitation of existing structures. The data show a preference for rehabilitation of housing stock rather than new development: In the 2006 survey 71 percent of respondents agreed with the need to focus on improving housing through rehabilitation, compared to 44 percent who agreed that their communities need to add housing through new construction. The data also show a slight trend in preferences for rehabilitation. The percentage of respondents agreeing that rehabilitation is needed in their community grew from 65 percent in 2002 to 74 percent in 2005 and decreased slight 2005 to 2006 (71 percent). The percentage agreeing that new construction is needed declined from 52 percent in 2002 to 44 percent in 2006.

Exhibit III-6.
"My Community Needs to Add Housing Through New Construction"

Source:
 Key Person Survey, Indiana Consolidated Plan, 2001 to 2006.

New Construction	2002	2003	2004	2005	2006
Strongly agree	19%	18%	14%	17%	15%
Agree	33%	31%	33%	30%	30%
Neither agree nor disagree	27%	27%	25%	28%	30%
Disagree	12%	17%	21%	18%	18%
Strongly disagree	9%	7%	7%	6%	8%
Total	100%	100%	100%	100%	100%

Exhibit III-7.
"My Community Needs to Focus on Improving Housing Through Rehabilitation of Existing Structures"

Source:
 Key Person Survey, Indiana Consolidated Plan, 2001 to 2006.

Rehabilitation	2002	2003	2004	2004	2006
Strongly agree	26%	27%	26%	33%	27%
Agree	39%	39%	41%	41%	44%
Neither agree or disagree	22%	21%	17%	14%	17%
Disagree	9%	7%	11%	10%	10%
Strongly disagree	5%	6%	5%	2%	2%
Total	100%	100%	100%	100%	100%

When asked about homeowners' and renters' abilities to make minor repairs, most respondents felt that most homeowners could make needed repairs (45 percent agreed that homeowners could make needed repairs), but said that renters find it difficult to get landlords to make needed repairs. In 2002 through 2006, approximately half of respondents *disagreed* with the statement "Renters in this community can get landlords to make needed repairs." The survey results suggest that the respondents' concerns about housing conditions are mostly related to rental properties.

Housing affordability. Survey respondents were asked to list the housing types that are needed most in their communities. The top three needs identified by the 2006 survey respondents were single family housing, subsidized housing and emergency housing. Although single family housing was identified as the top need by 2006 survey respondents, the proportion of respondents identifying this need was lower than in 2003 and 2004 (32 percent and 38 percent, respectively).

Respondents in 2006, 2005 and 2003 rated subsidized housing as the next most needed housing type at 21, 22 and 22 percent, respectively. This compared to only 9 percent in 2004.

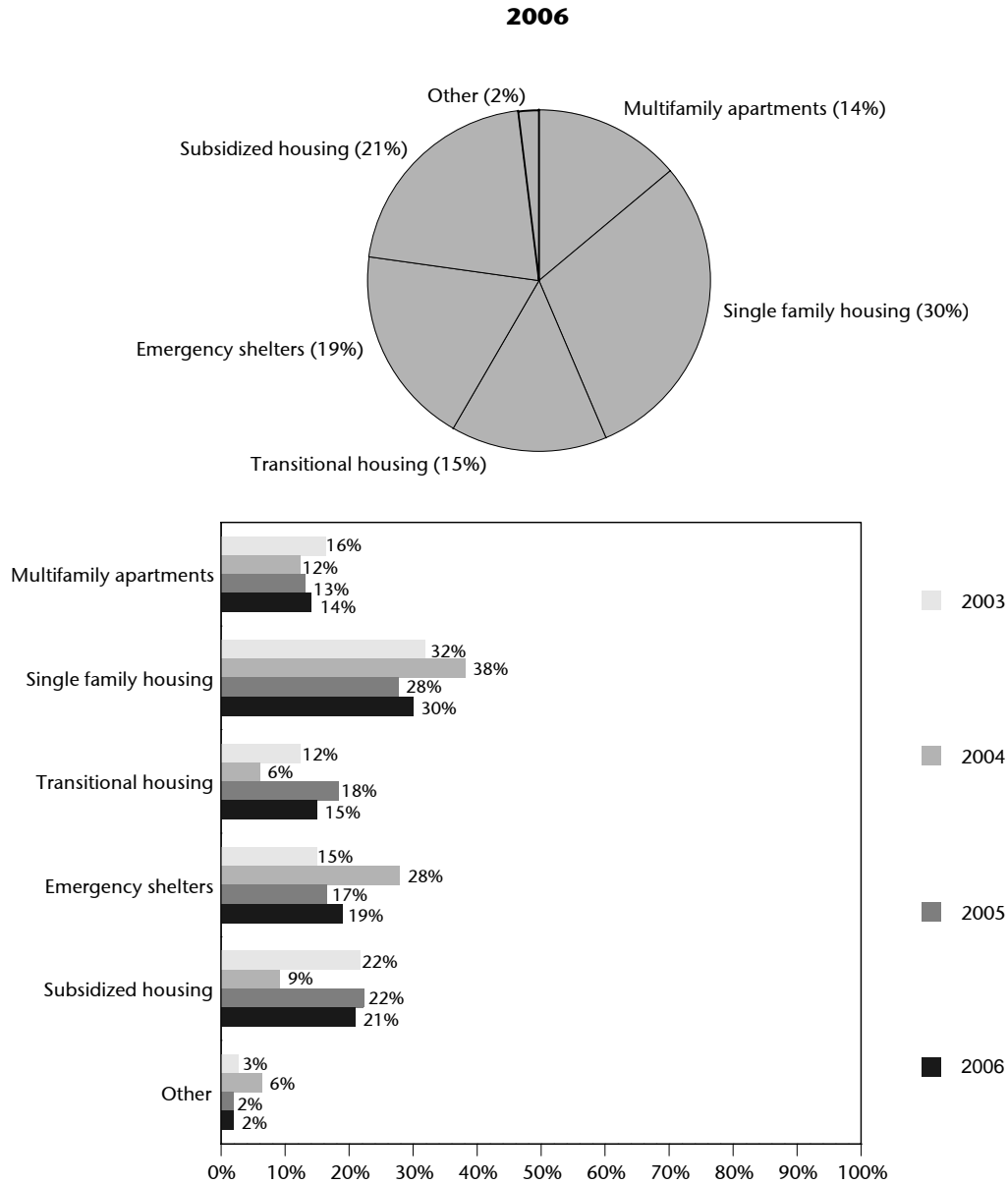
Nineteen percent of the surveys reported that emergency housing is most needed in their communities, a slight increase from 2005 (17 percent).

In 2005, 18 percent of the surveys reported that transitional housing is most needed in their community, which is a 12 percentage point increase from 2004. (Again, the increase is reflective of the increase in the number of respondents representing homeless shelters.) In 2006 the percentage dropped slightly to 15 percent. Approximately three fourths of the respondents to this question indicated that units with rents of less than \$300 were most in demand. All responses indicated a need for rents of \$400 or less a month or else indicated rent should be based on income.

Only 14 percent of the surveys indicated that multifamily apartments are needed in their area, which is consistent with 2005, 2004 and 2002 and lower than 2003 (16 percent). Of the respondents who identified this need, *all* said that there is a need for rents less than \$800 a month and 65 percent expressed a need for rents equal to or below \$500 a month.

Exhibit III-8 compares the answers to the 2003, 2004, 2005 and 2006 questions.

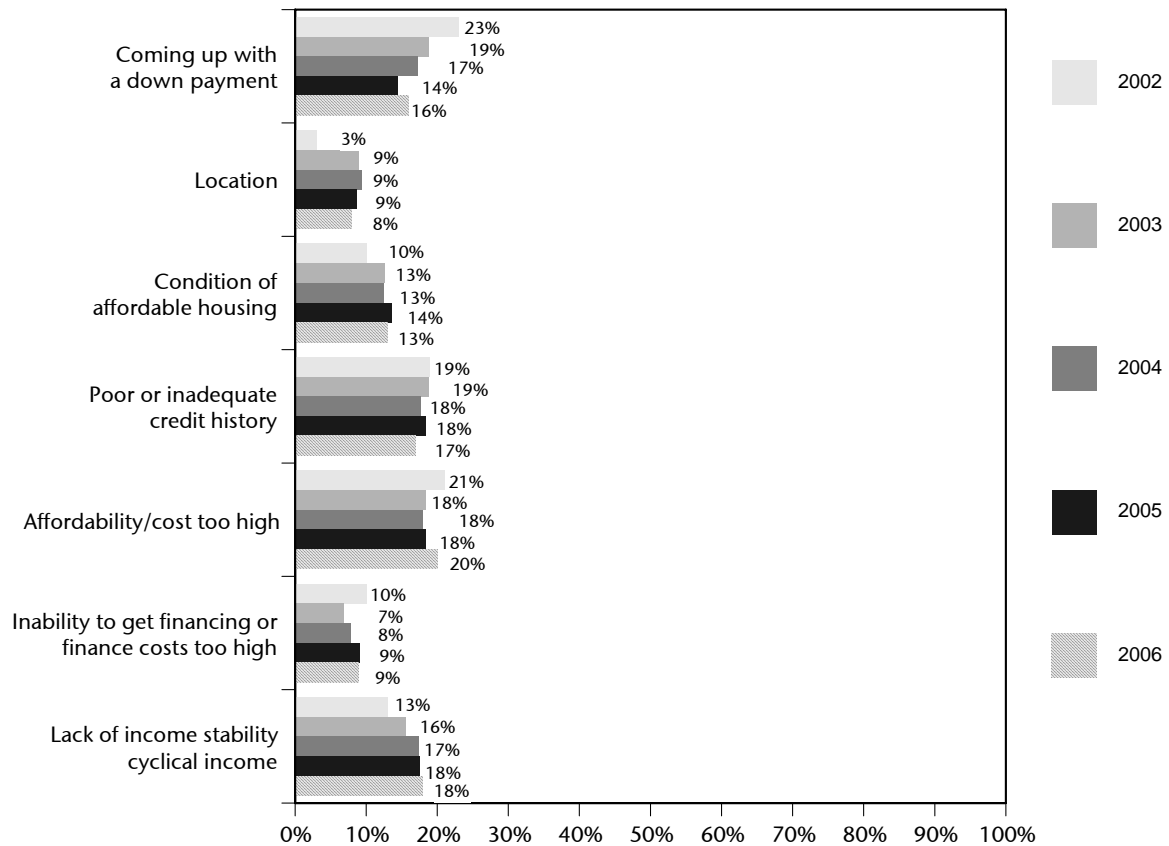
**Exhibit III-8.
Most Needed Housing Types, 2003, 2004, 2005 and 2006**



Source: Key Person Survey, Indiana Consolidated Plan, 2003-2006.

Barriers to homeownership. When asked about the greatest impediment to owning a home, respondents in 2006 identified the challenges of affordability/cost too high, lack of a stable income/cyclical income, having a poor credit history and coming up with a downpayment. These were similar to top reasons identified in 2002 though 2005. It is interesting to note that another top impediment from previous years—difficulty of coming up with a downpayment—has decreased in importance of being an impediment to homeownership from 2002 to 2005, although it increased slightly in 2006. Exhibit III-9 shows the impediments to homeownership identified by survey respondents in all five years.

**Exhibit III-9.
Greatest Impediments to Homeownership**



Source: Key Person Survey, Indiana Consolidated Plan, 2002-2006.

Special needs housing. Respondents were asked about the housing needs in their communities for populations with special needs, including persons experiencing homelessness, individuals with physical and developmental disabilities, individuals with mental illness, the elderly, individuals living with HIV/AIDS as well as seasonal farm workers. Exhibit III-10 shows the percentage of respondents in 2002 through 2006 who believe that the housing needs of these special needs populations are not being met in their communities.

**Exhibit III-10.
Percent of Respondents
Disagreeing That the
Needs of Special
Populations Are Being
Adequately Met**

Note:
Domestic violence was first added in 2006.

Source:
Key Person Survey, Indiana
Consolidated Plan, 2002-2006.

Special Needs Category	Percent Disagreeing				
	2002	2003	2004	2005	2006
Homeless	57%	57%	55%	59%	59%
Mental Illness	51%	54%	55%	52%	55%
Physical Disability	50%	44%	47%	47%	48%
Domestic Violence	-	-	-	-	45%
Development Disability	55%	43%	45%	42%	44%
Elderly	43%	39%	40%	39%	38%
HIV/AIDS	38%	38%	37%	36%	32%
Seasonal Farm Workers	37%	31%	30%	25%	29%

As shown in Exhibit III-10, the survey results are fairly similar. In all five years, the number one concern was the needs of the homeless population, followed by persons with mental illnesses. From 2002 to 2005, there has been a marked decline in the percentage of respondents who disagree that the needs of seasonal farm workers and persons with developmental disabilities are being met. The disagreement rate for all special needs populations, except persons with HIV/AIDS and the elderly, increased or stayed the same from 2005 to 2006.

Respondents were also asked how the needs of special populations could be better met. Exhibit III-11 categorizes their responses.

**Exhibit III-11.
How Can Housing and
Related Needs of Special
Needs Groups Be
Better Met?**

Source: Key Person Survey, Indiana
Consolidated Plan, 2006.

	Number of Responses	Percent of Total
Accessibility	5	5%
Administrative/Funding/Outreach/Advocacy/Misc.	14	15%
Affordability	19	20%
Congregate Housing	2	2%
Emergency and Transitional Shelters/Housing	25	27%
Housing Stock	20	21%
Housing Subsidy	9	10%
Total	94	100%

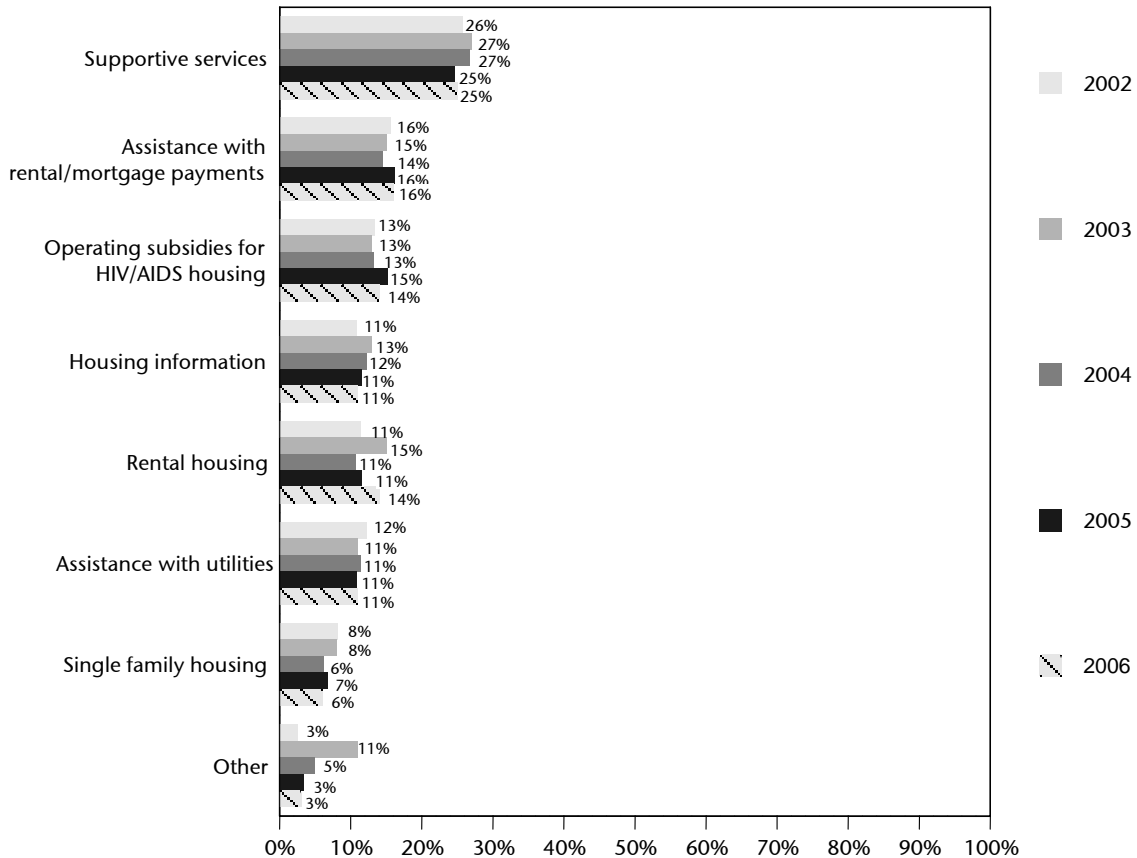
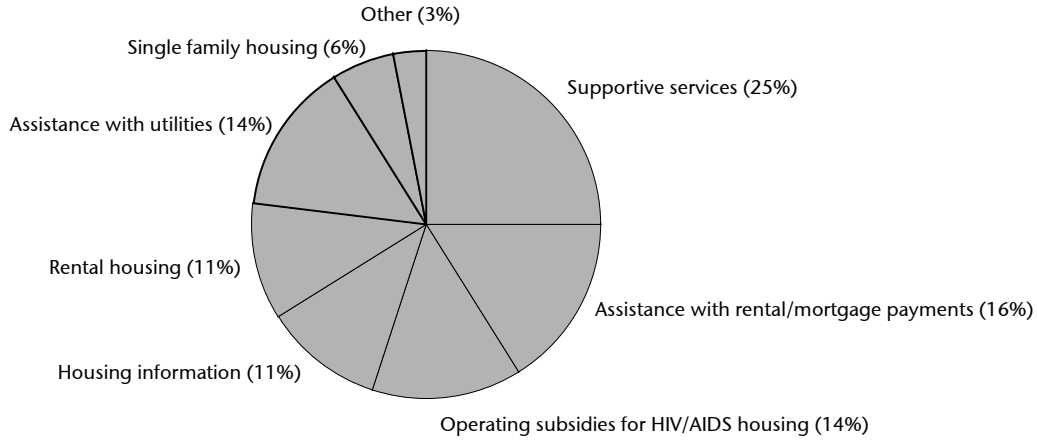
The majority of responses, 27 percent, fell under the Emergency and Transitional Shelters/Housing category. This category includes respondents who mentioned the need for supportive services with the population who access emergency and transitional housing. Housing stock issues followed with 20 responses (21 percent). This included comments concerning improving the condition of housing units and the need for more housing units. Issues of affordability were third with responses ranging

from affordable elderly/disabled housing to good condition affordable housing. Comments regarding emergency and transitional housing needs typically mentioned the need for supportive services along with housing.

HIV/AIDS needs. When asked what is most needed in their communities to meet the needs of persons with HIV/AIDS, respondents cited supportive services, assistance with rental/mortgage payments, and operating subsidies for HIV/AIDS housing as the top three needs. Exhibit III-12 on the following page shows the distribution of the 2002 through 2006 responses to this question. As shown below, supportive services has remained the top need over the five year period, at 26 percent in 2002, 27 percent for 2003 and 2004, and 25 percent in 2005 and 2006.

Exhibit III-12.
Community Needs for Persons with HIV/AIDS, 2002, 2003, 2004, 2005 and 2006

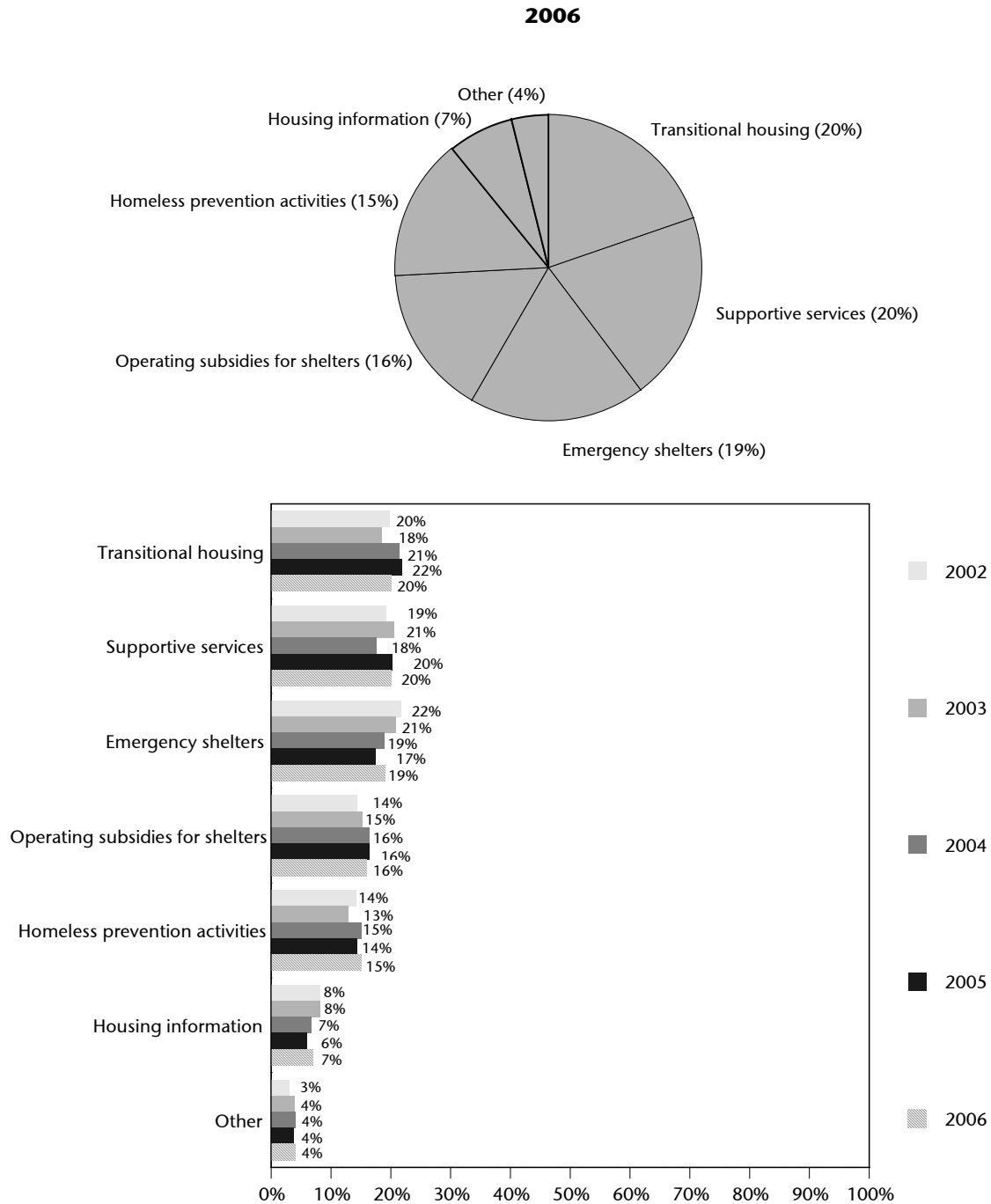
2006



Source: Key Person Survey, Indiana Consolidated Plan, 2002-2006.

Homeless needs. Respondents were also asked what is most needed in their communities to meet the needs of persons experiencing homelessness. For 2006, the top needs were supportive services, emergency shelters and transitional housing, as shown in Exhibit III-13 below.

**Exhibit III-13.
Community Needs for Persons Experiencing Homelessness, 2002, 2003, 2004, 2005 and 2006**



Source: Key Person Survey, Indiana Consolidated Plan, 2002-2006.

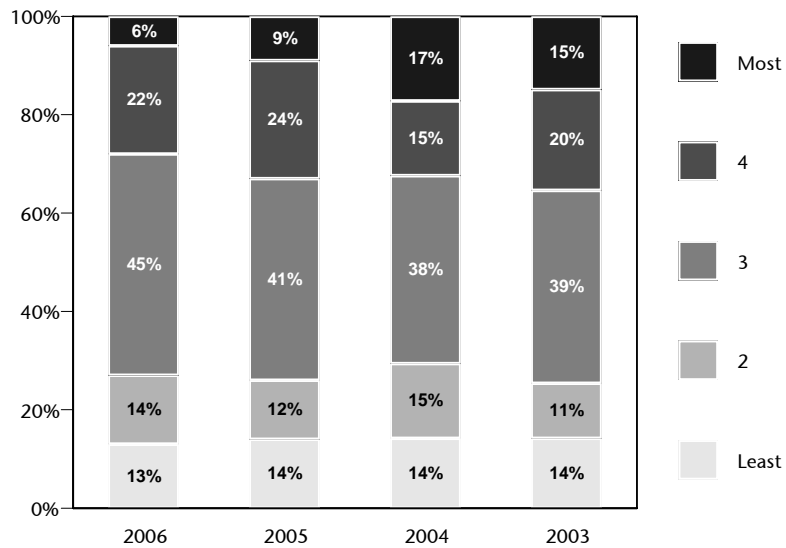
As shown in Exhibit III-13, the needs have stayed relatively consistent.

Lead-Based Paint Hazards. As in 2003, 2004 and 2005, the 2006 survey included several questions to determine how much of a problem lead-based paint hazards are in communities. Survey respondents were provided with a scale of one to five to rank the increase in housing costs because of lead abatement, with one being the least and five being the most. Most survey respondents said that lead abatement procedures increase the cost of providing affordable housing a moderate to high amount. In 2006, the percentage ranking the cost of abatement procedures as the highest cost (a ranking of 5) was just 6 percent, down from previous years. However, this was offset with an increase in the percentage of respondents ranking the costs as moderate (ranking of 4). The distribution of responses is shown in Exhibit III-14.

**Exhibit III-14.
How Much Do Lead
Abatement Procedures
Increase Cost of
Housing?**

Note:
One = least, Five = most.

Source:
Key Person Survey, Indiana Consolidated
Plan, 2003-2006.



In addition, 57 percent of survey respondents said there were not adequate funds in their communities to address lead-based paint hazards in housing, this is a substantial drop compared to 70 percent in 2005, 72 percent in 2004, 70 percent in 2003 and 77 percent in 2002. Fifty-nine percent of respondents said there is adequate private and rental lead-safe housing in their community for families with small children. Fifty-eight percent responded they was a need in their community for programs to address lead-based paint in housing where poisoned children live.

Over the four-year study period, the survey questions do not indicate a *worsening or improving* trend for lead-based paint hazards. However, the percentage of respondents indicating a need in this area has been consistently high throughout this study period.

Awareness of lead-based paint. Two additional questions were asked in 2006 asking respondents about their awareness of certain HUD requirements regarding lead-based paint and of lead testing availability. The results are show in the following exhibit.

**Exhibit III-15.
Lead-Based Paint Awareness, 2006**

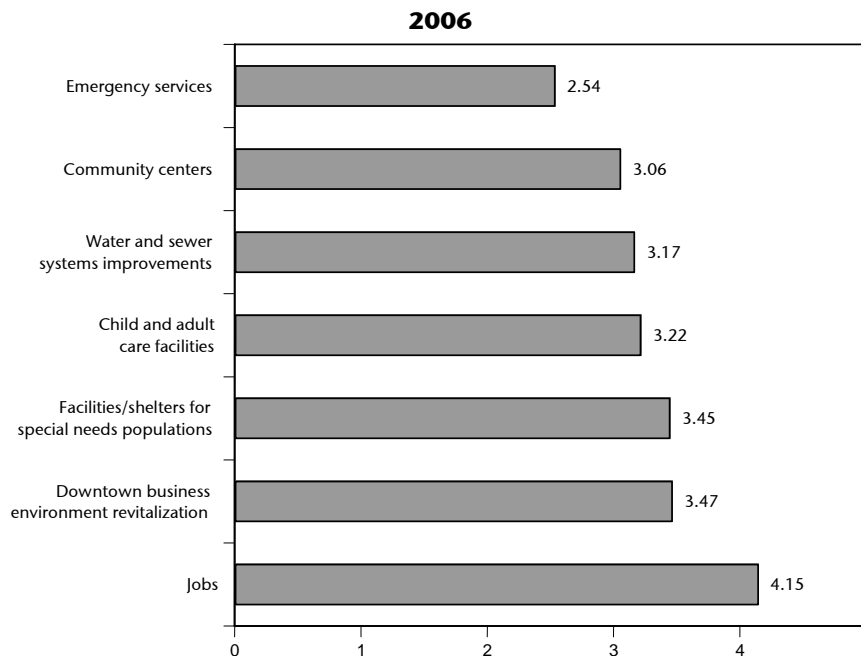
	Yes	No
Are you aware of the HUD requirement that health departments and housing agencies that receive HUD funding must share data on dwellings associated with lead-poisoned children?	60%	40%
Are you aware that interim controls of lead hazards with periodic clearance testing can be done to make a home lead safe at a lower cost of providing affordable housing?	47%	53%

Source: Key Person Survey, Indiana Consolidated Plan, 2006.

Community Development Needs. In the 2006 Key Person Survey, respondents were also asked about a range of community development issues in their communities, including employment conditions, the need for public infrastructure improvements, and the need for community and special needs services and facilities.

The survey asked respondents to rank the community development needs in order of how much they are needed in their areas (with 1 being the least needed and 5 being the most needed). The average rankings of community development needs are shown in Exhibit III-16. The category Jobs was first included in 2006 and it also received the highest average ranking of being needed.

**Exhibit III-16.
Average Ranking of Community Development Needs**



Community Development Needs	Average ranking of need			
	2003	2004	2005	2006
Jobs	-	-	-	4.15
Downtown business environment revitalization	3.29	3.41	3.48	3.47
Facilities/shelters for special needs populations	3.33	3.31	3.42	3.45
Child and adult care facilities	3.19	3.16	3.12	3.22
Water and sewer systems improvements	3.17	3.20	3.10	3.17
Community centers	2.86	2.91	2.81	3.06
Emergency services	2.54	2.45	2.53	2.54

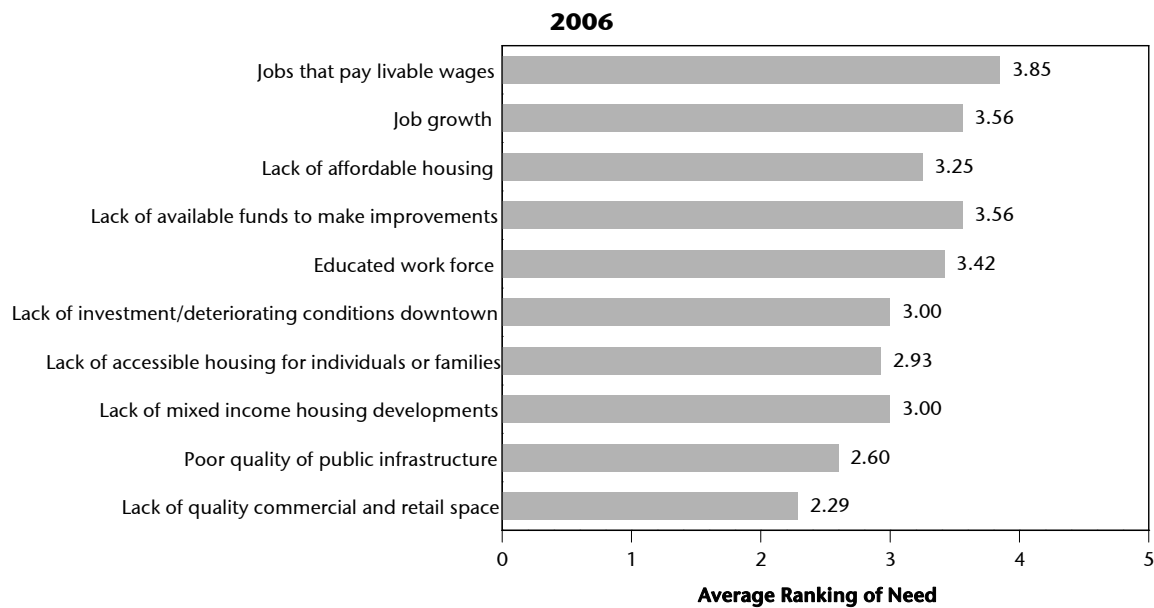
Note: 1 = least needed to 5 = most needed.

Source: Key Person Survey, Indiana Consolidated Plan, 2003-2006.

In general, respondents indicated a need for jobs, downtown business environment revitalization, facilities and shelters for special needs populations, child and adult care facilities and water and sewer system improvements. These were very similar to the results in 2005, 2004 and 2003 and show a consistent emphasis on downtown business environment revitalization and facilities, and facilities/shelters for special needs populations.

Respondents were also asked to rank the barriers to community and economic development on a scale of one to five, with a 1 being the smallest barrier and 5 being the biggest barrier. Exhibit III-17 shows the average ranking of barriers to community and economic development.

**Exhibit III-17.
Barriers to Community and Economic Development**



Barriers	Average Ranking of Barrier			
	2003	2004	2005	2006
Jobs that pay livable wages	4.02	4.09	4.12	3.85
Job growth	3.77	3.86	3.87	3.56
Lack of available funds to make improvements	3.47	3.55	3.58	3.56
Educated work force	3.54	3.48	3.47	3.42
Lack of affordable housing	3.59	3.53	3.60	3.25
Lack of investment/deteriorating conditions downtown	NA	NA	3.28	3.00
Lack of mixed income housing developments	3.15	3.18	3.21	3.00
Lack of accessible housing for individuals or families	3.27	3.17	3.25	2.93
Poor quality of public infrastructure	2.84	2.83	2.86	2.60
Lack of quality commercial and retail space	2.56	2.50	2.45	2.29

Note: 1 = smallest barrier and 5 = biggest barrier.

Source: Key Person Survey, Indiana Consolidated Plan, 2003-2006.

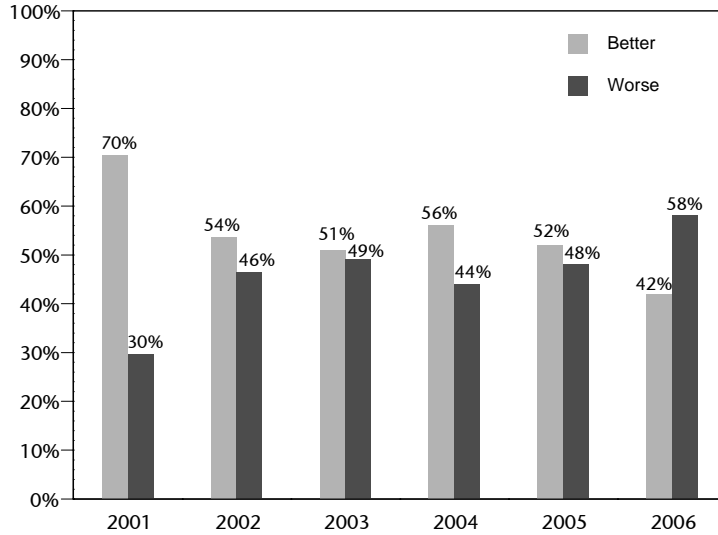
As shown above, respondents perceive the top barriers to development in Indiana’s communities as employment related: jobs that pay livable wages, job growth and education of work force are consistently ranked higher. Affordable housing and funding for improvements are also consistently identified as top needs. In 2005, an additional category was added—lack of investment/deteriorating conditions downtown—that received a moderate need ranking. Overall, in 2006 the average ranking amounts decreased from previous years.

In the 2006 survey, 28 percent of survey respondents said that the number of jobs had increased in their communities, compared to 27 percent in 2005, 22 percent in 2004, 27 percent in 2003, 37 percent in 2002, and 60 percent in 2001. Fifty-two percent of 2006 respondents said the number of jobs in their communities had decreased, compared to 57 in 2005, 54 percent in 2004, 57 percent in 2003, 50 percent in 2002, and only 26 percent in 2001.

Additionally, respondents were asked if the perception of their community has improved or declined and the reasons for any change. In the 2001 survey, 70 percent of respondent said that the perception of their community had improved during the past five years. In contrast, just 54 percent of respondents to the 2002 survey, 51 percent of the 2003 survey respondents, 56 percent from the 2004 survey, 52 percent in 2005, and 42 percent in 2006 said that their community’s perception had improved. This was a noticeable drop in respondents perceiving their community has gotten better over the last five years. Exhibit III-18 shows the community perception results for 2001 through 2006.

**Exhibit III-18.
Community Perception,
2001-2006**

Source:
Key Person Survey, Indiana Consolidated
Plan, 2001-2006.



HUD Grant Programs. The final survey questions solicited information about awareness and use of the State’s HUD grant programs, administered by the Indiana Office of Community and Rural Affairs and the Indiana Housing and Community Development Authority. Exhibit III-19 shows community awareness of survey respondents for six programs funded by CDBG, HOME, HOPWA and ESG funds.

**Exhibit III-19.
Awareness of Federal
Program, 2006**

Source:
Key Person Survey, Indiana Consolidated
Plan, 2006.

Aware of Housing Programs	Percent Aware
Community Development Block Grant (CDBG)	80%
Home Investment Partnerships Program (HOME)	43%
Emergency Shelter Grant (ESG)	38%
Housing Opportunities for People with AIDS (HOPWA)	39%

2006 Citizen Survey

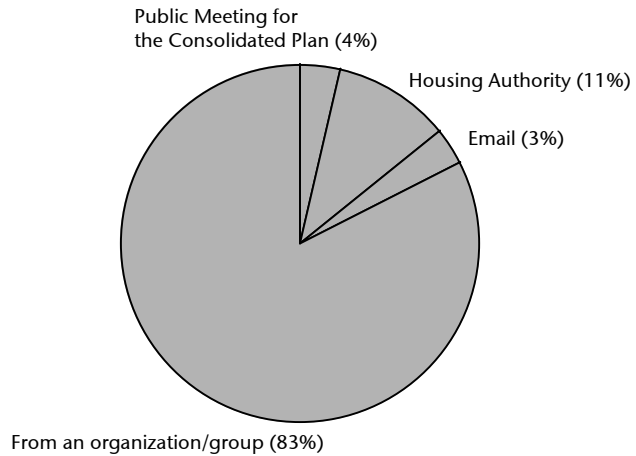
A citizen survey was conducted from February to April 2006 of residents living in the State of Indiana. The survey was distributed by members of the Consolidated Plan Committee to organizations throughout the state.

The survey included questions about residents’ current housing situations (including lead-based paint questions), the needs for their neighborhoods, if they had ever been homeless and if they had ever experienced housing discrimination.

Eight hundred and two surveys were completed and returned from approximately 160 cities and towns in Indiana. Ten percent of the survey respondents received the survey from housing authorities and over three fourths respondents received the survey from an organizations/group. Approximately one quarter of these organizations were mental health centers.

**Exhibit III-20.
How Did You Receive
This Survey Instrument?**

Source:
2006 Citizen Survey,
Indiana Consolidated Plan 2006.



Housing. Respondents were asked how satisfied they were with several aspects of housing in their community. The following exhibit shows the average response based on the number scale provided (1...very satisfied, 2...satisfied, 3...neither satisfied or dissatisfied, 4...dissatisfied or 5 very dissatisfied). Most respondents were dissatisfied with the availability of emergency shelters.

**Exhibit III-21.
How Satisfied Are You With The Following Aspects of Housing In Your Community?**

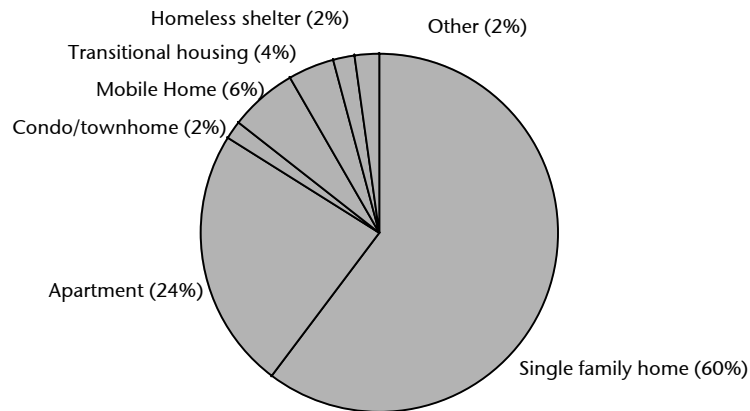
	Very Satisfied	Satisfied	Neither Satisfied	Dissatisfied	Very Dissatisfied	Average of Responses
Housing cost (affordability)	18%	33%	21%	19%	9%	2.68
Housing quality	15%	39%	23%	16%	7%	2.62
Housing for persons with disabilities	12%	22%	37%	17%	12%	2.93
Availability of emergency shelters	11%	23%	27%	18%	21%	3.17

Note: 1...very satisfied, 2...satisfied, 3...neither satisfied or dissatisfied, 4...dissatisfied or 5 very dissatisfied.
Source: 2006 Citizen Survey, Indiana Consolidated Plan 2006.

Approximately 40 percent of survey respondents were owners, 45 percent were renters, 7 percent do not own and do not pay rent and the remaining 8 percent lived with their parents, family or friends. The majority of survey respondents (60 percent) lived in single family homes, while one quarter lived in an apartment or condo/townhome. The following exhibit shows the responses of the type of housing respondents are currently living in.

**Exhibit III-22.
Type of Housing
Currently Living In**

Source:
2006 Citizen Survey, Indiana Consolidated
Plan 2006.



Approximately 14 percent responded they receive assistance from the government to help them pay their mortgage or rent. Almost 80 percent of citizen respondents said they were either satisfied or very satisfied with their current home or apartment and the remaining 21 percent responded they were either dissatisfied or very dissatisfied with their current home.

Survey respondents were also asked the top reason they were not satisfied with their current home or apartment. The top three reasons included their home needs fixing up, their home/apartment is too small and their rent/mortgage is too expensive, as shown in the following exhibit.

**Exhibit III-23.
Reasons You Are Not
Satisfied with Current
Home or Apartment**

Source:
2006 Citizen Survey, Indiana Consolidated
Plan 2006.

	Responses
Needs fixing up	15.8%
Too small	15.7%
Rent/mortgage too expensive	15.2%
Too expensive to maintain	9.9%
Not in desired location	8.5%
Too many people/too few rooms	6.8%
Limited amenities	5.6%
My commute to work is too long	5.0%
Location not safe	4.1%
Location is not convenient	4.1%
Dissatisfied with nearby schools	2.1%
Other	7.0%

Citizens who responded their home needed fixing up were asked to specify what needed fixing up. The top things that need fixing up in their homes or apartments include windows, paint, roof, floors (including things such as carpet and sagging floors), doors, furnaces, foundation, bathroom, insulations, siding, plumbing, kitchen, gutters, mold, security, lead paint and pests.

Citizens were asked about the most needed housing type in their city/town/area of residence. As shown in Exhibit III-24, almost one fourth of the citizens responded the most needed housing type were single family homes, followed by homeless shelters.

**Exhibit III-24.
Most Needed Housing
Type In Your
City/Town/Area of
Residence**

	Responses
Single family homes	23%
Homeless shelters	17%
Accessible housing for disabled persons/elderly	13%
Apartments (3 or 4 bedroom)	12%
Apartments (1 or 2 bedroom)	12%
Assisted living ofr seniors	9%
Transitional housing	9%
Other	5%

Source:
2006 Citizen Survey, Indiana Consolidated
Plan 2006.

Affordable housing was mentioned repeatedly under the “other” category, along with emergency/transitional/supportive housing and subsidized housing.

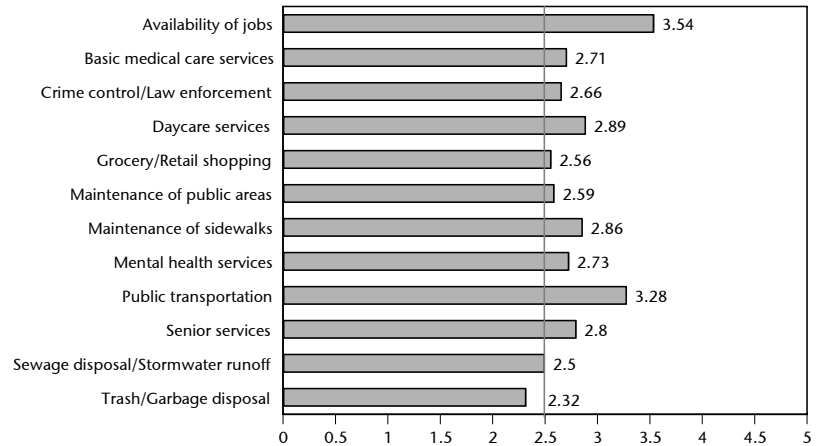
Homelessness. Approximately 22 percent of the citizen respondents replied they have been homeless at some point in time. The top reason they were homeless had to with having no job or income. Several of the respondent suggested they were asked to leave their family, friends or significant others homes due to a dispute or argument. Other reasons included not being able to afford rent, abusing or being addicted to drugs or alcohol, experiencing a domestic violence situation, being a convicted felon, having an illness/medical problems, being disabled, having their home burn down or getting divorced.

Community services. The majority of citizen respondents were generally neither satisfied or dissatisfied with the several aspects of their community. The following exhibit shows the average response based on the number scale provided (1...very satisfied, 2...satisfied, 3...neither satisfied or dissatisfied, 4...dissatisfied or 5 very dissatisfied). Most respondents were dissatisfied with the availability of jobs and public transportation.

**Exhibit III-25.
How Satisfied Are You
With The Following
Aspects of Your
Community?**

Note:
1...very satisfied, 2...satisfied, 3...neither
satisfied or dissatisfied, 4...dissatisfied or 5
very dissatisfied.

Source:
2006 Citizen Survey, Indiana Consolidated
Plan 2006.



If respondents were given \$1 million they could use to improve their community most would use the money to help bring jobs to their city/town, build more affordable rental housing and build more single family affordable housing, as shown in the following exhibit.

Respondents of the 2005 Indiana Rural Poll were asked if they were “very satisfied” with a list of condition in their community. Library services, kindergarten through high school education, parks and recreation and housing received the most favorable response rates of residents being very satisfied.

**Exhibit III-26.
If You Had \$1 Million,
How Would You Improve
Your Community?**

Source:
2006 Citizen Survey, Indiana Consolidated
Plan 2006

	Percent of All Responses
Help bring jobs to my city/town	18%
Build more affordable rental housing	12%
Build more single family affordable housing	11%
Build more homeless shelters	9%
Build housing for persons who are disabled and/or seniors	8%
Improve health care services	7%
Fund a public bus system	6%
Reduce crime	6%
Build child care centers	6%
Build community/senior centers	4%
Improve maintenance in my community	4%
Help my city improve public safety	4%
Improve my neighborhood	3%
Other	2%

The 2005 Indiana Rural Poll also reported issues/problems that were identified as “top priority” for Indiana. Ninety-four percent of respondents said economic development including job growth, which ranked it as the first “top priority” for Indiana. Child abuse (92 percent), teen drug abuse (90 percent) and spousal abuse (87 percent) were the next “top priorities” for Indiana.

Rural Poll respondents were also asked if they would endorse several different community development ideas. The most commonly endorsed community development idea, with 77 percent approving, was to build or improve local roads and highways. Seventy percent of respondents endorsed the idea to build a business “incubator” to promote new business; 68 percent endorsed creating a farmer’s market; and 64 percent endorsed building and/or expanding high speed broadband internet access in Indiana.

Housing discrimination. Approximately 13 percent of citizen respondents had experienced housing discrimination, 80 percent had not and the remaining 7 percent did not know if they had been discriminated. Approximately one third of the respondents who said they had experienced housing discrimination in the northwest part of the state. There was also a higher number of respondents experiencing housing discrimination in central Indiana.

The most common reason given as to why respondents were discriminated was that they have a low income. Race, having children and having bad credit/bankruptcy/debts were also common responses as shown in Exhibit III-27.

**Exhibit III-27.
Reason Respondent Was
Discriminated Against**

Source:
2006 Citizen Survey, Indiana Consolidated
Plan 2006.

	Percent of All Responses
I have a low income	20.8%
Race	15.3%
I have children	12.5%
I have bad credit/bankruptcy/debts	11.4%
My gender/sex	5.5%
My partner and I are not married	5.5%
I'm on Section 8/receive government assistance for housing	5.5%
I'm mentally/developmentally disabled	4.3%
I'm physically disabled	3.9%
I'm a convicted felon/criminal background	3.9%
I'm gay/lesbian/bisexual/transgender	2.7%
I'm a student	1.2%
I'm a farm worker/ranch hand/migrant worker	1.2%
I'm not a U.S. citizen	0.8%
My religion	0.4%
Other	5.1%

When asked what they did about the discrimination, almost 40 percent responded they did nothing, as shown in the following exhibit.

**Exhibit III-28.
What Did You Do About
the Discrimination?**

Source:
2006 Citizen Survey, Indiana Consolidated
Plan 2006.

	All Responses
Nothing	39%
Tried to get information and couldn't	9%
Called a housing authority	9%
Called HUD	7%
Filed a complaint	7%
Called local government office	6%
Don't know/can't remember	6%
Called a community organization	5%
Called Indiana Civil Rights Office	4%
Tried to talk to a lawyer/Legal Aid/ ACLU/Attorney General's office	2%
Other	6%

Lead-based paint. Citizen respondent were also asked a series of questions concerning lead-based paint and their housing. The following exhibit shows the responses to these questions.

**Exhibit III-29.
Lead-Based Paint**

	Yes	No	Don't Know	Number of Responses
Do you know if your house or apartment has been treated for lead contamination?	18%	27%	55%	753
If you have made repairs to your house or apartment, did you use lead-safe work practices?	49%	14%	37%	709
If you rent, did your landlord provide you with a disclosure form and the pamphlet "Keep Your Family Safe from Lead in Your Home" beofre the repairs were made?	23%	41%	36%	507
Have you or any member of your family been tested for lead?	14%	70%	15%	753
Have you or any member of your family been lead-poisoned?	2%	77%	21%	760

Source: 2006 Citizen Survey, Indiana Consolidated Plan 2006.

2005 Citizen Survey

A citizen telephone survey was conducted in October 2004 of 300 residents living within nonentitlement areas in the State of Indiana. The households selected for the survey were chosen through a random digit dial process. Davis Research, a telephone survey firm in California, fielded the survey. The survey included enough households to ensure statistical significance—that is, the survey was representative of the experiences and opinions of the State’s households overall who live in nonentitlement areas.

A second, almost identical, survey was conducted by mail. The survey was sent to targeted housing and social service organizations in the State, including public housing authorities. The organizations were asked to have five of their clients complete the surveys. The survey respondents could complete the surveys on a hard copy or through an Internet web page; all elected to complete the hard copy. The reason for this survey was to receive input from people who are low-income, may have special needs and who are typically underrepresented in public outreach efforts.

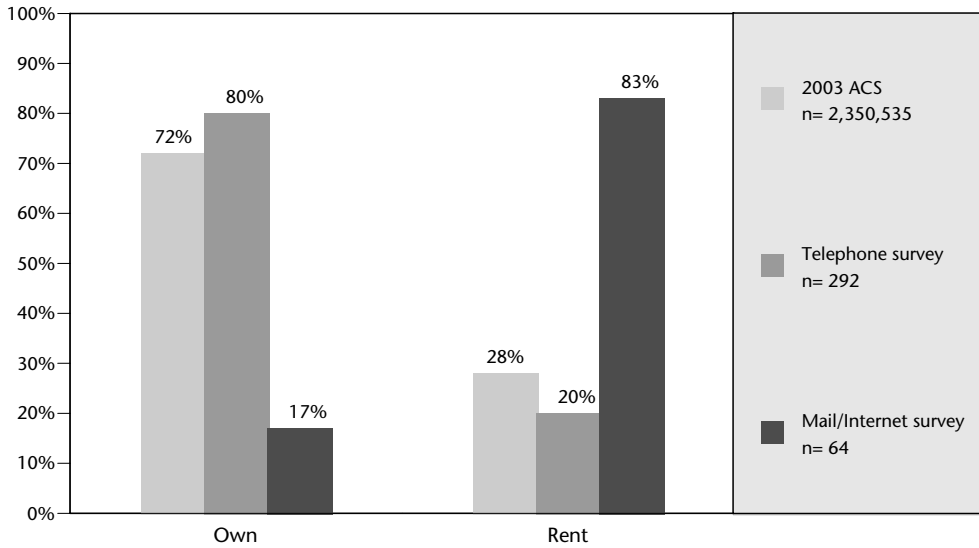
The surveys included questions about residents’ current housing situations, the needs of their neighborhoods, if they had ever been homeless and if they had experienced housing discrimination.

Telephone surveys were completed in approximately 190 cities/towns or counties throughout the State of Indiana and mail/Internet surveys were completed in 29 different cities/towns.

Survey respondent characteristics. The demographic and socioeconomic characteristics of the survey respondent populations were compared to similar characteristics of Indiana residents gathered from the U.S. Census Bureau’s American Community Survey (ACS), which presents data on the State from 2003. The comparison identified differences and similarities between the survey samples and the overall population of Indiana.

Tenure. As shown in Exhibit III-30 on the following page, owners represent 80 percent of respondents in the telephone survey sample, which is higher than the 72 percent of housing units that were owner occupied in Indiana according to the 2003 ACS. Just 17 percent of the mail/Internet respondents were owners. Lower homeownership for the mail/Internet respondents was expected since this survey targeted very low-income populations.

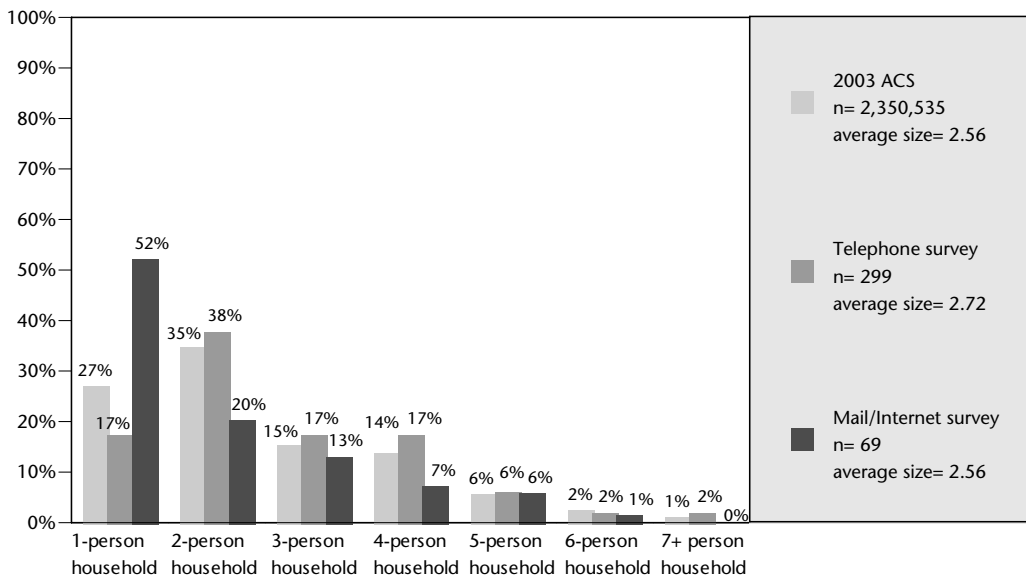
**Exhibit III-30.
Renter/Owner Status of Survey Respondents**



Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet, and 2003 American Community Survey U.S. Census Bureau.

Household size. According to the 2003 ACS, Indiana’s average household size was 2.56 persons per household. This is the same as the mail/Internet survey respondents and slightly lower than the telephone survey respondents average household size of 2.72. Exhibit III-31 shows over one-third of the Indiana survey respondents' households were 2-person households. Over half of the mail/Internet survey respondents lived in a 1-person household and there were no respondents with more than 6 people in their household.

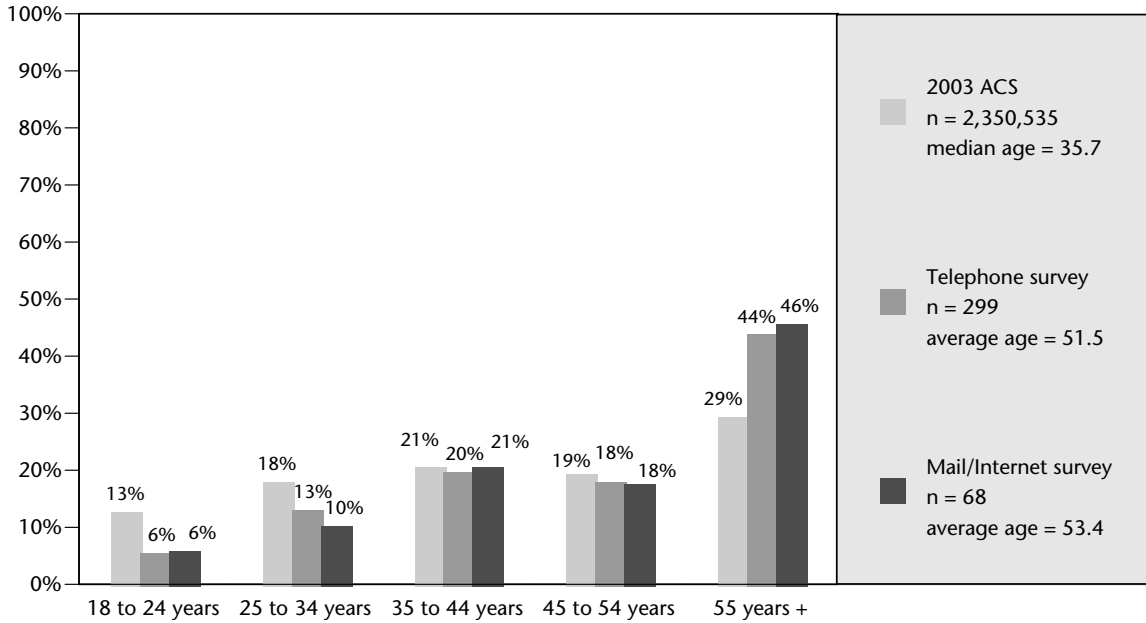
**Exhibit III-31.
Household Size of Survey Respondents**



Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet, and 2003 American Community Survey U.S. Census Bureau.

Age. Both survey samples captured a smaller percentage of persons aged 18 to 24 years and 25 to 34 years, and a larger percentage aged 55 years and over than the State overall. The remaining age categories of the telephone survey and mail/Internet survey are representative of Indiana, as shown in the following exhibit.

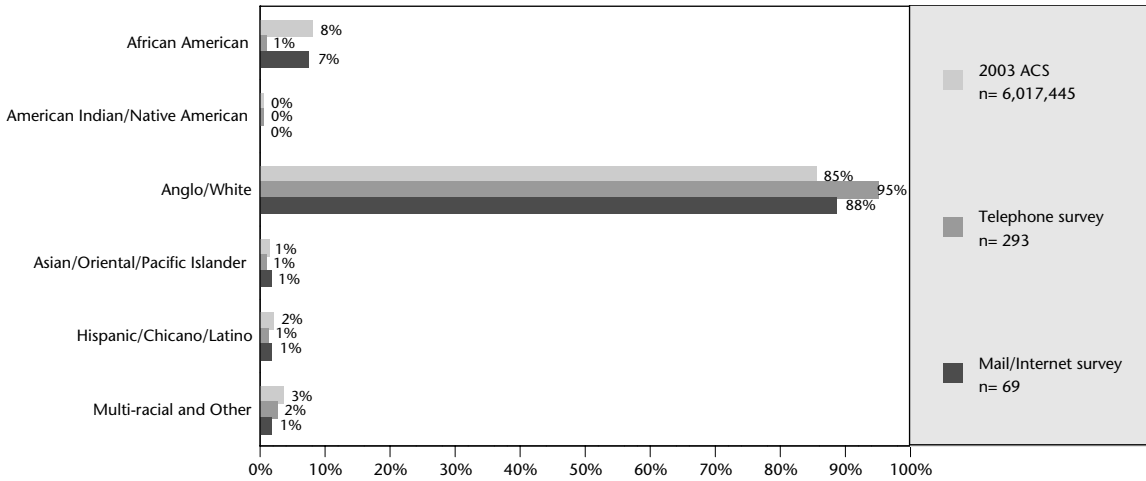
**Exhibit III-32.
Age of Survey Respondents**



Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet, and 2003 American Community Survey U.S. Census Bureau.

Race and Ethnicity. As shown in Exhibit III-33, the percentage of telephone survey respondents who indicated their race as White was higher than the percentage of Indiana residents who were White overall, according to the ACS. However, the ACS data include entitlement areas and the State’s entitlement areas have heavier minority representation. The mail/Internet survey respondents were more representative of the State’s racial and ethnic composition because the survey was sent to targeted housing and social service organizations in the State who were then asked to have five of their clients complete the surveys. Therefore, there may be a higher percentage of minority clients who are served by these organizations. These factors account for the lower percentage of telephone survey respondents who indicated they were African American as compared to the ACS and the mail/Internet survey.

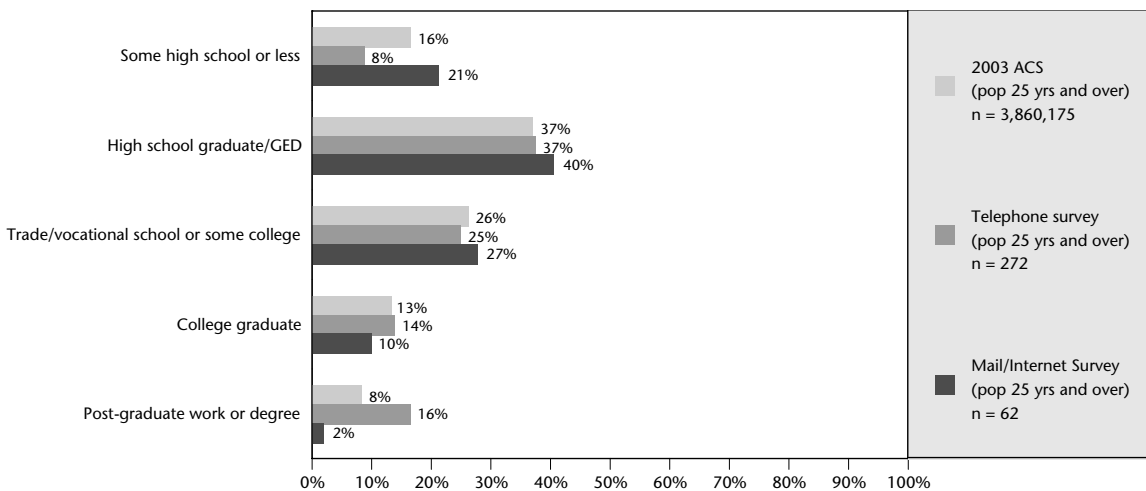
**Exhibit III-33.
Race and Ethnicity Composition of Survey Respondents**



Note: The Hispanic/Chicano/Latino population when figured as a race is people who called themselves a Hispanic White, alone.
 Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet, and 2003 American Community Survey U.S. Census Bureau.

Education. The telephone survey has a higher percent of respondents who have done post-graduate work or who have earned a post-graduate degree than the Statewide population and the mail/Internet survey respondents. As shown in Exhibit III-34, people who have done post graduate work or who have earned a degree represent 16 percent of the telephone survey sample compared to 8 percent of Indiana’s population and 2 percent of the mail/Internet respondents.

**Exhibit III-34.
Educational Attainment of Survey Respondents**

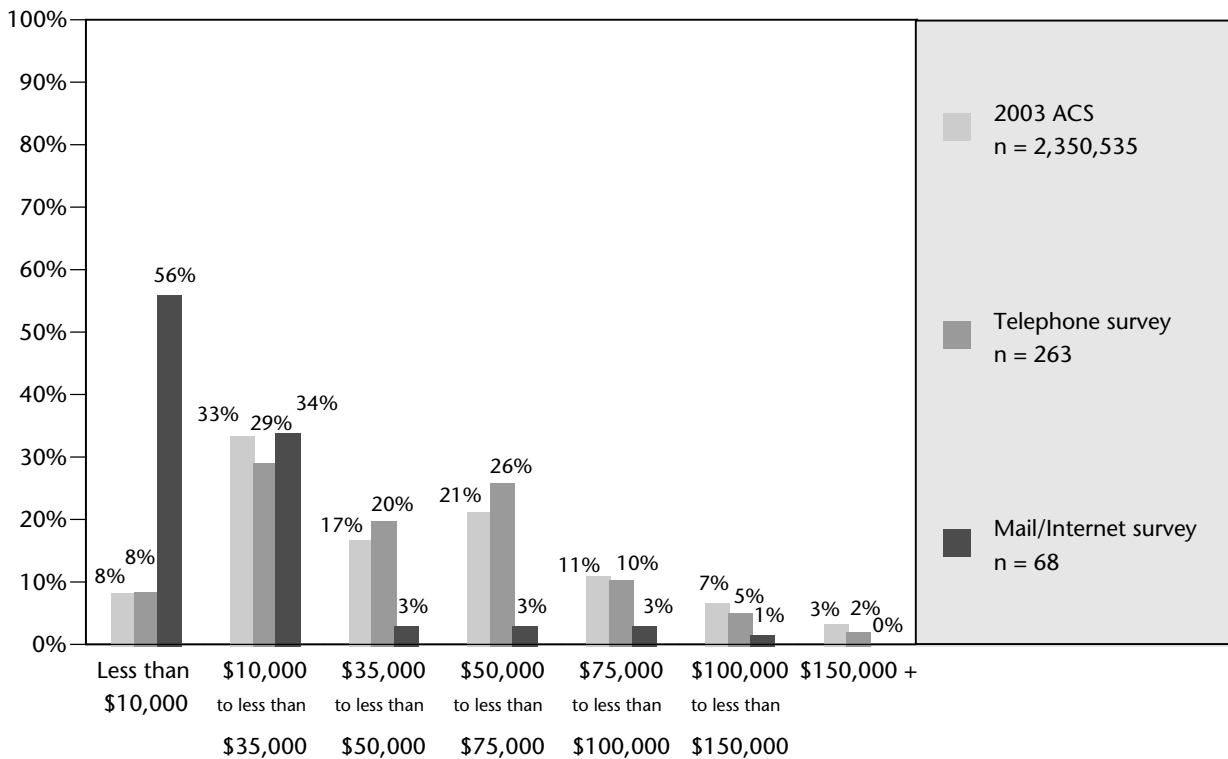


Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet, and 2003 American Community Survey U.S. Census Bureau.

Household income. Telephone survey respondents were less likely to provide information about their household income than other demographic and socioeconomic information; 12 percent did not answer the income question in the telephone survey. (Respondents to surveys are typically more reticent about providing income information than other types of demographic and socioeconomic information. Refusal rates are usually upwards of 20 percent.) Of telephone survey respondents who did provide this information, 43 percent had incomes of \$50,000 or greater.

In general, the income distribution of respondents to the telephone survey was similar to the State overall, according to ACS data. In contrast, 90 percent of respondents to the mail/Internet survey earned less than \$35,000 and over half of respondents earned less than \$10,000. This is to be expected, as the mail/Internet survey was intentionally biased toward low-income populations. The following exhibit compares income data from the telephone survey sample, the mail/Internet survey sample and the Census population.

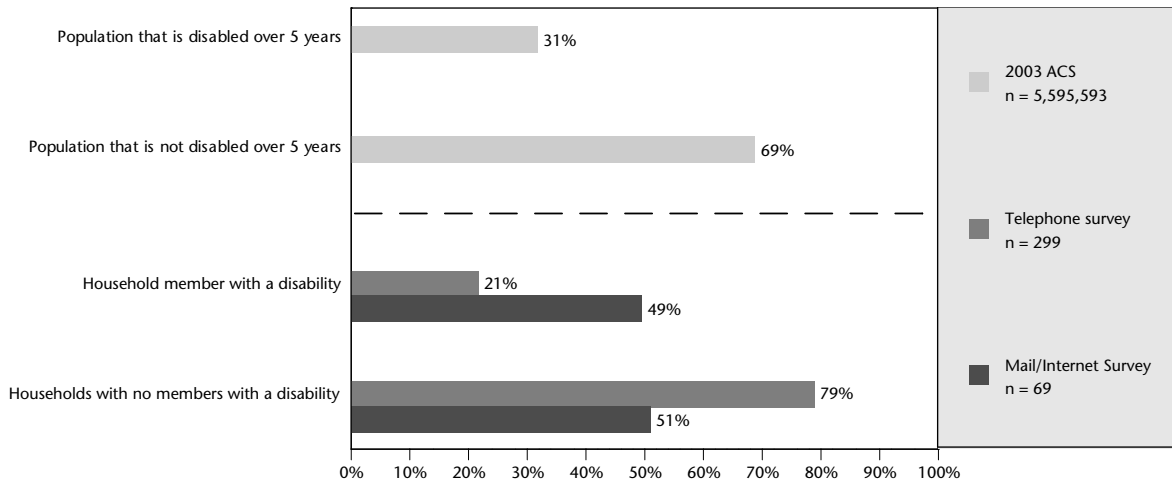
**Exhibit III-35.
Household Income**



Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet, and 2003 American Community Survey U.S. Census Bureau.

Disability. Exhibit III-36 compares the percentage of survey respondents who said they or a member of their household has a disability. The ACS does not report the number of households that have a member with a disability (only the percentage of the population); therefore the survey data and the ACS data cannot be compared directly.

**Exhibit III-36.
Disability of Survey Respondents**



Note: The 2003 ACS does not report the number of households with a member who has a disability. Therefore, the population who is disabled over the age of 5 years is shown.

Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet, and 2003 American Community Survey U.S. Census Bureau.

The data show that the mail/Internet survey successfully captured a disproportionate percentage of persons who are disabled as was intended: almost half of the mail/Internet survey respondents said they or a member of their household had a disability compared to the telephone survey response rate of 21 percent.

HIV/AIDS. There was only 1 telephone survey respondent (0.33 percent) and 2 mail/Internet survey respondents (3 percent) who said either they or a member of their household has HIV or AIDS. According to the Indiana State Department of Health there are currently 7,072 persons (0.12 percent) living in Indiana with HIV disease.

Currently homeless. Survey respondents were also asked if they had a permanent place to live. Eight respondents to the telephone survey, or 2.7 percent of all respondents, said they did not have a permanent place to live and three of them said they were currently homeless. This compares to four respondents to the mail/Internet survey, or 5.4 percent, who said they did not have a permanent place to live; none said they were currently homeless.

The persons who were homeless at the time the survey was taken gave the reasons they had become homeless. These included: getting fired; becoming sick and couldn't work; and moving out when they were young and making some bad choices.

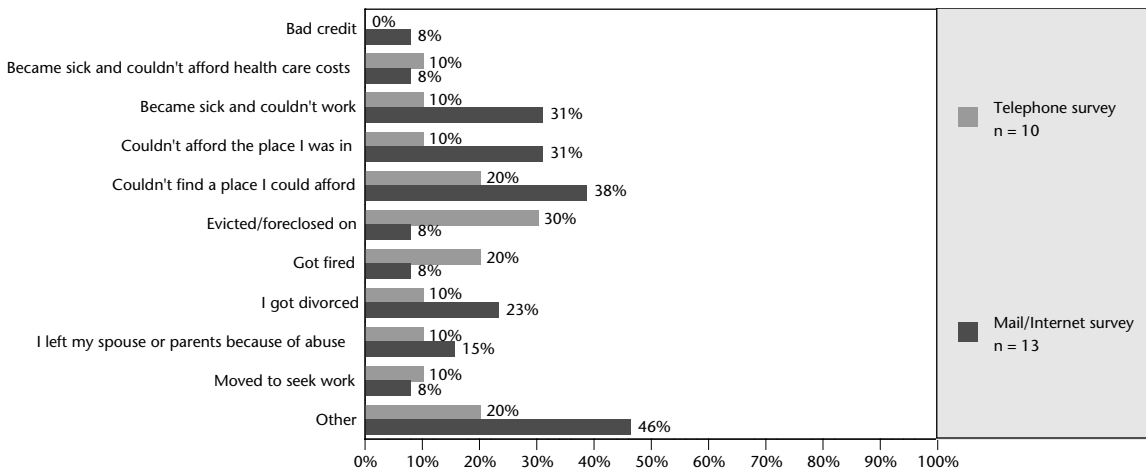
To have avoided becoming homeless the respondents said they would have needed a temporary place to live, childcare, and to have stayed in school.

Have been homeless. The surveys also asked respondents if they have ever been homeless. Three percent (10 respondents) of the telephone survey respondents answered they had been homeless before. Almost twice as many—19 percent (13 respondents)—of the mail/Internet survey said they have been homeless before.

The average length telephone respondents were homeless was 9 months, with the shortest period being 1 month and the longest period being 4 years. The mail/Internet respondents were homeless an average of 4.4 months, with the shortest period being 1 month and the longest period being 1 year.

Exhibit III-37 lists the reasons survey respondents became homeless. The top reasons why respondents became homeless were they were evicted/foreclosed on, couldn't afford the place they were in, and became sick and couldn't work or got fired.

**Exhibit III-37.
Reasons For Homelessness**



Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet.

Eighty percent (8 respondents) of the telephone respondents who have been homeless had a member of their household with a disability. Sixty-two percent of mail/Internet survey respondents (also 8 respondents) who had been homeless had a member of their household with a disability. Although the number of respondents who answered this question in both the mail/Internet and telephone survey is too low to suggest statistical validity, the data suggest that people who have been homeless are disproportionately likely to have a disability.

Housing. As discussed previously, 80 percent of telephone survey respondents were owners and 17 percent of the mail/Internet respondents were owners. The 2003 ACS reported 72 percent of Indiana housing units as owner occupied.

The following exhibit shows the type of housing the survey respondents live in. Eighty-two percent of telephone survey respondents live in single family homes and 8 percent in apartments. This compares to 33 percent of the mail/Internet survey respondents who live in single family homes and 57 percent in apartments. A comparison between the percentage of mail/Internet survey respondents who live in single family homes (33 percent) and the percentage who are owners (17 percent) suggests that many of the mail/Internet respondents rent single family homes.

**Exhibit III-38.
Type of Housing
Respondents Currently
Live In**

Source:
2005 Indiana Consolidated Plan Citizen
Survey, telephone and mail/Internet,

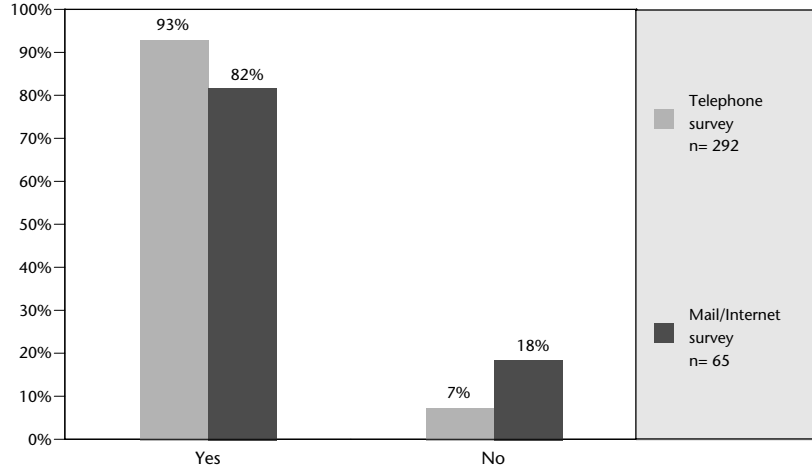
	Telephone survey n = 300		Mail/Internet Survey n = 69	
Apartment	24	8%	39	57%
Condo/townhome	10	3%	2	3%
Currently homeless	3	1%	0	0%
Mobile home	15	5%	2	3%
Single family home	246	82%	23	33%
Transitional housing	0	0%	2	3%
Other	2	1%	1	1%
Total	300	100%	69	100%

Satisfaction with housing. Ninety-six percent of the telephone survey respondents said they were satisfied with their current home or apartment compared to 88 percent of respondents from the mail/Internet survey. The top three reasons why people were not satisfied with their home for both surveys were the home/apartment is in poor condition, it is too small and the rent/mortgage is too expensive.

Housing affordability. The survey respondents were also asked about their ability to pay for their housing. As shown in Exhibit III-39, 93 percent of the telephone survey respondents said they could afford to pay for their housing and 82 percent of the mail/Internet respondents said they could afford their housing. The 2003 ACS reported that 26 percent of Indiana’s households were cost burdened, which means these households spent 30 percent or more of their household income on housing. Therefore, the telephone and mail/Internet respondents were more likely to be able to afford their housing—or at least to perceive that it is affordable—compared to affordability statistics for the State overall.

Exhibit III-39.
Can You Afford to Pay for Your Housing?

Source:
 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

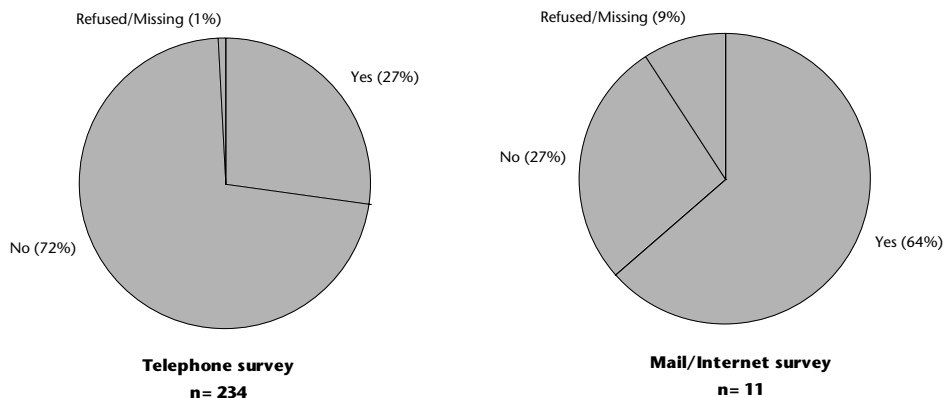


Of those who responded they could not afford their housing, the top thing they do to make sure they pay their mortgage/rent was to not go out too much, while some work more than one job, skip meals, don't get needed health care, and/or some don't make needed housing repairs.

Four percent (11 respondents) of the 300 telephone survey respondents received housing assistance from the government to help them pay their mortgage/rent at the time the survey was conducted. This compares to 62 percent (42 respondents) of the 69 mail/Internet respondents who received assistance.

Housing condition. Of the 234 owners from the telephone survey, over one-fourth (27 percent) said there were repairs/improvements that have not been made to their house. This compares to 64 percent of mail/Internet survey respondents who said there were repairs and/or improvements to their homes that have not been made.¹ Exhibit III-40 shows these results.

Exhibit III-40.
Are There Repairs/Improvements That You Have Not Made to Your House?



Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

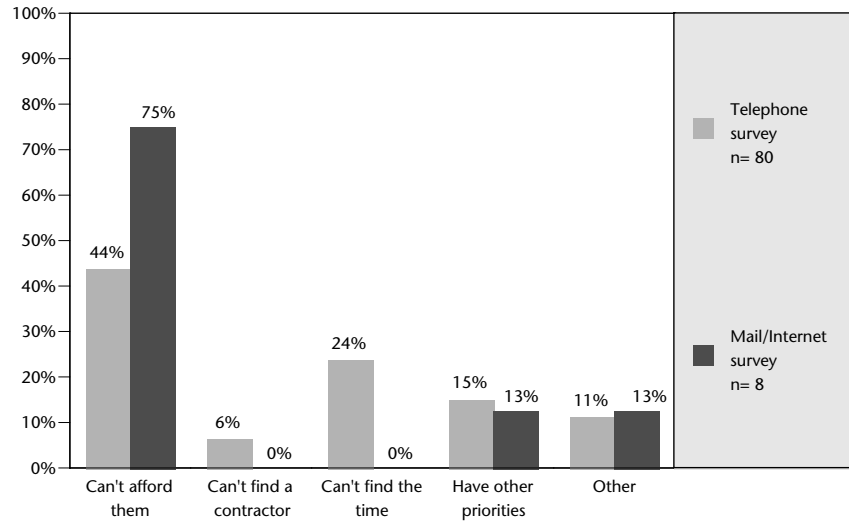
¹ Due to a possible misunderstanding of the survey questions, there were more respondents answering the questions meant only for "owners" than were owners. Only the respondents who indicated they were owners were used for the questions pertaining only to owners.

Of these respondents who have not made needed repairs/improvements, 22 percent of the telephone respondents and 71 percent of the mail/Internet respondents earned less than \$35,000.

The top reason for not having made needed repairs/improvements for both the telephone and mail/Internet survey respondents was that respondents “cannot afford them.” Exhibit III-41 shows the reasons repairs were not made.

**Exhibit III-41.
Why Haven't You Made
the Needed
Repairs/Improvements to
Your House?**

Source:
2005 Indiana Consolidated Plan Citizen
Survey, telephone and mail/Internet,



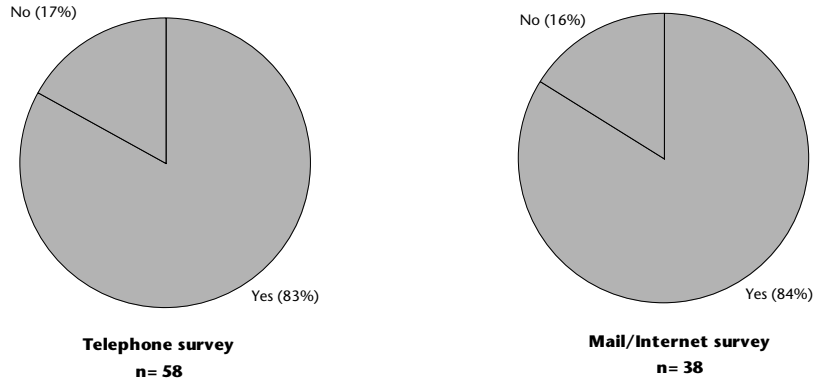
The top repairs/improvements the telephone respondents need included windows/doors, painting and roofing. Of these respondents, 30 percent earned an income less than \$35,000 and windows/doors and roofing repairs were the most common needed repairs.

The mail/Internet respondents said they needed to repair/improve their flooring, roofing and windows/doors. Sixty-eight percent of these respondents earned less than \$35,000.

Renters were asked if their landlord made repairs promptly when needed. Eighty-three percent of telephone survey respondents and 84 percent of mail/Internet survey respondents said that their landlords make repairs promptly, as shown in Exhibit III-42.²

**Exhibit III-42.
Does Your Landlord
Make Repairs Promptly
When Needed?**

Source:
2005 Indiana Consolidated Plan Citizen
Survey, telephone and mail/Internet,



Over 70 percent of the telephone survey renters whose landlords did not make repairs promptly were lower income, earning less than the 2003 ACS-reported median household income for the State of \$42,067. The mail/Internet survey percentage was slightly higher, with 80 percent of the renters whose landlords did not make repairs promptly earning less than Indiana’s median household income.

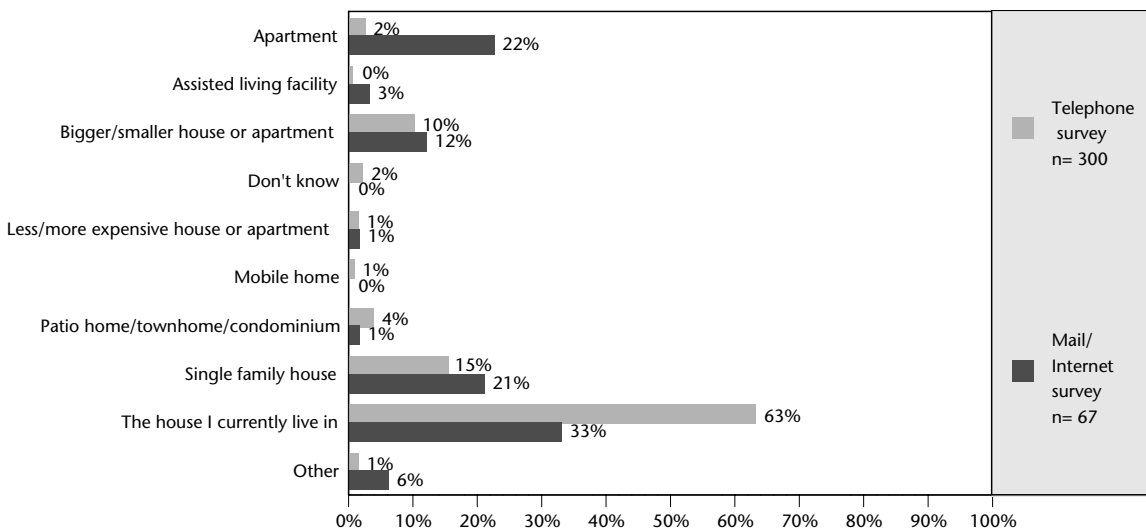
The survey respondents were also asked about what repairs/improvements they needed to make most to their rental units. There was no one repair that received the majority of responses from the telephone survey. The mail/Internet survey respondents needed painting, window/doors, and heating repairs completed.

²Due to a possible misunderstanding of the survey questions, there were fewer respondents answering the questions meant only for “renters” than there were renters. This is reflected in the lower number of respondents for the questions pertaining only to renters.

Future housing demand. Survey respondents were also asked what type of housing they would like to be living in 5 years from now. Sixty-three percent of the telephone survey respondents said they would like to be living in the house they currently live in. Most of these respondents were owners (93 percent). The next most popular housing types were a single family home and a bigger/smaller house or apartment.

Mail/Internet survey respondents want to stay in their current housing (33 percent), move into an apartment (22 percent) or move into a single family home (21 percent). Exhibit III-43 shows the results from both surveys on where respondents would like to be living in 5 years.

Exhibit III-43.
Type of Housing Respondents Would Like to be Living In 5 Years from Now



Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

Over two-thirds of the telephone survey respondents who were renters said they would prefer to own a house or a condominium/townhome, while the remaining one-third would like to continue renting. This compares to just over one-third of the mail/Internet respondents who would like to own a house and 57 percent who would prefer to continue renting. The following exhibit shows these results.

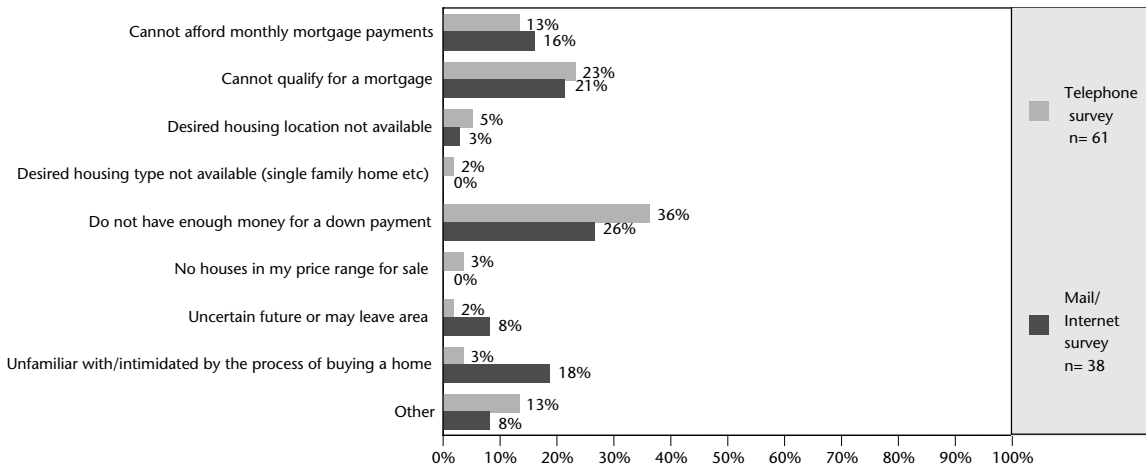
**Exhibit III-44.
Would You Prefer to Continue Renting or to Own a House, Condominium or Townhome?**

Source:
2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

Prefer to:	Telephone Survey n = 58		Mail/Internet Survey n = 35	
Own a condominium/townhome	2	3%	1	3%
Own a house	37	64%	13	37%
Own a mobile home	1	2%	1	3%
Rent	18	31%	20	57%
Total	58	100%	35	100%

Several of the most common barriers to owning a home for telephone respondents included not having enough money for a downpayment, not qualifying for a mortgage, being intimidated by the home buying process, and not being able to afford monthly mortgage payments. The mail/Internet survey had similar responses compared to the telephone survey, as shown in Exhibit III-45.

**Exhibit III-45.
What Are Some of Your Current Barriers to Owning a Home or Condo/Townhome or Mobile Home?**

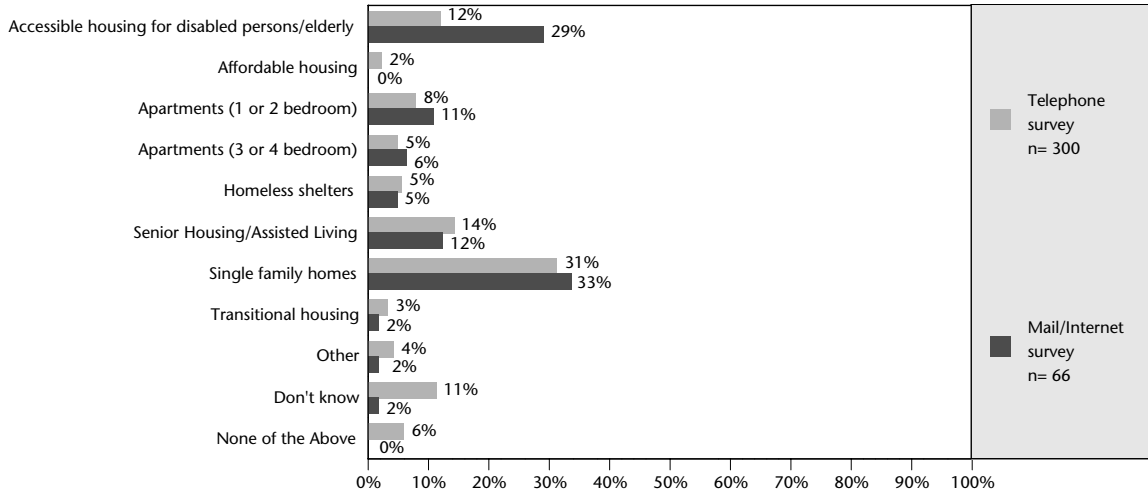


Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

Seven of the telephone survey respondents who were renters said they had tried to get a loan for a home or condo/townhome and couldn't. The top two reasons why they could not get a loan included having poor credit and not enough credit to get a loan. Only two mail/Internet respondents out of 16 tried to get a loan and could not. The reasons they could not get a loan included poor credit, not enough credit, and their debt to income ratio was too high.

Housing needs in community. In addition to asking about their individual needs, the survey respondents were asked about the needs in their communities. As shown in the following exhibit, single family homes were identified by both types of survey respondents to be the housing type most needed. The second highest type of housing needed was identified by the mail/Internet respondents and was accessible housing for disabled/elderly persons.

Exhibit III-46.
Type of Housing Most Needed in Your City/Town/Area of Residence



Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

Finally, survey respondents were asked to choose two ways in which they would spend \$1 million to improve their community. Both the telephone survey and mail/Internet respondents said they would spend their \$1 million bringing jobs to their area, building more housing for persons who are disabled and/or seniors, and build child care centers and more single family affordable housing.

Exhibit III-47.
How Would You Spend \$1 million Dollars to Improve Your Community?

	Telephone Survey n = 550		Mail/Internet Survey n = 126	
Build child care centers	75	14%	7	6%
Build community/senior centers	29	5%	8	6%
Build housing for persons who are disabled and/or seniors	97	18%	23	18%
Build more affordable rental housing	50	9%	10	8%
Build more homeless shelters	35	6%	8	6%
Build more single family affordable housing	69	13%	23	18%
Fund a public bus system	16	3%	9	7%
Help bring jobs to my city/town	106	19%	26	21%
Help my city improve public safety	28	5%	4	3%
Improve my neighborhood	17	3%	3	2%
None of the above	12	2%	0	0%
Other	13	2%	5	4%
Don't know	3	1%	0	0%
Total	550	100%	126	100%

Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

Indiana Rural Poll

During the summer of 2005 a telephone survey was conducted of Indiana residents living outside of Indiana’s Urbanized Areas. The surveys were conducted and analyzed by the Social Research Institute at Purdue University. Several of the topic areas included in the survey are relevant to the Consolidated Plan and are provided below.

General community assessment. Four questions were asked to provide a respondents’ overall assessment of their communities. Eighty percent said that their communities had stayed the same or changed for the better in the last year. Over 87 percent (agree or strongly agree) felt that the people in their community were friendly and over 80 percent thought that people have a sense of belonging. Overall, residents have a positive overall assessment of their communities.

Satisfaction with community conditions. Respondents were asked to indicate how satisfied (from very satisfied to very dissatisfied on a five point scale) they were with a series of 27 different aspects of the conditions and facilities within their communities. The facilities or services that were most likely to be absent in communities were: rail service (51.6 percent); bus service (48.4 percent); taxi service (42.2 percent); and airline service (41.7 percent). However, the absence of sewage disposal (8.6 percent), senior care centers (5.7 percent), Head Start pre-school programs (4.6 percent), nursing home care (5.6 percent), and mental health services (6.3 percent) indicate some degree of need in rural communities for these basic services or facilities. Entertainment facilities (10.3 percent) and recreation areas for biking, hiking and skating (14.1 percent) were also absent in some rural communities.

Rural residents were mostly satisfied with facilities and condition, as shown in Exhibit III-48. They were most satisfied with library services (91.3 were very satisfied or satisfied), housing (82.5 percent), law enforcement (81.4 percent), parks and recreation (84 percent), and basic medical services (82.7 percent). Lowest satisfaction levels were for county roads and bridges (59 percent), city/town government (68.9 percent, county government (66.6 percent), and streets (65.4 percent). Overall, rural residents were satisfied with conditions and facilities in their communities.

**Exhibit III-48.
Percentages of
Respondents "Very
Satisfied" with Each
Condition, Indiana, 2005**

Source:
2005 Indiana Rural Poll, Social Research
Institute at Purdue University.

Condition	Percent Very Satisfied	Condition	Percent Very Satisfied
Library Services	26%	Nursing Home Care	10%
Education (K-12)	19%	Streets	9%
Parks and Recreation	17%	Sewage Disposal	8%
Housing	17%	Entertainment	8%
Basic Medical Services	14%	Airport	7%
Restaurants	14%	Bus Service	6%
Head Start Programs	14%	Water Disposal	5%
Law Enforcement	13%	Highways and Bridges	5%
Retail Shopping	13%	Taxi Service	5%
Mental Health Services	13%	Rail Service	5%
Senior Centers	12%	City/Village Government	4%
Solid Waste Disposal	11%	County Government	4%
Day Care Centers	11%	Airline Service	4%

General development strategies. Respondents were asked to say how effective four general development strategies would be in their local communities. They rated the strategies from very effective to very in-effective. Seventy-six percent thought that recruiting new businesses or industries from outside the community would be effective (effective is very effective plus effective responses). Over 80 percent thought keeping or expanding existing businesses or industries would be effective. Slightly lower percents thought creating new “homegrown” businesses or industries (76 percent) and enhancing the local population’s skills and talents (79.4 percent) would be effective. The general sentiment was that each of the development strategies would be effective. These items were created for this survey following the suggestion from Sam Cordes of the Purdue Regional Development Center.

Specific community development strategies. Respondents were then asked to evaluate whether or not they thought specific development strategies that have been tried in other communities would be desirable ways to develop their communities. The list of specific developments that rural Indiana residents would approve of was relatively small. Of the 19 types of development, they approved (were endorsed by over half of the respondents) only six as acceptable, as shown in the following exhibit.

**Exhibit III-49.
Percent of Rural
Residents' Endorsing
Specific Community
Development Ideas,
Indiana, 2005**

Source:
2005 Indiana Rural Poll, Social Research
Institute at Purdue University.

Community Development Ideas	Percent Endorsing
Build or improve local roads and highways	77%
Build a "business incubator" to promote new business	70%
Create a farmer's market	68%
Build and/or expand high speed broadband internet access	64%
Open a senior citizen care center	61%
Build a technology park	61%
Build housing to become a bedroom community for commuters who work elsewhere	45%
Build low income housing	42%
Build a shopping mall	42%
Open an industrial park	40%
Build a sewage treatment plant	34%
Build a hospital	31%
Build a meat processing plant	27%
Build a theme park	24%
Build a waste water treatment plant	22%
Build a race horse track	15%
Build a confinement hog lot operation	15%
Build a casino	14%
Build a prison	12%

Rural residents appear to favor development that will have the least detrimental impact on the quality of their environment. Activities would bring "outsiders" (tourist including gamblers; prisoners; and low income populations) into their communities were not favored.

Priority issues/Problems for Indiana. Twenty-six questions were constructed to assess what problems or issues the state of Indiana should address as top priorities. These items evolved from the rural Indiana survey focus group participants as being significant. Respondents were asked which should be addressed by Indiana as a top priority. Economic development including job growth topped the priority list, as shown in the following exhibit. Child abuse, teen drug abuse and spousal abuse were the next highest priorities.

**Exhibit III-50.
Percent of Indiana Rural
Residents' That
Identified an
Issue/Problem as a Top
Priority for Indiana,
2005**

Source:
2005 Indiana Rural Poll, Social Research
Institute at Purdue University.

Issue/Problem Identified as Top Priority for Indiana	Percent Identified
Economic development including job growth	94.2%
Child abuse	91.4%
Teen drug abuse	89.9%
Spousal abuse	87.3%
Environmental issues-clean air and water	86.6%
Improving and maintaining infrastructure	86.3%
Teenage pregnancy	86.0%
The Meth/Meth Lab problem	83.5%
Retraining Indiana's workforce	83.0%
Keeping Indiana's graduates in-state	79.1%
Expanding post secondary education in rural areas	76.6%
Improving local government	76.5%
Property tax revision and change	74.5%
Rural poverty	73.1%
Terrorism	69.3%
Rural crime	69.2%
Lack of rural health facilities and services	67.4%
School funding for all-day kindergarten	65.8%
Tourism development	63.4%
Rural internet/telecommunications access	62.4%
Rural wastewater/storm water management	57.5%
Suburban growth	57.3%
Expanding local control over community affairs	54.3%
School consolidation, especially in rural areas	44.5%
Move forward with the proposed routing of I-69	40.8%
Daylight savings time	34.1%

Key Person Interviews and Citizen Forums

To collect additional information from citizens about Indiana’s housing and community development needs, interviews with key persons who are knowledgeable about the housing and community development needs in the City were conducted along with three citizen forums. These key people included housing developers, real estate professionals, community service providers, advocates and others. The interviews provided information about the housing market in general, the top housing and community development needs in the City and the needs of special populations. The majority of the responses are from the Five Year Consolidated Plan and additional comments were added from interviews conducted for the 2006 Consolidated Plan Update.

The information from the forms and interviews is summarized here and has been integrated into the other sections of the Consolidated Plan. A list of the individuals interviewed and the organizations they represent are listed Appendix C.

Can most of your clients afford to buy a home that's suitable for them? For those who can't, what is the tradeoff (size, quality, just keep renting, etc.)?

- Most clients cannot afford to buy a home that's suitable for them (25)
- The most consistent tradeoff is that the person continues to live with family or family member (7)
- Some clients take on loans they can't afford to try to make ends meet (4)
- Some clients also stay in group homes that are too small, or just do not meet needs (4)
- Some clients have to go without medicines or other needs to be able to afford a home or even continue to pay rent (1)

Are your clients able to afford housing rehabilitation and maintenance? Are renters generally able to get landlords to make needed repairs?

- There has been a major problem of landlords being neglectful (17)
- Some are able to receive rehabilitation through the places they go to for help (12)
- Most cannot afford rehabilitation and maintenance. (12)
- Very few stated that landlords did make the repairs and maintenance (7)
- Some organizations make sure that landlords are available for repair (4)

What type of housing is most needed by your clients? What groups of people are in the greatest need of housing?

- Greatest housing needs included housing for persons with disabilities, minorities, and large families. (34)
- Housing that is affordable for people of low-incomes (25)
- Most respondents stated that there was a need for affordable single family homes (17)
- Affordable rental housing (9)

What are the greatest housing needs Statewide and/or in the area you serve?

- Non-congregate housing (people want to live on own) (10)
- Low income individual homes (8)
- Housing for persons with disabilities (7)
- Affordable housing for seniors (7)

- Need more areas to build affordable housing for those who need it (4)
- Larger affordable homes for those with large families (3)
- More affordable housing close to cities so people can get out to do a variety things such as grocery shop (1)
- To assist homeowners with home repairs (2)
- Housing for persons earning less than 30 percent AMI (tax credit properties do not serve) (1)
- More land with infrastructure to develop (1)
- Increased assistance with operating costs for affordable housing developers (1)
- New construction of multifamily units, especially for 2-3 bedrooms (1)
- Expand the home repair program, especially to assist the elderly households (1)
- Redevelopment of infill properties in higher density areas (1)
- Affordable entry level housing and first time homebuyer programs (3)
- Supportive housing for persons with mental illness (3)
- Transitional and supportive housing programs for persons being released from correctional institutions and local jails (5)
- Housing (own and rentals) in good condition and that are comfortable (2)
- Tenant Based Rental Assistance (1)

What demand are you aware of for special needs housing, serving as physically or developmentally disabled persons? Seniors? Homeless?

- The most consistent answer was that there a large need for housing for those who are disabled (18)
- Emergency and transitional housing along with supportive services – including case management (1)
- Most shelters for homeless meet the needs of the area because clients are there on a short time stay basis (4)
- More supportive housing for persons with mental illness (2)

What State policies would you change to increase housing affordability? What State policies would you change to address the community/economic development needs in your area?

- Better allocation of money (6)
- More money for all types of shelter such as family shelters and battered women's shelters (4)
- Make it possible to tear down old buildings and put up new ones (4)
- Concern about burden of property tax of elderly home owners (2)
- Revised approach for homebuyer education (1)
- Less modular housing because of fire hazards (1)
- Provide more flexibility in tax programs (1)

What is the greatest community and/or economic development needs in the area you serve?

- Need higher wages, or better paying jobs (12)
- More community outreach and education programs (9)
- Need for transportation in rural areas (10)
- Affordable housing for seniors (6)
- Jobs are available, but the quality of jobs is not good (6)
- Job training/apprenticeship programs (2)
- Help for people who want to start small business (no support) and to create an entrepreneurial support for people and communities (2)
- Bad roads and bad sewers (2)
- Educate the young people (high school age) about housing programs offered by agencies in the State (1)
- Homebuyer education and homeowner counseling on a more permanent basis (4)
- Revitalize downtown areas (1)
- Supportive services for youth ages 16 to 20 years to assist them with life skills (1)
- Park and recreation development - including trail development (1)
- Affordable child care (2)

If you were given unlimited authority and a large pot of money to fix a need in your area, what would you do on your first day? What would be your top priorities? What would you spend money on, and how much (in general terms)?

- Build individual homes, as well as some special needs group homes (9)
- Fix up older properties (6)
- Tear down old housing units and build new ones (4)
- More affordable housing, and/or free temporary housing for homeless (5)
- Help with credit history (3)
- Outreach to providers to show need of housing for persons with disabilities and other groups in need (2)
- Call together “key players” and get plan for accessible housing (2)
- Purchase of furniture for clients’ housing (1)
- Education on personal finances (1)
- Purchase land to build low-income quality sub divisions (1)
- Supportive housing for persons with mental illness (2)
- Mental health services in the community for the entire family unit (2)
- Downpayment assistance and first time homebuyer education (3)

What are the potential barriers to affordable housing developing in your area (e.g. market forces, infrastructure needs, State or local policies, community perceptions)?

- All of the above examples (12)
- Lack of money (7)
- Lack of availability of housing and space for housing (6)
- Lack of land for building (4)
- Community perceptions are a major problem, because groups of neighbors believe property values will go down if housing is built for minorities or those with disabilities (3)
- Market forces (3)
- High single family housing prices (3)

- High rental rates (2)
- Local policies prevent building affordable housing (1)

Are there areas in your city/town that are lacking certain community services? If so, where are they and what types of services are lacking? (Transportation, social services, quality schools, health care, financial institutions, parks and recreation facilities).

- Most organizations in rural areas said there is a major problem with transportation (9)
- Secondary concerns are health care facilities and parks/recreational facilities

Are homebuyers able to secure adequate financing (in terms of interest rates and down payment requirements)? If not, what are the biggest barriers to not being able to obtain adequate financing? (Examples: credit history, carrying too much debt, incomes too low, inadequate down payment, lenders too conservative, lending discrimination).

- The main problem is low incomes and lack of credit or no credit (17)
- Most are not able to secure adequate financing without help (13)
- Bad credit history of low-income populations (6)
- Access to a local bank is a major problem (4)
- Lack of knowledge about how to receive financing (5)

SECTION IV.
Housing Market Analysis

SECTION IV.

Housing Market Analysis

This section addresses the requirements of Sections 91.305 and 91.310 of the State Government contents of Consolidated Plan regulations. In contrast to the Housing & Community Development Needs section (Section III), which contains a qualitative assessment of housing and community development conditions, this section is quantitative in nature. Sections III and IV should be read together for a complete picture of housing and community development needs in the State.

Methodology

This analysis of housing market conditions includes data from the 2000 Census, data from the American Community Survey's (ACS) Summary Tables and Public Use Microdata (PUMS). The Summary Tables and PUMS data sets are both produced by the U.S. Census and released annually for large geographical areas, such as states. These data sets provide similar data to that found in the 2000 Census. The data are from ongoing surveys that will ultimately replace the long form survey used in prior Censuses.

The ACS uses three modes of data collection—mail, telephone and personal visit—and is given to a sample of the population during a three-month period. The profile universe is currently limited to the household population and excludes the population living in institutions, college dormitories, and other group quarters. The group quarters population will be included starting with the 2005 data when the ACS begins full implementation. Data are based on a sample and are subject to sampling variability.

PUMS data show the full range of responses made on individual surveys—e.g., how one household or member answered questions on occupation, place of work, and so forth. The files contain records for a sample of all housing units, with information on the characteristics of each unit and the people in it. PUMS data allow a more detailed analysis of the Census survey data than is available from the ACS Summary Tables and 2000 Census tables.

This section also contains the results of a mail survey of Public Housing Authorities (PHAs) in non entitlement areas in the State. The survey asked about Section 8 Housing Choice (HC) voucher usage by individual housing authorities, and was administered twice in 2004: once in February/March (for the 2004 Consolidated Plan Update) and once in September (for the Five-Year Plan).

Housing Types

There were approximately 2.69 million housing units in the State in 2004, according to the U.S. Census Bureau's ACS. This was an increase of approximately 160,000 housing units (6.3 percent) from 2000. Approximately 64 percent of these units were owner occupied, 25 percent were renter occupied and 10 percent were vacant. Of the 2.41 million units that were occupied, 72 percent were owner occupied (1,733,447); 28 percent were renter occupied (679,438).

According to the Census Bureau's annual survey, the State's homeownership rate in 2004 was 71.8 percent – much higher than the national homeownership rate of 67.1 percent. Indiana was one of twelve states with homeownership rates of 71.8 percent or higher in 2004.

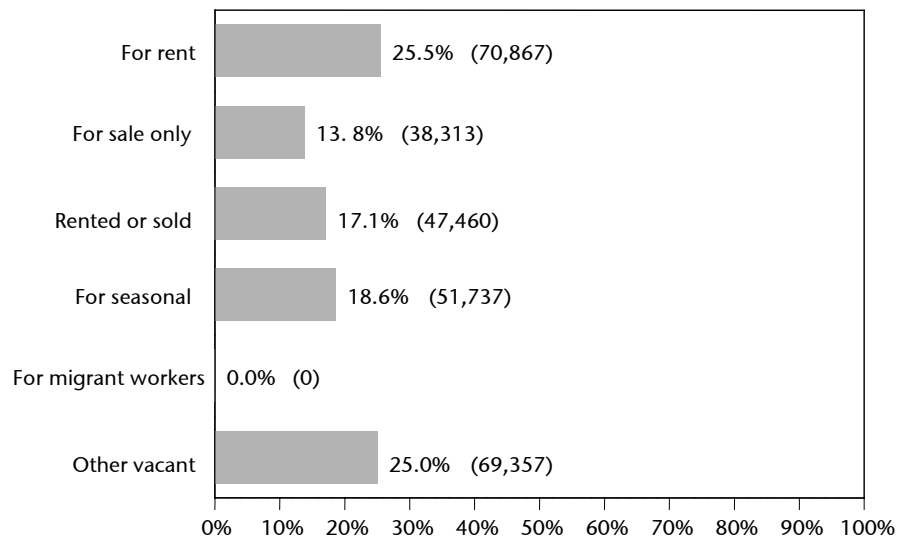
Vacant units. The 2004 statewide homeownership vacancy rate was estimated by the Census Bureau's ACS to be 2.2 percent. The 2004 rental vacancy rate was estimated at 9.4 percent, which is lower than the rate in 2002 (11.2 percent), but higher than in 2000 and 2001, and above the 8.1 percent average rate over the previous 15 years.

In 2004, over half of all vacant units in the State (56 percent) consisted of owner or renter units that were unoccupied and mostly for sale or rent. Another 19 percent consisted of seasonal units, while 25 percent of units were reported as "other vacant." Other vacant units included caretaker housing, units owners choose to keep vacant for individual reasons and other units that did not fit into the other categories.

Exhibit IV-1 shows the vacant units in the State by type.

Exhibit IV-1. Vacant Units by Type in Indiana, 2004

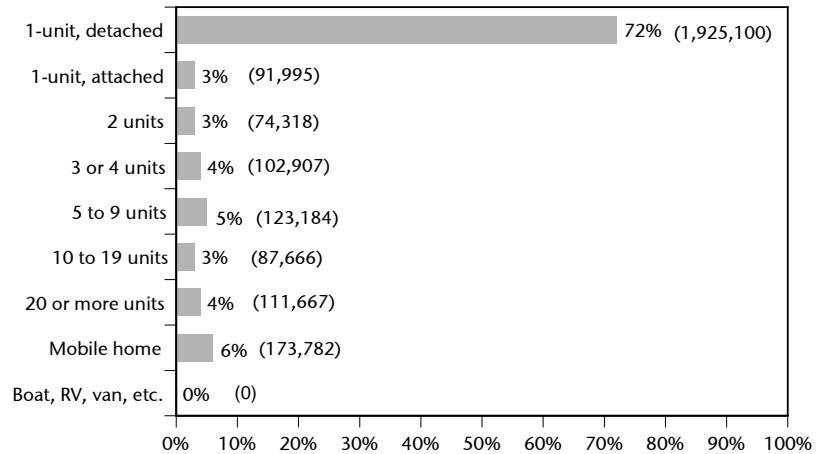
Source:
U.S. Bureau of the Census,
2004 American Community Survey.



Composition of housing stock. Data from the 2004 ACS indicate that most housing in Indiana (72 percent of units) was made up of single family, detached homes. Over 78 percent of units were in structures with two or fewer units, with only 16 percent in structures with 3 units or more and 6 percent of units defined as mobile homes. Exhibit IV-2 presents the composition of housing units in the State.

**Exhibit IV-2.
Distribution of Housing
Units by Size/Type
in Indiana, 2004**

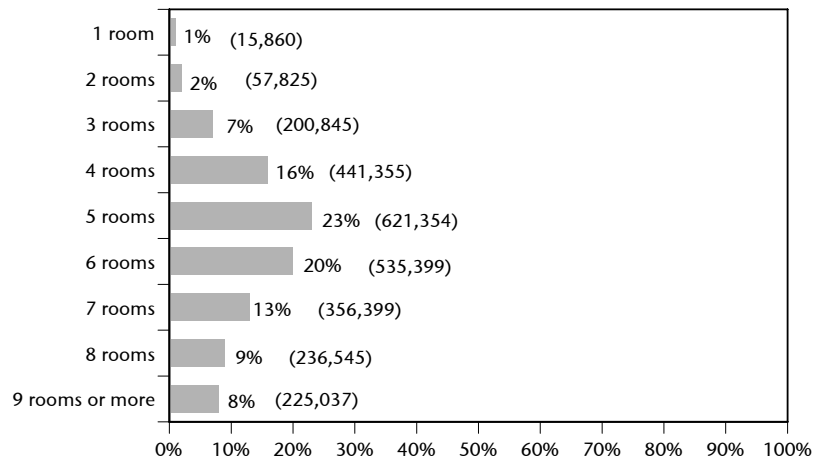
Source:
U.S. Bureau of the Census,
2004 American Community Survey.



Housing units in Indiana tend to have at least four rooms, with 73 percent reported as having four to seven rooms. The Census Bureau reported a median of 5.5 rooms per housing unit in the State.

**Exhibit IV-3.
Distribution of Housing
Units by Number of
Rooms in Indiana, 2004**

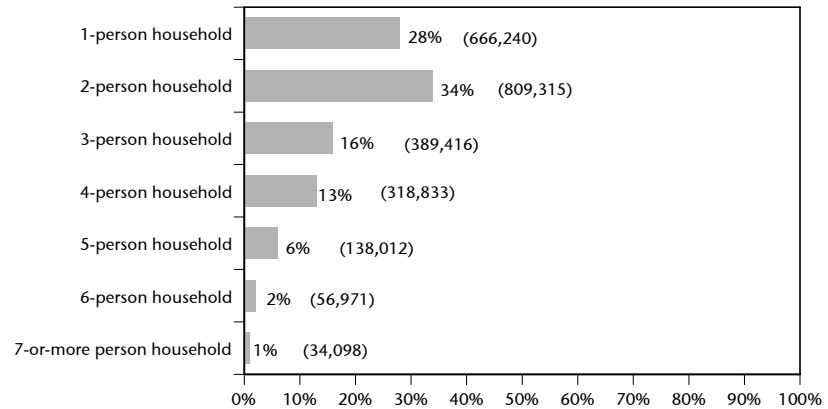
Source:
U.S. Bureau of the Census,
2004 American Community Survey.



Composition of households. Data from the 2004 ACS show the majority of housing units in the State are occupied by two-person households (34 percent), followed by one-person households (28 percent). Exhibit IV-4 shows the distribution of housing units by household size.

**Exhibit IV-4.
Households in
Occupied Units, 2004**

Source:
U.S. Bureau of the Census,
2004 American Community Survey.



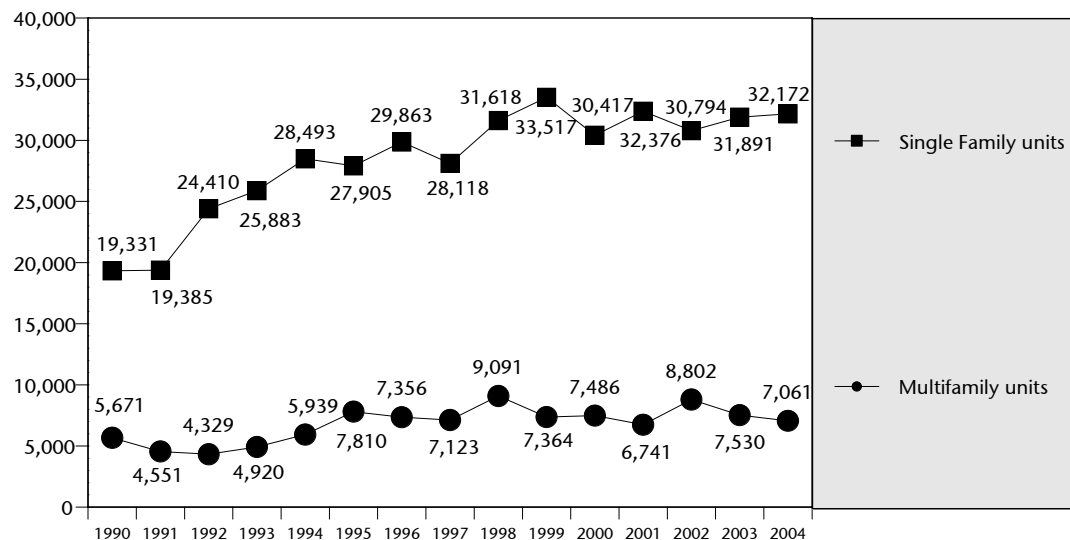
According to the ACS, the average household size in Indiana in 2004 was 2.51 persons per household, which is down from 2.53 persons per household in 2000.

Housing Supply

Construction activity. During 2004, 39,233 building permits were issued for residential housing development in Indiana. This is about the same level as in 2003 and is close to the historically high levels of the late 1990s. Eighty-two percent of the building permits issued in 2004 were for single family construction; 18 percent was for multifamily units, most having 5 units or more.

Exhibit IV-5 shows trends in building permit activity statewide since 1990 by single and multifamily units.

**Exhibit IV-5.
Building Permit Trends by Single and Multi Family Units, 1990-2004**



Source: U.S. Census Bureau.

Many of these contracts are now expiring, and some owners are taking advantage of their ability to refinance at low interest rates and obtain market rents. Most of Indiana's affordable multifamily housing was built with Section 221 (d)(3) and Section 236 programs. Thus, a good share of Indiana's affordable rental housing could be at risk of elimination due to expiring use contracts. According to HUD's expiring use database, as of January 2005 (the latest data available), Indiana had 31,800 units in expiring use properties, or approximately 4.7 percent of the State's total rental units.

When expiring use units convert to market properties, local public housing authorities issue Section 8 vouchers to residents of the properties that are converting to market rates. In some cases, market rents may be lower than subsidized rents, which could enable residents to stay in their current units. Vouchers may also give residents an opportunity to relocate to a neighborhood that better meets their preferences and needs. The outcomes of expiring use conversions are hard to determine because of the many variables (location, level of subsidized rents, tenant preferences) that influence tenants' situations.

Nonetheless, the loss of the affordable rental units provided by expiring use properties could put additional pressure on rental housing markets, especially in Indiana's urban counties, where most of these units are located.

In 1997, Congress passed legislation that provides solutions, such as debt restructuring, to the expiring use problem. The legislation requires that HUD outsource the restructuring work to Participating Administrative Entities (PAEs). In January 1999, the Indiana Housing and Community Development Authority (IHCDA) was selected to be the PAE for all expiring use properties in the State. In that responsibility, IHCDA is playing a direct role in finding solutions by encouraging owners to stay in the federal programs, in addition to examining other programs and creative financing tools that will help preserve these properties as affordable housing.

Additionally, in May 2000, HUD selected IHCDA to serve as a contract administrator for selected project-based housing assistance payment contracts in the State. In this role, IHCDA manages the contracts between HUD and the owners of affordable housing projects to ensure that the projects remain affordable, provide decent and safe housing, and are absent of housing discrimination. As of December 2004, IHCDA was under contract to administer 410 project-based Section 8 contracts. These contracts include almost 28,000 units receiving Section 8 rental assistance.

Nationally, less than 10 percent of owners of expiring use properties have opted out. The National Alliance of HUD Tenants, working with HUD data, estimates that up to 200,000 units have been lost to conversion nationally as of August 2001. The percentage of owners who have opted out in Indiana has been lower than the national percentage. Since the Section 8 preservation effort began in 2000 to 2003, 46 properties (representing 2,342 units) have either opted out of the Section 8 program or been removed from the program due to action taken by HUD's Departmental Enforcement Center. Of these, 14 of the properties (representing 549 assisted units) were from IHCDA's contract administration portfolio.

There are 46 counties with all of their expiring use units due to expire by December 2011. Exhibit IV-9 on the following page shows the percent of units with affordable provisions that are due to expire in the next five years by county along with the total number of expiring units.

Exhibit IV-9.
Percentage of Expiring Use Units
That Will Expire by December 2011, by County, as of January 2006

County	Percent of Expiring Use Units Due to Expire by December 2011, by County	Total Assisted Expiring Use Units	County	Percent of Expiring Use Units Due to Expire by December 2011, by County	Total Assisted Expiring Use Units
Adams	70%	223	Lake	80%	3,573
Allen	86%	1,639	Lawrence	91%	217
Bartholomew	86%	484	Madison	98%	596
Blackford	100%	142	Marion	90%	6,071
Boone	100%	194	Marshall	40%	221
Carroll	100%	10	Miami	100%	88
Cass	100%	346	Monroe	96%	434
Clark	99%	870	Montgomery	100%	241
Clinton	100%	95	Morgan	100%	420
Crawford	100%	123	Newton	100%	18
Daviess	100%	236	Noble	90%	224
DeKalb	100%	72	Orange	100%	136
Dearborn	100%	155	Owen	100%	68
Decatur	88%	203	Parke	100%	60
Delaware	71%	493	Perry	100%	93
Dubois	71%	252	Pike	100%	77
Elkhart	88%	899	Porter	100%	141
Fayette	43%	180	Posey	100%	116
Floyd	100%	293	Putnam	100%	132
Fountain	100%	20	Randolph	100%	29
Gibson	62%	291	Ripley	100%	56
Grant	81%	653	Rush	100%	78
Greene	68%	71	Scott	76%	142
Hamilton	100%	346	Shelby	100%	146
Hancock	100%	104	Spencer	100%	22
Harrison	100%	50	St. Joseph	93%	1,756
Hendricks	100%	166	Starke	100%	24
Henry	83%	214	Steuben	92%	76
Howard	100%	411	Tippecanoe	97%	1,520
Huntington	100%	129	Union	100%	50
Jackson	80%	276	Vanderburgh	80%	1,022
Jasper	100%	54	Vermillion	100%	148
Jay	100%	36	Vigo	90%	528
Jefferson	89%	365	Wabash	100%	215
Jennings	64%	22	Warrick	100%	120
Johnson	100%	526	Washington	100%	49
Knox	59%	293	Wayne	92%	733
Kosciusko	86%	146	Wells	22%	129
La Porte	89%	784	White	100%	62
LaGrange	100%	48	Whitley	100%	50
			Total	89%	31,795

Note: Expiration dates are according to the "TRACS Overall Expiration Date" as provided by HUD.

Source: U.S. Department of Housing and Urban Development and BBC Research & Consulting.

Housing Condition

Measures of housing condition are relatively scarce. However, the annual release of the ACS's Summary Tables and PUMS provide a good source of current information on housing conditions.

The ACS data cover the important indicators of housing quality, including plumbing facilities, type of heating fuel, age and crowding. In addition to measuring housing conditions, such variables are also good indicators of community development needs, particularly of weaknesses in public infrastructure. The Census Bureau reports most of these characteristics for occupied housing units.

Plumbing. The adequacy of indoor plumbing facilities is often used as a proxy for housing conditions. The ACS estimated there were 10,304 *occupied* housing units lacking complete plumbing in 2004, or 0.43 percent of occupied units in the State. This is slight improvement over 2000, when 0.53 percent was reported for inadequate plumbing, and a substantial improvement over 1990 and 1980, when 0.7 percent and 2 percent, respectively, of the State's housing units reportedly had inadequate facilities.

Vacant units are disproportionately more likely to have incomplete plumbing than occupied units, perhaps because the units are in substandard condition or construction is not yet completed. In 2004 there were 33,506 *vacant and occupied* units lacking plumbing (1.2 percent of all units) in Indiana and 69 percent of these units were vacant. According to the 2000 Census, there were 10 counties where more than 2 percent of the total housing stock, *occupied and vacant*, lacked complete plumbing facilities, as shown in the following exhibit. County level data was not available for 2004.

**Exhibit IV-10.
Counties with More Than
2 Percent of Housing
Stock without Complete
Plumbing Facilities, 2000**

Source:
U.S. Bureau of the Census, 2000.

Geography	Housing Units lacking plumbing facilities	Percent of total housing units
Adams County	683	5.5%
Switzerland County	193	4.6%
Crawford County	218	4.2%
Owen County	362	3.7%
Martin County	159	3.4%
Parke County	227	3.0%
Perry County	231	2.8%
Greene County	421	2.8%
Washington County	286	2.6%
Orange County	194	2.3%

Heating fuel and kitchens. According to the 2004 ACS, most occupied housing units in Indiana were heated by gas provided by a utility company (61 percent) or by electricity (24.5 percent), while a fairly high percentage used bottled, tank or LP gas (9.2 percent). A small number of units (41,732, or 1.7 percent) report heating with wood, and another 6,395 units (0.27 percent) do not use any fuel. The lack of heating fuel, or wood as the fuel source, for units other than seasonal units is a likely indicator of housing condition problems.

Another indicator of housing condition includes the presence of kitchen facilities. About 48,600 units, or 1.8 percent of all units in the State, lacked complete kitchen facilities in 2004. Twenty-seven percent of these units were occupied (0.54 percent of occupied units) and 73 percent were vacant.

Water and sewer. There has been a growing awareness and concern in Indiana about the number of housing units that rely on unsafe water sources. According to the Indiana State of the Environment Report for 2004, 73 percent of Indiana households get their drinking water from community public water supply systems. Private wells are the source of water for 15 percent of the State's housing. This is substantially less than in 1990, when 25 percent of the State's households were served by wells. Public sewerage provision to housing in Indiana is still somewhat below the national average, based on the most recently available data. Nationally, about 84 percent of housing units are served by public or private systems; wells are the water source for about 15 percent of units nationwide.

Water quality is another important consideration for the assessment of housing conditions. The Indiana Department of Environmental Management (IDEM) reported in 2002 that 93.5 percent of Indiana's public water systems were in compliance with EPA *water-quality* standards for the presence of the 91 primary contaminants. Compliance with health standards has remained consistent even though new mandates or requirements have increased since 1997.

An evaluation of the 2003 Annual Compliance Report for Indiana Public Water Supply Systems as compared to 2001 showed an improvement in the compliance rates for various contaminant violations. This improvement in the compliance rate was attributed to the implementation of the Small System Laboratory Assistance Program (SSLAP) instituted in 2001. Since IDEM enacted the SSLAP, the number of significant non-compliance systems has dropped 36 percent in a two-year period. The program provides sampling assistance to systems serving populations less than 100 people for contaminants.

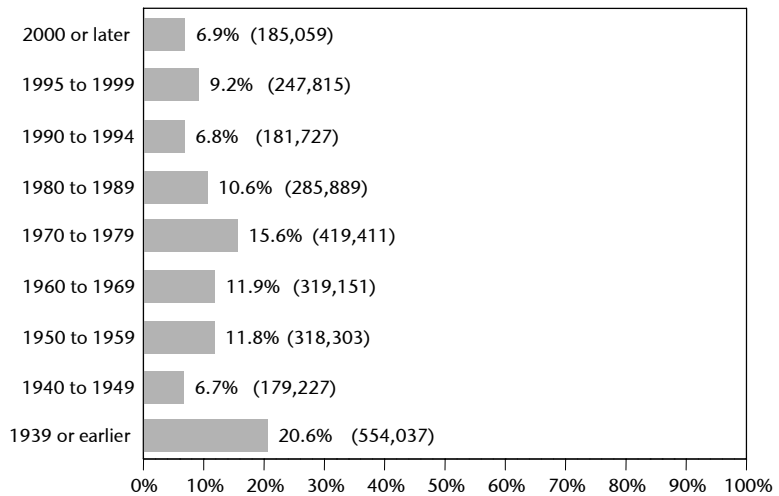
The percent of the total active water systems that have *monitoring and reporting* violations for at least one contaminant was approximately 42 percent in 2003, which is consistent with previous reports (approximately 43 percent), and many of the remaining non-complying systems in the State serve businesses and not residential users. The number of Indiana residents at risk of exposure to harmful contaminants resulting from non-compliant water providers has fallen dramatically. From 1994 to 1999 there was a 97 percent decline in the number of water users dependent on systems that were in significant non-compliance with State and federal regulations.

Age. Age can also be a proxy for the condition of housing, especially the risk of lead-based paint. As discussed later in this section, units built before 1940 are most likely to contain lead-based paint. Units built between 1940 and 1978 have a lesser risk (lead was removed from household paint after 1978), although many older units may have few if any problems depending on construction methods, renovation and other factors.

Housing age data from the 2004 ACS indicate that almost 21 percent of the State’s housing units, occupied or vacant, was built before 1940, when the risk of lead-based paint is the highest. Approximately 67 percent of the housing stock was built before 1979. As of the 2004 ACS, the median age of housing stock in the State was 35 years old. Exhibit IV-11 presents the distribution of housing units in the State by age.

**Exhibit IV-11.
Housing Units by
Year Built, 2004**

Source:
U.S. Census Bureau’s
American Community Survey, 2004.



Overcrowding. A final measure of housing conditions is overcrowding. The Census Bureau reports that in 2004, 2.0 percent of the State’s occupied housing units, or 49,412, were overcrowded, which is defined as 1.01 persons or more per room. Approximately 0.31 percent of the State’s housing units were severely overcrowded (more than 1.51 persons per room). These data compare favorably to national averages of 3.1 percent of units that were overcrowded and 0.75 percent severely overcrowded in 2004.

Combined factors. PUMS data provided by the 2002 ACS allow for a comparison of housing condition factors by household income.¹

The household income categories of 31 to 50 percent and 81 to 100 percent of median household income had a higher ratio of households with more than one person per room (2.2 percent and 2.5 percent, respectively), than other income categories. The following exhibit shows the percent of households experiencing overcrowding by household income category.

¹ In the PUMS data, there are some households that did not report household income. Therefore, these households are not included when variables (i.e., overcrowded housing units and units lacking plumbing) are crossstabbed by household income.

**Exhibit IV-12.
Overcrowded Housing Units by Household Income Category, 2002**

Percent of Median Household Income	Income Cut-Off	Percent of All Occupied Units that are Overcrowded	Distribution of Units Overcrowded
less than or equal to 30%	\$12,390	1.7%	10.6%
31% to 50%	\$20,650	2.2%	13.3%
51% to 80%	\$33,040	1.6%	13.9%
81% to 100%	\$41,300	2.5%	14.6%
greater than 100%	\$41,300 +	1.8%	47.5%
Total		1.9%	100.0%

Note: Overcrowded is defined as a housing unit with more than one person per room. Households who did not report an income were excluded. Median household income in 2002 was \$41,300 according to PUMS data.

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

According to PUMS, just under one percent (an estimated 22,360) of occupied housing units lack complete plumbing. Of these occupied units that lack complete plumbing, just under half have households who earn 50 percent or less than the area median household income. The following exhibit shows the distribution of occupied units with no plumbing by income category and the percentage of all occupied units that lack complete plumbing facilities by income. It is important to note that income levels were not reported for many of the occupied housing units lacking plumbing.² The data below represent only those units for which income was available and represent about 40 percent of all units lacking plumbing.

**Exhibit IV-13.
Occupied Units Lacking Complete Plumbing by Household Income Category, 2002**

Percent of Median Household Income	Income Cut-Off	Percent of All Occupied Units with No Plumbing	Distribution of Units with No Plumbing
less than or equal to 30%	\$12,390	0.7%	22.5%
31% to 50%	\$20,650	0.9%	25.6%
51% to 80%	\$33,040	0.3%	13.4%
81% to 100%	\$41,300	0.1%	2.7%
greater than 100%	\$41,300 +	0.3%	35.9%
Total		0.4%	100.0%

Note: The percentages reflect those households who reported an income.

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

The data in Exhibit IV-13 suggests that lower income households are more likely to occupy units with condition problems than moderate to high income households.

² According to PUMS data, there were 13,787 units that did not report household income and that were lacking complete plumbing facilities. Of these units, 240 were vacant. Therefore, 13,547 units (60 percent) lacking complete plumbing reported no household income.

The U.S. Department of Housing and Urban Development (HUD) received special tabulations of Census 2000 data from the U.S. Census Bureau that are largely unavailable through standard Census products. The following exhibit shows some of these data. The data show that the lower the income the more likely a household is to have a housing problem. It should be noted that “housing unit problem” as defined by HUD includes cost-burden, which is an affordability, not a condition indicator.

**Exhibit IV-14.
HUD-Defined Housing Unit Problems by
Household Income in 1999 by Household Type, Indiana**

Percent of Renters with Housing Unit Problems	Household Type					
	Total	Elderly Family Household	Small Family Household	Large Family Household	Elderly Non-Family Household	Other Non-Family Household
less than or equal to 30%	71%	68%	77%	85%	55%	74%
31% to 50%	62%	49%	60%	67%	54%	68%
51% to 80%	24%	23%	18%	40%	34%	23%
81% to 95%	9%	9%	6%	32%	18%	6%
greater than 95%	6%	5%	4%	29%	13%	2%
Total	35%	29%	30%	49%	46%	35%

Percent of Owners with Housing Unit Problems	Household Type					
	Total	Elderly Family Household	Small Family Household	Large Family Household	Elderly Non-Family Household	Other Non-Family Household
less than or equal to 30%	69%	63%	78%	87%	62%	71%
31% to 50%	44%	28%	63%	72%	28%	58%
51% to 80%	29%	15%	36%	42%	15%	42%
81% to 95%	18%	8%	19%	24%	10%	26%
greater than 95%	5%	4%	5%	11%	4%	8%
Total	17%	13%	13%	24%	27%	26%

Note: The 1999 HUD Area Median Family Income for Indiana is \$50,256.
Housing unit problems: Lacking complete plumbing facilities, or lacking complete kitchen facilities, or with 1.01 or more persons per room, or with cost burden more than 30.0 percent.
Elderly households: 1 or 2 person household, either person 62 years old or older.
Cost burden is the fraction of a household's total gross income spent on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.

Source: U.S. Census Bureau, 2000, HUD and BBC Research & Consulting.

Substandard housing definition. HUD requires that the State define the terms “standard condition,” “substandard condition” and “substandard condition but suitable for rehabilitation.” For the purposes of this report, units are in standard condition if they meet the HUD Section 8 quality standards. Units that are substandard but suitable for rehabilitation do not meet one or more of the HUD Section 8 quality standards. These units are also likely to have deferred maintenance and may have some structural damage such as leaking roofs, deteriorated interior surfaces, and inadequate insulation. A unit is defined as being substandard if it is lacking the following: complete plumbing, complete kitchen facilities, public or well water systems, and heating fuel (or uses heating fuel that is wood, kerosene or coal).

Units that are substandard but suitable for rehabilitation include units with some of the same features of substandard units (e.g., lacking complete kitchens or reliable and safe heating systems, or are not part of public water and sewer systems). However, the difference between substandard and substandard but suitable for rehabilitation is that units suitable for rehabilitation will have in place infrastructure that can be improved upon. In addition, these units might not be part of public water and sewer systems, but they will have sufficient systems to allow for clean water and adequate waste disposal.

Without evaluating units on a case-by-case basis, it is impossible to distinguish substandard units that are suitable for rehabilitation. In general, the substandard units that are less likely to be easily rehabilitated into good condition are those lacking complete plumbing; those which are not part of public water and sewer systems and require such improvements; and those heated with wood, coal, or heating oil. Units with more than one substandard condition (e.g., lacking complete plumbing and heated with wood) and older units are also more difficult to rehabilitate.

Environmental Issues

Environmental issues are also important to acknowledge when considering the availability, affordability and quality of housing. Exposure to deteriorated lead-based paint and lead dust on the floor and windowsills, as well as lead in the soil, represents one of the most significant environmental threats from a housing perspective. Exposure to environmental hazards in the home, especially at a younger age, have been known to trigger asthma attacks and may even contribute to the development of asthma.

Lead-based paint. Childhood lead poisoning is one of the major environmental health hazards facing American children today. As the most common high-dose source of lead exposure for children, lead-based paint was banned from residential paint in 1978. Housing built prior to 1978 is considered to have some risk, but housing built prior to 1940 is considered to have the highest risk. After 1940, paint manufacturers voluntarily began to reduce the amount of lead they added to their paint. As a result, painted surfaces in homes built before 1940 are likely to have higher levels of lead than homes built between 1940 and 1978. A report completed for HUD on 2001 estimates that heavily leaded paint is found in about two-thirds of the homes built before 1940, one-half of the homes built from 1940 to 1960, and some homes built after 1960.

Children are exposed to lead poisoning through paint debris, dust and particles released into the air and then settled onto the floor and windowsills, which can be exacerbated during a renovation. The dominant route of exposure is from ingestion and not inhalation. Young children are most at risk because they have more hand-to-mouth activity and absorb more lead than adults.

Excessive exposure to lead can slow or permanently damage the mental and physical development of children ages six and under. An elevated blood level of lead in young children can result in learning disabilities, behavioral problems, mental retardation and seizures. In adults, elevated levels can decrease reaction time, cause weakness in fingers, wrists or ankles, and possibly affect memory or cause anemia. The severity of these results is dependent on the degree and duration of the elevated level of lead in the blood.

The primary treatment for lead poisoning is to remove the child from exposure to lead sources. This involves moving the child's family into temporary or permanent lead-safe housing. Lead-safe housing is the only effective medical treatment for poisoned children and is the primary means by which lead poisoning among young children can be prevented. Many communities have yet to plan and develop adequate facilities to house families who need protection from lead hazards.

Extent of the lead-based paint problem. As mentioned above, homes built before 1960 may have had interior or exterior paint with lead levels as high as 50 percent. Inadequately maintained homes and apartments are more likely to suffer from a range of lead hazard problems, including chipped and peeling paint and weathered window surfaces.

According to the 2004 ACS, approximately 1.8 million housing units in Indiana – 67 percent of the total housing stock—were built before 1978. About 554,000 units, or 21 percent of the housing stock, are pre-1940 and 498,000 units (18 percent of the housing stock) were built between 1940 and 1959. Urban areas typically have the highest percentages of pre-1940 housing stock, although the State's non entitlement areas together have about the same percentage of pre-1940 units as the State overall. Marion County Health Department issued more than 200 citations to residents for lead hazards between January 1, 2000 and July 31, 2003. More than 99 percent of these homes were rental properties. Many small landlords (with less than 50 properties) are unaware of their responsibility of complying with code and tenants are also often unaware of their responsibilities.

According to the Indiana Childhood Lead Poisoning Elimination Plan, Indiana children with the following characteristics are at high risk for exposure to lead hazards:

- Children living in older housing,
- Children living in poverty or families with low-incomes,
- Children enrolled in Hoosier Healthwise (HH, Indiana's Medicaid and S-CHIP program), and
- Minority children.

Lower income homeowners generally have more difficulty making repairs to their homes because of their income constraints. Low-income renters and homeowners often live in older housing because it is usually the least expensive housing stock. This combination of factors makes lower income populations most susceptible to lead-based paint hazards. One measure of the risk of lead-based paint risk in housing is the number of households that are both low-income and live in older housing units. According to PUMS data, in 2002, there were 53,233 (8.1 percent) renter households who were very low-income (earning less than 50 percent of the State median) and who lived in housing stock built before 1940. There were also 77,919 (4.6 percent) owners with very low incomes and who lived in pre-1940 housing stock. These households are probably at the greatest risk for lead-based paint hazards.

According to the Indiana State Department of Health's (ISDH) report to the Indiana General Assembly, 43,000 blood lead samples were taken in 2003 for children under 7 years old. Of these children, 691 (1.6 percent) were confirmed as lead poisoned. Another 572 children had failed the screening blood lead test and may or may not have been lead poisoned.

Available resources. Addressing the problem through existing and new housing rehabilitation programs is fundamental to reach the Indiana and federal goal of eliminating childhood lead poisoning by the year 2010. The Residential Lead-Based Hazard Reduction Act of 1992 (commonly referred to as "Title X") supports widespread prevention efforts of lead poisoning from lead-based paint. As a part of the Act, in 1991, the Office of Healthy Homes and Lead Hazard Control (OHHLHC) was established by HUD in order to bring together health and housing professionals in a concerted effort to eliminate lead-based paint hazards in America's privately-owned and low-income housing.

As of 2002, HUD estimates that 26 million fewer homes have lead-based paint compared to 1990 when the program began. The Centers for Disease Control and Prevention estimates the average amount of lead in children's blood has declined by 25 percent from 1996 to 1999. Ten years ago, there was no federal funding for local lead hazard control work in privately owned housing; today, the HUD program is active in over 200 jurisdictions across the country.

The Title X program provides grants of between \$1 million and \$2.5 million to state and local governments for control of lead-based paint hazards in privately-owned, low-income owner occupied and rental housing. Since the program's inception in 1993 through 2002, approximately \$700 million was awarded to over 200 local and State jurisdictions across the country. The work approved to date will lead to the control of lead-based paint hazards in more than 65,000 homes where young children reside or are expected to reside.

The following are a list of programs offered by HUD to support widespread prevention efforts of lead poisoning from lead-based paint.

- Lead Hazard Control Grant Program
- Lead Hazard Reduction Demonstration
- Operation Lead Elimination Action Program
- Lead Paint Outreach Grant Program
- Lead Technical Studies
- Healthy Homes Technical Studies
- Healthy Homes Demonstration Program

In September 2005, HUD awarded two organizations in Indiana grants to eliminate dangerous lead paint hazards in thousands of privately owned, low-income housing units and identify or to eliminate housing conditions that contribute to children's disease and injury, such as asthma, lead poisoning, mold exposure, and carbon monoxide contamination. Purdue University was awarded \$221,325 to study the effectiveness of an Integrated Pest Management (IPM) approach to controlling cockroaches in two multifamily public housing complexes in Gary, Indiana where previous surveys have found that public housing complexes in Gary, Indiana where previous surveys have found that approximately 50 percent of the units were infested with cockroaches. The Health and Hospital Corporation of Marion County (HHCM) was awarded \$2,974,839 to clear 322 rental housing units of lead-based paint hazards within target neighborhoods occupied by low-income families with children. The HHCM anticipates assisting 400 children through this grant program.

In addition to available funding from the Title X program, recent changes to the CDBG program have added lead based paint abatement to eligible activities for CDBG funding. In order to receive Title X or CDBG funding, States must enact legislation regarding lead-based paint that includes requirements of accreditation or certification for contractors who remove lead-based paint. Indiana adopted such legislation in 1997 (Indiana Code, 13-17-14).

The National Healthy Homes Training Center is funded by a grant from the Centers for Disease Control and Prevention to develop the infrastructure and resources to help states, cities, and community-based organizations effectively identify and address housing-related hazards. The Training Center will help build capacity and competency among health, environmental and housing practitioners and promote cross-disciplinary activities. One of the first steps in meeting this goal was the development of a two-day training program.

A priority for 2004/2005 according to the Indiana Annual State of the Environment report is to reduce the threat lead poisoning poses to Hoosier children. The Indiana Department of Environmental Management (IDEM) continues to partner with ISDH for lead poisoning prevention initiatives. During the past year, IDEM participated in chaired workgroups as a part of the Indiana Childhood Lead Poisoning Elimination Plan Advisory Committee (EPAC), lead by ISDH.

In October 2004, EPAC announced a plan to eliminate lead poisoning in Hoosier children. State and federal officials partnered with environmental, housing, and medical experts, as well as community advocates, to develop the plan. Aimed at parents, caregivers and landlords, the Childhood Lead Poisoning Elimination Plan offers simple, effective ways to prevent kids from being exposed to lead. It also outlines a long-term approach to eliminate lead contamination from Hoosier homes.

IDEM, in conjunction with the Department of Health and the Marion County Health Department, developed the "Lead for 2000" campaign. Initiated in 1998, the campaign was aimed at reducing the incidence of childhood exposure to harmful lead-based contaminants by providing families and childcare facilities with free lead risk assessments and educational outreach.

In 1998, the three organizations launched the "2000 Lead-Safe Families for 2000 Project." It was the first innovative project of its kind in the nation focusing on the primary prevention of lead poisoning. As of February 2002, IDEM has trained more than 100 lead assessors, and they have completed more than 1,300 lead assessments in homes and childcare facilities. This effort entailed training lead-assessors, promoting awareness of the health risks that lead exposure presents, and educating families in methods that they can apply to minimize the risks presented by exposure to lead. These efforts were aimed at private homes as well as childcare facilities when children may be at risk. Several groups and individuals are now better equipped to deal with lead-based paint poisoning concerns in Indiana:

- Several health departments have individuals trained, licensed, and ready to perform risk assessments whenever a lead-poisoned child is identified by the healthcare system;
- The IDEM Lead Licensing Branch has worked through its EPA approvals and has managed the testing and licensing of a large number of individuals;

- The ISDH laboratory has successfully managed a very large volume of samples and has identified key factors for successful analysis of risk assessment sample requests;
- The institute has developed, field-tested, and made available to Indiana risk assessors a standardized set of forms for conducting and reporting a risk assessment; and
- A large number of individuals and organizations have been sensitized to the genuine threat of lead poisoning to young children. This sensitization has been obvious during the past two years, as Indiana housing agencies have been working to incorporate lead-safe work practices into rehabilitation, renovation, modernization, and weatherization programs. Several key individuals in the current effort were first involved with lead issues during the 2000 Safer Families Program, and the experience gained and lessons learned have been important to the success of the current effort.

In September 2000, HUD adopted new requirements for lead evaluation of multifamily properties that are federally assisted for new applicants of mortgage insurance. In general, the regulations require the testing and repair of all of the properties acquired or rehabilitated through federal programs. In preparation for the new requirements, IHCDA sent a list of the new requirements to its HOME and CDBG recipients and held a training to assist grantees with implementation of the new requirements in April and May of 2001.

In July 2002, the U.S Department of Energy updated its program guidelines and procedures of the Weatherization Assistance Program. This action updates guidance on health and safety issues and provides lead-safe weatherization protocol work in buildings that might contain lead paints. In September 2000, the Department of Energy also updated its regulations for administration of the Weatherization Assistance Program. This update further protects residents of HUD program housing and other federally owned or assisted homes from the dangers of lead-based paint by ensuring proper remediation and mitigation protocol when weatherizing these units.

Indiana's Weatherization program goes far beyond the federal minimum when it comes to lead-based paint hazards during weatherization. Community Action Agencies received training and x-ray fluorescence equipment so they could properly identify lead-based paint and lead hazards. FSSA has adopted specific policies and procedures to protect children.

In the past, IHCDA has provided funding to The Indiana Association of Community Economic Development and the Environmental Management Institute (EMI) to provide lead inspection, risk assessor and lead supervision training, certification, and refresher courses. EMI is the State's largest provider of lead hazard training and offers supervisor, risk assessor and inspector training throughout the State.

In addition, EMI and Improving Kid's Environment (IKE) conducted the annual Lead-Safe Conference in November 2004, which provided information about improving compliance with lead hazard reduction methods. A record number of 117 organizations and 239 people attended the conference. The conference offered an Indiana Rules Awareness training, along with sessions on healthy homes, healthy kids, policy and technology, and discussion forum sessions.

A major challenge in mitigating lead hazards in Indiana has been increasing the number of abatement contractors. During 2003, two major changes were made to improve Indiana's numbers:

- IDEM recently streamlined its contractor licensing process; and
- EMI and IKE worked together to clarify the type of insurance required by IDEM for contractors. IDEM had been suggesting that contractors purchase specialty insurance that was cost prohibitive.

Legislation. The Indiana General Assembly adopted a law, HEA 1171 – Lead Poisoning Prevention Legislation for Indiana that went into effect July 1, 2002. It established specific obligations for landlords and tenants. The legislation:

- Sets the times for expiration and renewal of lead-based paint activities licenses and adjusts training for licensure.
- Provides for the licensing and training of clearance examiners.
- Prohibits the use of certain methods to remove lead-based paint and requires that removed paint be discarded, with the exception for certain homeowners.
- Requires a laboratory that tests the blood of certain children for lead to report the test results to the ISDH.
- Requires information that is gathered concerning the concentration of lead in the blood of children less than 7 years of age to be shared among certain federal, state, and local government agencies.

The General Assembly also passed on October 10, 2003, revisions to its lead-based paint activities rules. These revisions amended rules concerning the licensing of individuals and contractors engaged in lead-based paint and training activities. It also added and repealed text concerning work practice standards for nonabatement activities. The revisions simply captured requirements already established in statute by the 2002 Indiana General Assembly. It is now a Class D felony to dry-sand, dry-scrape or burn paint in housing built before 1960. It is also a Class D felony to leave painted debris behind after working on these homes.

Legislation was drafted to require ISDH to adopt rules regarding case management and require Indiana's Medicaid program to have:

- A measure to evaluate the performance of a Medicaid managed care organization in screening a child who is less than 7 years of age for lead poisoning.
- A system to maintain the results of an evaluation under subdivision (1) in written form.
- A performance incentive program for a Medicaid managed care organization evaluated under subdivision (1).

The Indiana Joint Select Commission on Medicaid Oversight unanimously recommended the adoption of the legislation to the Indiana General Assembly. This legislation will finalize an agreement with Indiana Medicaid to improve screening rates.

A State Senator agreed to carry legislation to fix ongoing problems in Indiana lead poisoning program. ISDH and IKE are asking to:

- Require adoption rules for blood lead screening and case management;
- Require electronic reporting of blood lead testing results by labs that tested more the 50 Hoosier children in the previous 12 months;
- Limit the sharing of confidential information to local housing agencies “to the extent necessary” to implement the HUD rules;
- Provide IDEM with access to the information to the extent necessary for IDEM to set priorities and take advantage of IDEM’s existing authorities to require cleanups where the hazards pose an imminent and substantial threat to the health of people; and
- Incorporate the provisions in State Senator’s legislation regarding Medicaid.

Asthma Asthma is a chronic lung disease that causes episodes of breathlessness, wheezing and chest tightness. Asthma can be difficult to diagnose and differentiate from other respiratory problems.

Dangers of asthma. The strongest risk factors for development of asthma are family history of allergic disease and sensitization to one or more indoor allergens. Sensitization to a substance is the development of an allergic reaction to that substance. Allergens are proteins with the ability to trigger immune responses and cause allergic reactions in susceptible individuals. They are typically found attached to very small particles, which can be airborne as well as present in household dust. Common indoor allergen sources include dust mites, cockroaches, animals (domestic animals and pests such as rodents), and mold.

According to a HUD report completed in 2001, dust mites are the only home allergen source that the National Academies’ Institute of Medicine report found sufficient evidence in the literature of a causal relationship between exposure and the development of asthma in susceptible children. Exposure to house dust mite allergens in childhood has been linked to an increase in the relative risk of developing asthma, and numerous other allergens are associated with asthma exacerbation in sensitized individuals. General conclusions about the relative risk of various indoor agents associated with asthma are difficult, largely due to the dependency of the particular risk on the characteristics of a given environment (e.g., climate, urban setting) and its occupants (e.g., smokers, genetics). Research generally supports the avoidance measures for allergens begin at the earliest age possible in high risk infants.

Extent of the asthma problem. National data shows that prevalence of asthma in children has risen in the past 20 years and has become a significant medical problem. Between 1982 and 1994, the national prevalence of asthma increased 66 percent overall (3.5 percent to 5.8 percent) and increased 73 percent among children/young adults age 18 years and less (4.0 percent to 6.9 percent), affecting 15 million people (nearly 5 million under the age of 18).

According to the national Behavioral Risk Factor Surveillance System (BRFSS) completed in 2004, 13.3 percent of Hoosiers have had asthma in their lifetime and 8.4 percent currently have it. These rates are the same as the national average.

The 2002 Indiana BRFSS survey showed that approximately 13 percent of Indiana households reported having one child who had been diagnosed with asthma, and nearly 3 percent has two or more children diagnosed with asthma. Health officials report that asthma accounts for one-third of all pediatric emergency room visits. Asthma is also the most prevalent chronic disease among children, and it is the number one reason for school absences.

A previous BRFSS study in 2000 indicated that Indiana had a much higher percentage of people with asthma in the lower economic brackets: 19.3 percent of adults with annual income less than \$15,000 in Indiana were reported to have asthma, compared to 14.4 percent nationwide. Indiana also had 18.1 percent of the population reporting asthma compared to 12.1 percent for the national average among the African American, non-Hispanic population.

Available resources. In 2002, IDEM joined a national steering committee comprised of state health agencies and state environmental agencies, to discuss developing a vision statement and action items to identify steps that states can take to address indoor and outdoor environmental factors that contribute to asthma in children. A document is being made available for states to use in developing their asthma prevention and control programs and will undergo further review and discussion.

IDEM and ISDH recently leveraged their resources by combining a public health and an environmental approach to address asthma by developing the Indiana Joint Asthma Council (InJAC). The five areas of focus committees for InJAC are:

- Data and surveillance;
- General public and consumer education;
- Health care provider;
- Environmental quality; and
- Children and youth.

Housing issues are a primary focus for the Environmental Quality Committee.

The Centers for Disease Control and Prevention's National Center for Environmental Health funded Indiana to create a State action plan prior to implementing activities to decrease the burden of asthma in Indiana. The U.S. Environmental Protection Agency (EPA) funded Indiana to develop a patient education tool addressing environmental triggers of asthma.

In December 2004, InJAC finalized its plan to reduce asthma in Indiana. The plan is an initial five-year action plan to begin to deal with the burden of asthma in the state. The plan consists of goals, objectives, strategies, and action steps over a real timeline with specific deadlines. The plan has five major areas: data/surveillance, children and youth, public education, healthcare, and environment. To reduce environmental hazards associated with asthma attacks, the plan's only efforts that do not consist solely of research and outreach will be to:

- By 2006, propose revisions to the Indiana Sanitary Schoolhouse Rule;
- By 2009, recommend revisions to voluntary and regulatory codes that affect schools and regulated early care settings; and
- By 2010 or in advance of federal deadlines, attain ozone and fine particulate matter health standards in 24 counties designated in whole or in part as non-attainment areas in 2004.

InJAC also published a report, "The Burden of Asthma in Indiana," in December 2004. The report consists of statistics and charts of the prevalence of asthma in Indiana. Indiana's prevalence of asthma was reported to be exactly the same as the nation overall.

A patient education tool is also available on IDEM's Web site. It is a Web-based asthma tool for parents, medical providers, schools, and child care providers on how to reduce exposure to environmental triggers for asthma. The tool will allow the user to take a virtual tour through a home, rental property, school, and child care setting to learn how to reduce exposure to environmental triggers. The user will even be able to explore the outdoor environment to find out what activities contribute to outdoor environmental triggers for asthma. *BreathEasyville* features fact sheets, checklists and an example of an asthma action plan and is available as of January 2005.

Housing Affordability

Owners. The ACS estimated the median value of an owner occupied home in the State as \$110,020 in 2004. This compares with the U.S. median of \$151,366 and is the second lowest median compared to surrounding States, as shown in Exhibit IV-16.

Exhibit IV-16. Regional Median Owner Occupied Home Values, 2004

Note:

The home values are in 2003 inflation-adjusted dollars for specified owner occupied units.

Source:

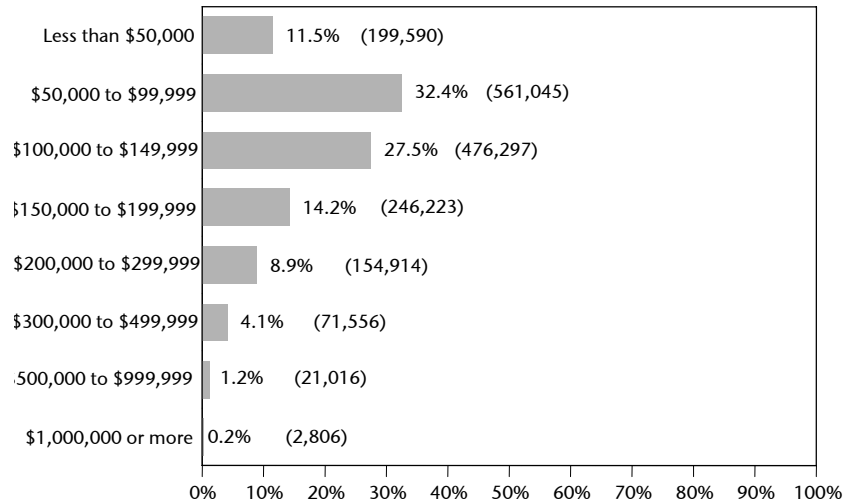
U.S. Census of the Bureau, American Community Survey, 2004.



In Indiana, 44 percent of owner occupied units had values less than \$100,000, and about 71 percent were valued less than \$150,000. Exhibit IV-17 on the following page presents the price distribution of owner occupied homes in the State.

**Exhibit IV-17.
Owner Occupied
Home Values, 2004**

Source:
U.S. Census of the Bureau,
American Community Survey, 2004.



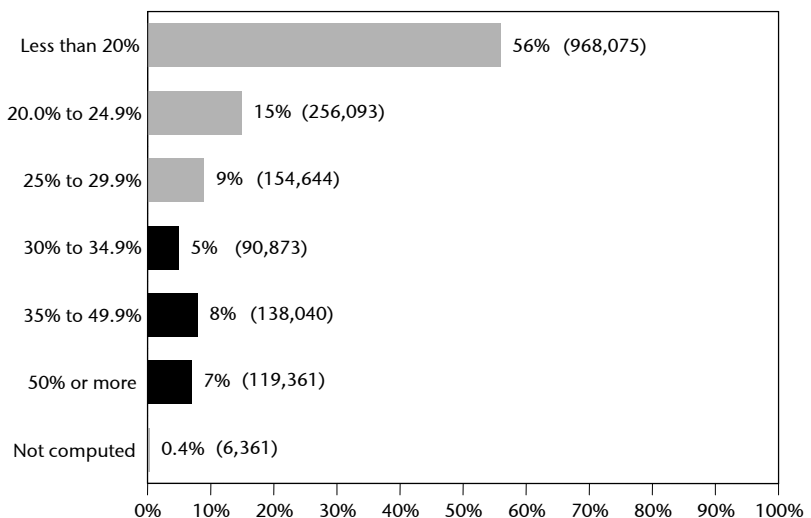
Although housing values in Indiana are still affordable relative to national standards, many Indiana households have difficulty paying for housing. Housing affordability is typically evaluated by assessing the share of household income spent on housing costs. For owners, these costs include mortgages, real estate taxes, insurance, utilities, fuels, and, where appropriate, fees such as condominium fees or monthly mobile home costs. Households paying over 30 percent of their income for housing are often categorized as cost burdened.

The ACS reported that in 2004, 20 percent of all homeowners (about 348,000 households) in the State were paying more than 30 percent of their household income for housing, and 7 percent (119,000 households) were paying 50 percent or more. This was a 21 percent increase of cost burdened homeowners (approximately 74,000 owners) from 2003 to 2004. Exhibit IV-18 presents these data.

**Exhibit IV-18.
Owners' Housing
Costs as Percent of
Household Income, 2004**

Note:
Dark shaded areas indicate
cost burdened households.

Source:
U.S. Census of the Bureau,
American Community Survey, 2004.



Among homeowners with mortgages, approximately 25 percent were reported as cost burdened, a figure that drops to about 10 percent when considering homeowners without mortgages.

The 2000 Census also reports cost burden by age of the primary householder and household income range. As shown in Exhibit IV-19, the percentage of households who are cost burdened tends to decrease as householder age increases — until householders become seniors, when they are likely to be living on fixed incomes.

**Exhibit IV-19.
Cost Burden by Age of
Householder, Owners,
2000**

Source:
U.S. Bureau of the Census, 2000.

Age of Householder	Number of owner households cost burdened	Percent of owner households cost burdened
15 to 24 years	5,265	26%
25 to 34 years	33,498	18%
35 to 44 years	51,366	16%
45 to 54 years	42,130	13%
55 to 64 years	32,711	15%
65 to 74 years	29,514	17%
75 years and older	<u>25,685</u>	17%
Total	220,169	16%

As shown in Exhibit IV-20 below, the cost burden of owner occupied households who pay a mortgage drops as income increases, particularly for households earning more than the median household income. In 2002, 89 percent of the households in the State who earned less than or equal to \$20,650 per year were cost-burdened in 2002, compared to 16 percent of households earning more than \$20,650. The \$20,650 is equal to 50 percent of the median household income of \$41,300, which was calculated using 2002 PUMS.

**Exhibit IV-20.
Cost Burden by Income, Owner Households with a Mortgage, 2002**

Percent of Median Household Income	Income Cut-Off	Cost Burdened Owner Households	Percent of Households Cost Burdened	Owners with a Mortgage
Less than or equal to 30%	\$12,390	35,449	92%	38,730
31% to 50%	\$20,650	54,397	88%	62,113
51% to 80%	\$33,040	68,740	51%	135,225
81% to 100%	\$41,300	39,005	33%	119,408
Greater than 100%	\$41,300 +	<u>63,135</u>	8%	<u>795,822</u>
Total Owner Households		260,726	23%	1,151,298

Note: Owner households who pay no mortgage were not included in calculation.

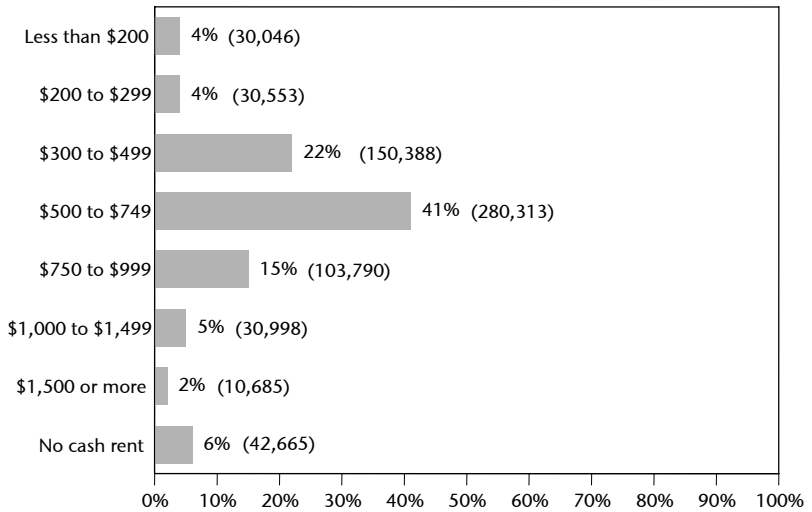
Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

Renters. The 2004 ACS provides data on housing costs for renter households. The Census Bureau reports that the median gross rent, statewide, was \$589 per month in 2004. Gross rent includes contract rent, plus utilities and fuels if the renter pays for them. (And most renters do: The Census reports that 82 percent of rental units do *not* include utility payments in the rent price.) About 31 percent of all units statewide were estimated to rent for less than \$499 in 2004, while another 41 percent were estimated to rent for \$500 to \$749. The distribution of statewide gross rents is presented in Exhibit IV-21.

**Exhibit IV-21.
Distribution of
Statewide Gross Rents,
2004**

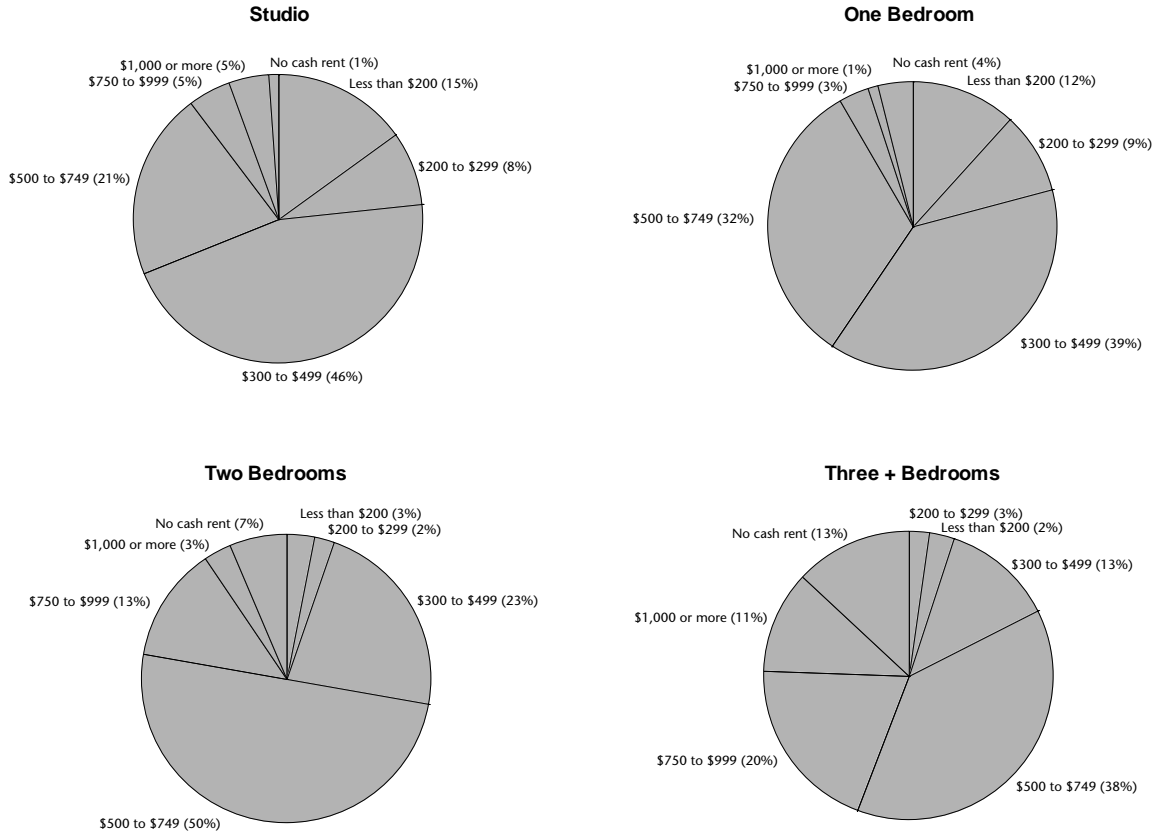
Note: "No Cash Rent" represents units that are owned by friends or family where no rent is charged and/or units that are provided for caretakers, tenant farmers, etc.

Source:
U.S. Census of the Bureau,
American Community Survey, 2004.



The Census also collected data on rents by household size. Exhibit IV-22 shows the distribution of rent costs by size of housing unit.

Exhibit IV-22.
Distribution of Rents, by Size of Unit, 2002



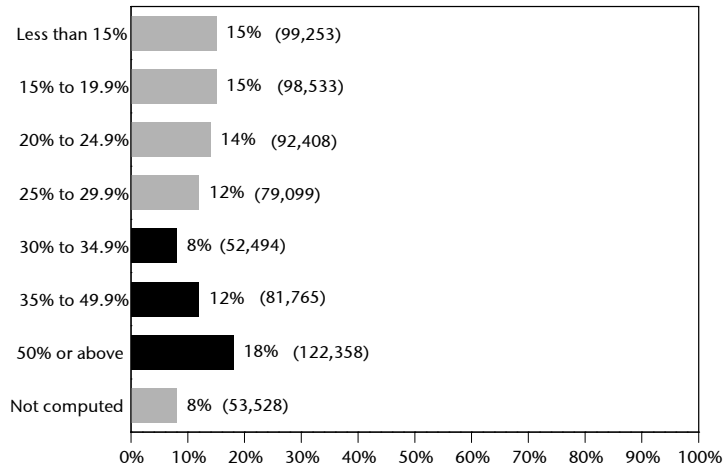
Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

As in the case of owner occupied homes, rent burdens can be evaluated by comparing rent costs to household incomes. The 2004 ACS estimates that 38 percent of Indiana renters – or 257,000 – paid more than 30 percent of household income for gross rent, with almost half of these (18 percent of renters, or 122,000) paying more than 50 percent of their incomes. Rentals constituted only 29 percent of the State’s occupied housing units in 2004; however, there were almost as many cost-burdened renter households (257,000) as cost-burdened owner households (348,000). Exhibit IV-23 presents the share of income paid by Indiana renters for housing.

**Exhibit IV-23.
Renters’ Housing Costs as
Percent of Household Income,
2004**

Note:
Dark shaded areas indicate cost burdened households.

Source:
U.S. Census of the Bureau’s
American Community Survey, 2004.



The Census also reports renter cost burden by age and household income range. As shown in Exhibit IV-24, the largest numbers of cost burdened renter households are in the youngest age cohorts. However, the youngest (15 to 24 years) and oldest (75 years and older) households have the largest percentages of households considered cost-burdened: Just under half of these households are cost burdened.

**Exhibit IV-24.
Cost Burden by Age of
Householder, Renters,
2000**

Source:
U.S. Bureau of the Census, 2000.

Age of Householder	Number of renter households cost burdened	Percent of renter households cost burdened
15 to 24 years	48,420	46%
25 to 34 years	50,088	28%
35 to 44 years	36,060	27%
45 to 54 years	22,884	26%
55 to 64 years	16,062	32%
65 to 74 years	16,534	40%
75 years and older	27,699	47%
Total	217,747	33%

As would be expected, renter households with the lowest incomes are more likely to be cost burdened. Exhibit IV-25 shows cost burden by income for the State's households in 2002. As the exhibit demonstrates, renter cost burden drops dramatically when household income exceeds 80 percent of the median household income of \$33,040 for 2002.

**Exhibit IV-25.
Cost Burden by Income of Householder Who Pay Cash Rent, Renters, 2002**

Percent of Median Household Income	Income Cut-Off	Cost Burdened Renter Households	Percent of Households Cost Burdened	Renters Paying Cash Rent
less than or equal to 30%	\$12,390	118,260	78%	152,442
31% to 50%	\$20,650	82,447	77%	106,856
51% to 80%	\$33,040	38,667	29%	135,632
81% to 100%	\$41,300	4,297	7%	63,029
greater than 100%	\$41,300 +	972	1%	154,821
Total Renter Households		244,643	40%	612,780

Note: Renter households paying "no cash rent" were not included in calculation. The possible difference between the ACS Summary Table numbers of cost burdened renter's households (238,114) versus the PUMS cost burdened renters (219,709) may be due to different sampling methodology used for the Summary Tables.

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

Households with members who are disabled. According to the ACS, an estimated 17 percent of persons reported they had a disability in 2002. PUMS data was used to determine the number of households with at least one person with a disability who are also cost burdened. The data show that 44 percent of all cost burdened owners who pay a mortgage have a disability. The same is true for cost burdened households who are renters. Just over one-fourth of owner households with a disability are cost burdened and 44 percent of renter households with a disability are cost burdened. The percentage of households with a disability who are cost burdened is higher for all types of households.

**Exhibit IV-26.
Households with a Disability who are Cost Burdened, 2002**

	Owners		Renters		Total	
Households with a Disability						
Cost burdened	106,174	27%	95,666	44%	201,840	33%
All households with a disability	394,368	100%	217,295	100%	611,663	100%
Cost Burdened Households						
With a disability	106,174	44%	95,666	44%	201,840	44%
All cost burdened households	241,171	100%	219,709	100%	460,880	100%

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

Housing market analysis. The 2002 PUMS data allow for an examination of household income by what households pay in rent and by the value of their property. This provides a more detailed comparison of the value of the units the households are occupying and if they are affordable.

Exhibit IV-27 shows that in 2002 households earning less than 30 percent of the median household income of \$41,300 can afford a home valued at \$43,398 or below. According to PUMS, 79 percent of these households resided in units above what they can afford (i.e., they are cost burdened). Half of the households earning between 31 and 50 percent of the median income were in units that were not affordable.

Exhibit IV-27.
Household Property Value of Owner Occupied Units
with a Mortgage by Household Income, 2002

Property Value	Percent of Median Household Income (\$41,300)									
	Less than or equal to 30%		31% to 50%		51% to 80%		81% to 100%		Greater than 100%	
	< \$12,391	\$20,650	\$33,040	\$41,300	\$41,300+					
Less than \$43,398	7,705	21%	10,575	18%	21,429	16%	11,742	10%	30,969	4%
\$43,398 to \$72,329	9,088	24%	19,504	32%	32,991	25%	25,797	22%	85,894	11%
\$72,330 to \$99,999	10,395	28%	15,511	26%	37,651	28%	34,896	29%	175,768	22%
\$100,000 to \$115,727	1,938	5%	3,537	6%	9,131	7%	12,603	11%	84,199	11%
\$115,728 to \$124,999	1,143	3%	2,085	3%	5,384	4%	7,431	6%	49,640	6%
\$125,000 to \$144,658	1,403	4%	4,631	8%	7,466	6%	8,175	7%	87,288	11%
\$144,659 to \$199,999	2,338	6%	3,042	5%	11,309	9%	11,106	9%	156,288	20%
\$200,000 to \$299,999	1,485	4%	1,334	2%	5,478	4%	5,418	5%	80,073	10%
\$300,000 to \$499,999	1,452	4%	0	0%	1,190	1%	1,202	1%	34,648	4%
\$500,000 or more	295	1%	0	0%	435	0%	199	0%	9,340	1%
Total	37,243	100%	60,218	100%	132,464	100%	118,569	100%	794,107	100%
Total "Overpaying" Hoosiers	29,538	79%	30,140	50%	31,262	24%	17,925	15%		
Total "Underpaying" Hoosiers			10,575	18%	54,420	41%	85,038	72%		

Note: The numbers assume loan terms of 5 percent down, 6 percent interest rate, and 30-year term, adjusted for PMI, hazard insurance, and property taxes.
Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

The shaded areas in the table above represent households who spend less than 30 percent of their income on housing. The darker shaded areas represent households who occupy housing in their affordability range. Households who earn less than or equal to 30 percent of the median household income (<\$12,391) can afford homes valued under \$43,399; households in the 31 to 50 percent income category can afford home values under \$72,330; households in the 51 to 80 percent income category can afford home values under \$115,728; and households in the 81 to 100 percent income category can afford home values up to \$144,659.

Further analysis of the upper income categories reveals that some households are occupying units below their price range. For example, 72 percent of households in the 81 to 100 percent income range are occupying units below what they are able to afford (households in the 81 to 100 percent income category can afford homes valued up to \$144,659).

Forty-one percent of the households in the 51 to 80 percent income range are occupying units that are affordable to households in the lower income categories. Sixteen percent of these households are occupying units that would be affordable to households in the extremely income range (less than or equal to 30 percent of AMI). If these households occupied units in their affordability range, between \$72,330 and \$115,727, this would free up those lower priced units for the extremely low-income households to occupy.

The following exhibit shows the number of households by income category and the gross rent they pay. According to PUMS, 66 percent of the households who earn less than or equal to 30 percent of the median household income of \$41,300 are in units they cannot afford. Just under half of the households in the 31 to 50 percent income category are living in unaffordable units.

Exhibit IV-28.
Household Gross Rent by Household Income, 2002

Gross Rent	Percent of Median Household Income (\$41,300)									
	Less than or equal to 30%		31 to 50%		51 to 80%		81 to 100%		Greater than 100%	
	< \$12,391		\$20,650		\$33,040		\$41,300		\$41,300+	
Less than \$200	30,274	20%	2,967	3%	1,990	1%	465	1%	2,293	1%
\$200 to \$310	21,845	14%	5,466	5%	3,393	3%	2,425	4%	2,317	1%
\$311 to \$516	51,553	34%	47,527	44%	51,339	38%	16,094	26%	25,689	17%
\$517 to \$749	36,883	24%	41,213	39%	62,040	46%	30,613	49%	68,392	44%
\$750 to \$826	6,652	4%	3,087	3%	7,582	6%	3,713	6%	19,523	13%
\$827 to \$1,033	3,652	2%	4,081	4%	4,925	4%	7,254	12%	22,064	14%
\$1,034 to \$1,499	715	0%	1,688	2%	2,628	2%	2,248	4%	13,660	9%
\$1,500 or more	868	1%	827	1%	1,735	1%	217	0%	883	1%
Total	152,442	100%	106,856	100%	135,632	100%	63,029	100%	154,821	100%
Total "Overpaying" Hoosiers	100,323	66%	50,896	48%	9,288	7%	2,465	4%		
Total "Underpaying" Hoosiers			8,433	8%	56,722	42%	53,310	85%		

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

The shaded areas represent households who are in units who spend less than 30 percent of their income on housing. The darker shaded areas represent households that occupy housing in their affordability range. Households who earn less than or equal to 30 percent of the median household income (<\$12,391) can afford rents under \$311; households in the 31 to 50 percent income category can afford rents under \$517; households in the 51 to 80 percent income category can afford rents under \$827; and households in the 81 to 100 percent income category can afford rents under \$1,034.

Examination of the upper income categories reveals that many households may be occupying units that are well below their affordability level. Over three-fourths of the households in the 81 to 100 percent income category occupy units that lower income categories could afford. This may suggest a need for more higher-end rental units, which would free up lower priced units for the households in the lower income categories to occupy.

CHAS data. HUD provides data on households by income, special need and tenure for use in Consolidated Planning (these data are called CHAS data, after the name of the first consolidated planning reports). Exhibit IV-29, Exhibit IV-30 and Exhibit IV-31 present these data for all households in the Indiana State Program for CDBG and HOME and the State as a whole.

The CHAS data support the general findings in this section, showing that the State's households with the greatest housing needs – as measured by cost burden and condition problems – have the lowest incomes and that need decreases as income increases. In addition, the CHAS data show that the State's elderly households have a lower proportion of housing need than the State's small and large households.

**Exhibit IV-29.
Housing Problems Output for All Households, State of Indiana CDBG Program, 2000**

Household by Type, Income & Housing Problem	Name of Jurisdiction: Indiana State Program(CDBG), Indiana		Source of Data: CHAS Data Book			Data Current as of: 2000					
	Renters					Owners					
	Elderly 1 & 2 member households (A)	Small Related (2 to 4) (B)	Large Related (5 or more) (C)	All Other Households (D)	Total Renters (E)	Elderly 1 & 2 member households (F)	Small Related (2 to 4) (G)	Large Related (5 or more) (H)	All Other Households (I)	Total Owners (J)	Total Households (L)
1. Household Income <=50% MFI	34,800	33,709	6,220	30,735	105,464	76,752	33,525	9,224	20,181	139,682	245,146
2. Household Income <=30% MFI	18,722	16,254	2,452	17,463	54,891	29,206	13,154	3,124	10,157	55,641	110,532
3. % with any housing problems	52.9	77.7	83.8	66.9	66.1	61.9	75.8	87.3	72.6	68.6	67.3
4. % Cost Burden >30%	52.2	76.1	78.3	65.6	64.7	61.2	74.9	78.5	71.8	67.3	66
5. % Cost Burden >50%	33.5	55.5	51.8	50.9	46.3	32.3	59.1	62.8	56.5	44.8	45.5
6. Household Income >30% to <=50% MFI	16,078	17,455	3,768	13,272	50,573	47,546	20,371	6,100	10,024	84,041	134,614
7. % with any housing problems	45.9	57.5	65.5	62.3	55.7	27.4	60.4	71.5	55.3	41.9	47.1
8. % Cost Burden >30%	44.9	55.3	40.6	60.2	52.2	26.7	59.2	59.8	54.2	40.3	44.8
9. % Cost Burden >50%	12.3	7.2	4.8	13.4	10.3	10.5	27.8	20.4	27.9	17.5	14.8
10. Household Income >50 to <=80% MFI	10,879	28,213	6,806	22,498	68,396	67,500	63,604	18,648	23,832	173,584	241,980
11. % with any housing problems	23.5	14.8	33.5	19.3	19.5	14.5	35.9	43.6	40.2	29	26.3
12. % Cost Burden >30%	22.2	11.1	7.2	17.6	14.6	14	34.9	29.6	39.3	26.8	23.4
13. % Cost Burden >50%	5.3	0.6	0.3	1	1.4	4.1	7	4.7	9.3	5.9	4.7
14. Household Income >80% MFI	8,946	54,242	9,120	35,721	108,029	116,708	468,969	78,410	72,916	737,003	845,032
15. % with any housing problems	7.3	3.2	24.4	3.3	5.3	4.6	5.9	12	10.7	6.8	6.6
16. % Cost Burden >30%	5.8	0.7	0.4	1	1.2	4.3	5.3	5.1	9.9	5.6	5
17. % Cost Burden >50%	2.7	0.2	0.1	0	0.3	0.7	0.5	0.5	1.1	0.6	0.6
18. Total Households	54,625	116,164	22,146	88,954	281,889	260,960	566,098	106,282	116,929	1,050,269	1,332,158
19. % with any housing problems	37.5	24.6	40.8	28.7	29.6	17.7	12.8	23.2	25.9	16.5	19.3
20. % Cost Burden >30	36.5	22	18	26.7	26	17.3	12.2	14.7	25.1	15.1	17.4
21. % Cost Burden >50	16.6	9.1	6.7	12.3	11.3	6.9	3.6	4.2	9.8	5.2	6.5

Note: Any housing problems includes cost burden greater than 30 percent of income and/or overcrowding and/or without complete kitchen or plumbing facilities.

Other housing problems include overcrowding (1.01 or more persons per room) and/or without complete kitchen or plumbing facilities.

Elderly households include 1 or 2 person households, either person 62 years old or older.

Renter data does not include renters living on boats, RVs or vans. This excludes approximately 25,000 households nationwide.

Cost burden is the fraction of a household's total gross income spent on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.

Source: HUD CHAS Data (<http://socds.huduser.org/chas/index.htm>) Tables F5A, F5B, F5C, F5D, May 6, 2004, 11:30AM MDT.

**Exhibit IV-30.
Housing Problems Output for All Households, State of Indiana HOME Program, 2000**

Household by Type, Income & Housing Problem	Name of Jurisdiction: IN State Program (HOME), Indiana		Source of Data: CHAS Data Book			Data Current as of: 2000					
	Renters					Owners					
	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Renters	Elderly 1 & 2 member households	Small Related (2 to 4)	Large Related (5 or more)	All Other Households	Total Owners	Total Households
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(L)	
1. Household Income <=50% MFI	39,598	39,717	7,389	35,043	121,747	81,933	35,074	9,818	21,442	148,267	270,014
2. Household Income <=30% MFI	21,479	19,372	3,086	19,623	63,560	31,209	13,641	3,295	10,802	58,947	122,507
3. % with any housing problems	52.8	76.7	84.1	67.8	66.3	61.4	76.6	87.3	73	68.5	67.3
4. % Cost Burden >30%	52.1	75.2	77.7	66.7	64.9	60.7	75.6	78.8	72.2	67.3	66
5. % Cost Burden >50%	34.1	55.8	52	51.5	46.9	32.2	59.8	63.3	57.3	44.9	46
6. Household Income >30% to <=50% MFI	18,119	20,345	4,303	15,420	58,187	50,724	21,433	6,523	10,640	89,320	147,507
7. % with any housing problems	47.1	58.2	65.9	63.6	56.8	27.5	60.9	71.3	56.4	42.1	47.9
8. % Cost Burden >30%	46.2	56.2	41.8	61.8	53.5	26.9	59.7	60.3	55.3	40.6	45.7
9. % Cost Burden >50%	12.5	7.1	4.6	13.8	10.4	10.6	28.1	20.1	29.4	17.7	14.8
10. Household Income >50 to <=80% MFI	12,524	32,092	7,694	26,187	78,497	71,150	66,990	19,488	25,705	183,333	261,830
11. % with any housing problems	25.6	15.2	35.6	19.6	20.3	14.8	36.2	43.3	40	29.2	26.5
12. % Cost Burden >30%	24.3	11.3	7	17.9	15.2	14.4	35.2	29.1	39.2	27	23.5
13. % Cost Burden >50%	5.7	0.6	0.2	1.1	1.6	4.1	7.3	4.7	9	6	4.7
14. Household Income >80% MFI	10,200	61,244	10,345	42,072	123,861	122,882	493,693	82,303	79,461	778,339	902,200
15. % with any housing problems	8.2	3.5	26.5	3.4	5.8	4.5	5.9	12.2	10.8	6.9	6.7
16. % Cost Burden >30%	6.8	0.7	0.5	1.2	1.4	4.2	5.4	5.3	10	5.7	5.1
17. % Cost Burden >50%	2.8	0.1	0.1	0.1	0.3	0.7	0.5	0.5	1.1	0.6	0.6
18. Total Households	62,322	133,053	25,428	103,302	324,105	275,965	595,757	111,609	126,608	1,109,939	1,434,044
19. % with any housing problems	38.4	25.3	42.9	28.7	30.3	17.8	12.9	23.3	25.9	16.7	19.7
20. % Cost Burden >30	37.3	22.6	18.8	26.9	26.5	17.4	12.3	14.8	25	15.3	17.8
21. % Cost Burden >50	17	9.4	7.2	12.1	11.6	7	3.6	4.2	9.9	5.2	6.7

Note: Any housing problems includes cost burden greater than 30 percent of income and/or overcrowding and/or without complete kitchen or plumbing facilities.

Other housing problems include overcrowding (1.01 or more persons per room) and/or without complete kitchen or plumbing facilities.

Elderly households include 1 or 2 person households, either person 62 years old or older.

Renter data does not include renters living on boats, RVs or vans. This excludes approximately 25,000 households nationwide.

Cost burden is the fraction of a household's total gross income spent on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.

Source: HUD CHAS Data (<http://socds.huduser.org/chas/index.htm>) Tables F5A, F5B, F5C, F5D, May 6, 2004. 11:30 AM MDT.

Exhibit IV-31.
TABLE 2A Priority Needs Summary Table, Indiana, 2000

PRIORITY HOUSING NEEDS (households)	Priority Need Level	Total households	Housing unit with any housing problems		
			Households	percent	
Renter	Small Related (2 to 4)	0-30%	46,715	36,111	77.3%
		31-50%	41,935	25,245	60.2%
		51-80%	60,335	10,921	18.1%
	Large Related (5 or more)	0-30%	8,815	7,493	85.0%
		31-50%	9,335	6,273	67.2%
		51-80%	13,989	5,526	39.5%
	Elderly (1 & 2 members)	0-30%	38,394	20,387	53.1%
		31-50%	31,384	16,665	53.1%
		51-80%	22,710	6,836	30.1%
	All Other	0-30%	56,330	41,797	74.2%
		31-50%	40,285	27,474	68.2%
		51-80%	61,714	14,256	23.1%
	All Renters	0-30%	150,254	107,131	71.3%
		31-50%	122,939	75,730	61.6%
		51-80%	158,748	37,623	23.7%
Owner	0-30%	95,273	65,834	69.1%	
	31-50%	141,201	61,564	43.6%	
	51-80%	283,492	83,063	29.3%	

Note: Any housing problems: cost burden greater than 30% of income and/or overcrowding and/or without complete kitchen or plumbing facilities.
 Other housing problems: overcrowding (1.01 or more persons per room) and/or without complete kitchen or plumbing facilities.
 Elderly households: 1 or 2 person households, either person 62 years old or older.
 Renter: Data do not include renters living on boats, RVs or vans. This excludes approximately 25,000 households nationwide.
 Cost Burden: Cost burden is the fraction of a household's total gross income spent on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.
 Unmet Need: The estimated number of eligible households in need of assistance for the ensuing 5-year period that are not currently receiving assistance. This number is the unmet need.
 The HUD Area Median Family Income used was \$50,256.
 Source: 2000 Census and HUD Table's F5A, F5B, F5C, F5D.

Affordability by minimum wage. A 2005 study by the National Low-income Housing Coalition found that extremely low-income households (earning \$17,392, which is 30 percent of the AMI of \$57,973) in Indiana can afford a monthly rent of no more than \$435, while the HUD Fair Market Rent for a two bedroom unit in the State is \$622. For single earner families at the minimum wage, it would be necessary to work 92 hours a week to afford a two bedroom unit at the HUD Fair Market Rent for the State. This is an increase of 7 hours from the 2003 study of 85 hours a minimum wage worker must work.

The study analyzed the affordability of rental housing for the State overall and for the State excluding the metropolitan areas. Exhibit IV-32 reports the key findings from the 2005 study. As shown in Exhibit IV-32, in the State's non-metro areas, studio and one-bedroom apartments are relatively affordable to a family earning the median income—that is, families are not as likely to be cost burdened if they rented apartments of this size. However, families with one worker earning the minimum wage would have difficulty renting any size apartment without working more than a 40 hour week.

**Exhibit IV-32.
Housing Cost Burden, Indiana Non-Metro Areas, 2005**

	0 Bedrooms	One Bedroom	Two Bedrooms	Three Bedrooms	Four Bedrooms
Percent of median family income needed	30%	33%	41%	53%	59%
Work hours/week needed at the minimum wage	59	65	81	104	116
Income needed	\$15,873	\$17,492	\$21,705	\$27,950	\$30,960

Note: Family annual median income was estimated at \$52,445 for non-metropolitan Indiana.

Source: National Low-income Housing Coalition, *Out of Reach*, 2005.

According to the study, Indiana’s non-metro areas annual family median income increased only slightly by 7.7 percent from 2000 to 2005 and decreased slightly (0.43 percent) from 2004 to 2005. However, fair market rent for a two bedroom apartment increased by 25 percent from 2000 to 2005 and increased 1.7 percent from 2004 to 2005.

Future housing needs. As discussed previously, approximately 348,000 households (20 percent of occupied households) who own their homes and 257,000 households who are renting (38 percent of occupied households) are paying 30 percent or more of their incomes in housing costs and, as such, are cost burdened. Although cost burden can be an indicator of housing need, not all households who are cost-burdened are in need of housing. For example, younger households may choose to be cost burdened when they buy their first or second homes in anticipation of rising incomes in the future. Also, it is not uncommon for elderly households to pay a higher percentage of their incomes in housing costs, because their other expenses are lower than those of younger households.

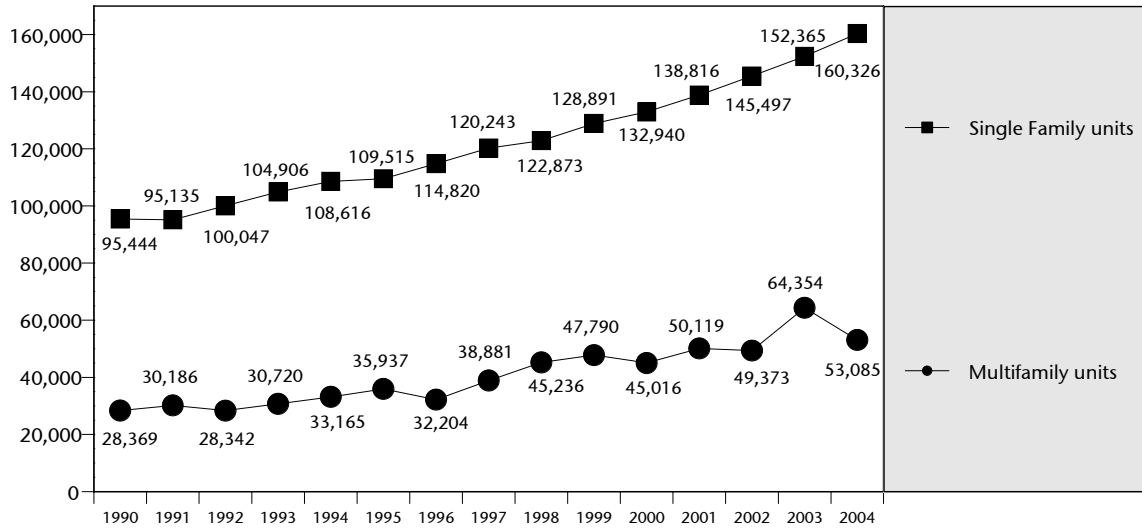
The cost burdened households with the greatest needs are generally those with the lowest incomes. The 2002 PUMS reported 152,494 cost burdened renter households and 88,402 cost burdened owner households with annual incomes less than \$20,650 (50 percent of the median household income)—for a total of about 241,000—that are likely in need of affordable housing or some level of assistance with housing costs.

As shown in Exhibit IV-33, the cost of new housing in Indiana has been on an upward trend since 1990, as measured by the value of the housing constructed when units are permitted. These trends suggest that new housing is unlikely to grow more affordable in future years. However, the new housing may free up affordable housing currently occupied by households who could pay more for housing costs.

Between 1990 and 2004, the average building cost for single family units increased by approximately 68 percent; the cost of 5 or more units of multifamily housing increased by 87 percent. The average annual cost increase was 3.8 percent for single family housing and 5.3 percent for 5 or more units of multifamily housing for the same time period.

The following exhibit shows the annual average building cost for single family and 5 or more units of multifamily housing between 1990 and 2004.

Exhibit IV-33.
Average Building Cost for Single Family and Multifamily (5 or More Units) in Indiana, 1990 to 2004



Note: Permit authorized construction.
 Source: U.S. Census Bureau and Indiana Business Research Center.

If the State experiences the same level of household growth between 2005 and 2009 as it has so far this decade and the distribution of housing prices remains that same as it was in 2000, (which is unlikely given recent trends—therefore this would be a best case scenario) an estimated 357,000 low-income households will be cost burdened and in need of some type of housing assistance in 2009.

Disproportionate need. The 2000 Census reports the median rent and mortgage costs as a percentage of household income by race and ethnicity. These data are useful in identifying households (by race and ethnicity) that may have a disproportionate level of affordable housing need. If households of a certain race or ethnicity are more likely to be cost burdened than others, they are likely to have greater housing needs than other households.

Exhibit IV-34 shows the median rent and housing costs for households with mortgages by race and ethnicity in 2000.

**Exhibit IV-34.
Median Housing Costs as
a Percentage of Income,
by Race and Ethnicity,
2000**

Source:
U.S. Census of the Bureau, 2000.

Household Race/Ethnicity	Rent/Income	Mortgage/Income
American Indian/Alaskan Native	26.5%	21.5%
Asian	25.7%	20.9%
Black or African American	23.5%	19.1%
Native Hawaiian/Pacific Islander	26.1%	19.8%
White	23.5%	19.1%
Some Other Race	21.8%	20.4%
Two or More Races	26.7%	21.0%
Hispanic/Latino	22.1%	20.0%

The comparison of housing costs as a percent of income by race and ethnicity shows modest differences between the housing cost burden. Whites, Asians, and Hispanics/Latinos pay a lower percentage of their incomes in rents and mortgages than African Americans, American Indians/Alaskan Natives and individuals of other races. The difference is largest for renter households, particularly for African American, Native Hawaiian/Pacific Islander, and Two or More Races households.

Summary of Findings

The exhibit on the following page is a summary of key findings for Indiana as reported throughout this section. The exhibit shows findings concerning housing condition, affordability and HUD’s CHAS tables. County summaries showing similar housing condition information is provided in Appendix E.

**Exhibit IV-35.
Summary of Findings, Indiana**

Housing Condition	Source	Households
Pct. of households overcrowded:	2002 PUMS	1.9%
Less than or equal to 30% of AMI		1.7%
31% to 50% of AMI		2.2%
51% to 80% of AMI		1.6%
81% to 100% of AMI		2.5%
Greater than 100% of AMI		1.8%
Occupied units lacking:		
Complete plumbing	2004 ACS	10,304
Complete kitchen facilities	2004 ACS	12,973
Lead-based paint risk:		
Renters	2004 ACS	132,698
Very low income (less than 50%) and built 1939 or earlier	2002 PUMS	131,152
Affordability		Households
Owners:		
Cost burdened	2004 ACS	348,274
Severely cost burdened	2004 ACS	119,361
Renters:		
Cost burdened	2004 ACS	256,617
Severely cost burdened	2004 ACS	122,358
Cost burdened households with disabled members	2002 PUMS	201,840
Households "underpaying" for housing:		
51% to 80% of AMI	2002 PUMS	111,142
81% to 100% of AMI	2002 PUMS	138,348
CHAS	CDBG	HOME
Households with housing problems:		
Elderly (1 & 2 members)	332,364	338,363
Small related (2 to 4)	728,966	729,069
Larger related (5 or more)	137,066	137,125
All other households	<u>222,720</u>	<u>230,014</u>
Total	1,421,116	1,434,571

Source: U.S. Census Bureau, HUD and BBC Research & Consulting.

PHA Survey Results

To better understand the demand for rental assistance, a mail survey of Public Housing Authorities (PHAs) in nonentitlement areas in the State was conducted as part of the 2005 Consolidated Plan process. The survey collected information on Section 8 Housing Choice voucher usage between January and September 2004, by individual PHA. Forty-three surveys were mailed, and 28 responses were received, for a response rate of 65 percent.

A similar survey was completed in February and March of 2004 for the 2004 Consolidated Planning process. The February/March survey collected information about voucher usage during 2003. The conclusions from that survey can be found in the 2004 Consolidated Plan Update. The high percentage (68 percent) of the PHAs providing data for both 2003 and 2004 enables us to make meaningful comparisons about voucher usage and the demand for vouchers over this two year period.

Voucher utilization and demand. Of the PHAs responding to the current survey, 22 (or 79 percent) administer Section 8 vouchers. The average number of vouchers administered by the 22 PHAs at the time of the survey was 214, with a low of 50 vouchers and a high of 429 vouchers. Voucher utilization remained high in 2004, with 91 percent of PHAs having a 95 percent or higher voucher utilization rate. In 2003, 95 percent of respondent PHAs had a 95 percent or higher voucher utilization rate.

The number of PHA survey respondents stating that their Section 8 voucher utilization rate had fallen below 95 percent during the prior year had declined to 55 percent in 2004, compared with 65 percent in 2003. The majority of lower utilization years were between the years 2000 and 2004. The primary reason(s) given for lower utilization are, in order of frequency of response: low HUD-specific Fair Market Rents, military base closures in communities, and poor management of the Section 8 voucher programs. Fifteen percent of housing authorities reported having to return portions of voucher funding to HUD, with the primary reason provided being low utilization. Approximately \$402,000 in voucher funding was returned to HUD, most of which was returned during the years 2001 and 2002.

As in the 2003 PHA survey results, the 2004 survey data indicate that long waiting lists remain typical. The *average* number of households on waiting lists is up slightly: In 2004, the respondent housing authorities reported an average of 144 households on their waiting lists. This compares to an average of 139 reported by the PHAs in 2003.

The following exhibit shows the average number of households on waiting lists by PHA.

**Exhibit IV-36.
Average Number of
Households on Waiting
Lists, 2003 and 2004
(through September
2004)**

Source:
2005 Indiana Consolidated Plan
PHA Survey.

City	Average for 2004	Average for 2003	Change in households on waiting lists, 2003 and 2004 averages
Anonymous	150	N/A	N/A
Anonymous	315	N/A	N/A
Brazil	120	N/A	N/A
Elwood	150	N/A	N/A
Fulton	50	N/A	N/A
Greencastle	162	140	22
Greensburg	72	N/A	N/A
Knox	300	300	0
Linton	60	N/A	N/A
Logansport	148	177	-29
Marion	340	N/A	N/A
New Castle	175	315	-140
Peru	150	N/A	N/A
Richmond	225	200	25
Rockville	40	N/A	N/A
Sellersburg	20	31	-11
Seymour	75	109	-34
Sullivan	50	42	8
Tell City	48	25	23
Union City	50	50	0
Vincennes	275	150	125
Warsaw	261	N/A	N/A

The PHAs were also asked to provide detailed information about the length of their waiting lists as of June 30, 2004 (in addition to an average for the year). The following exhibit reports the number of households on PHA waiting lists by size of unit needed. As shown in the exhibit, most households on waiting lists (88 percent of all households) need units with one to three bedrooms. About half of the PHAs who responded to both the 2003 and 2004 surveys had declines in their waiting lists; about half had increases.

Exhibit IV-37.**Numbers of Households on Waiting Lists as of June 30, 2004**

City	Studio	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	More Than 4 Bedrooms	Total on Waiting List June 2004
Anonymous	0	94	140	94	4	2	334
Anonymous	0	63	71	47	4	1	186
Brazil	0	21	48	50	20	0	139
Elwood*							151
Fulton	0	25	25	23	6	3	82
Greensburg*							80
Linton	0	10	20	18	2	0	50
Logansport	0	65	34	27	4	0	130
Marion	0	319	397	252	55	8	1,031
New Castle	0	68	62	35	5	1	171
Peru	0	63	71	47	4	1	186
Richmond	12	47	34	112	14	6	225
Rockville	0	10	25	12	3	0	50
Sellersburg	0	5	12	5	0	0	22
Seymour	0	19	33	22	0	0	74
Sullivan	0	5	9	6	2	0	22
Tell City	0	8	15	13	9	0	45
Union City	0	44	26	30	6	0	106
Vincennes	0	125	91	51	8	0	275
Warsaw	<u>0</u>	<u>110</u>	<u>97</u>	<u>44</u>	<u>10</u>	<u>0</u>	<u>261</u>
Total	12	1,101	1,210	888	156	22	3,620
% of total	0%	30%	33%	25%	4%	1%	100%

Note: *The PHAs marked with an asterisk do not keep waiting lists by bedroom size.

Source: 2005 Indiana Consolidated Plan PHA Survey.

Eighty percent of PHAs indicated a wait of greater than six months for all sized units. Thirty percent of the PHAs have households on waiting lists for 12 months or longer. Exhibit IV-38 shows the time to reach the top of the waiting list by unit size by PHA. Except for Richmond, unit size does not appear to be a factor in waiting list length.

Exhibit IV-38.
Months to Reach Top of Waiting Lists, June 30, 2004

City	Studio	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	More Than 4 Bedrooms
Anonymous	0	18	18	18	18	18
Anonymous	0	12	12	12	12	12
Brazil	0	6	6	6	6	0
Elwood	0	7	7	7	7	7
Fulton	0	6 to 12	6 to 12	6 to 12	6 to 12	6 to 12
Greencastle	8	8	8	8	8	8
Greensburg	10 to 11	10 to 11	10 to 11	10 to 11	10 to 11	10 to 11
Linton	0	1 to 2	1 to 2	1 to 2	1 to 2	0
Logansport	0	12	12	12	12	0
Marion	0	24	24	24	24	24
New Castle	0	7 to 12	7 to 12	7 to 12	7 to 12	7 to 12
Peru	0	12	12	12	12	12
Richmond	3 to 6	3 to 6	6 to 12	12 to 24	12 to 24	24 to 36
Rockville	0	6	6	6	6	0
Sellersburg	0	6 to 12	6 to 12	6 to 12	0	0
Seymour	0	12	12	12	0	0
Sullivan	0	3	3	3	3	0
Tell City	0	4	8	10	3	0
Union City	0	8	8	8	8	0
Vincennes	0	6 to 12	6 to 12	6 to 12	6 to 12	0
Warsaw	0	15	18	16	15	0

Source: 2005 Indiana Consolidated Plan PHA Survey.

Household characteristics. The 2004 survey results indicate that the largest household category on waiting lists remains extremely low-income families and families with children. On average, 83 percent of households on waiting lists earn 30 percent or less of the area median income (AMI), as compared to an average of 76 percent of households in December 2003. The following exhibit shows the percent of households currently on voucher waiting lists by income category.

Exhibit IV-39.
Estimate of Number of Household Earnings, as a Percentage of Area Median Income (AMI), on Current Waiting Lists

Source:
 2005 Indiana Consolidated Plan PHA Survey.

City	30% or less	31% to 50%	51% to 80%	Other
Anonymous	85%	13%	2%	0%
Brazil	95%	3%	2%	0%
Elwood	95%	5%	0%	0%
Greencastle	87%	13%	0%	0%
Knox	60%	35%	5%	0%
Logansport	87%	13%	0%	0%
Marion	66%	32%	2%	0%
New Castle	89%	10%	1%	0%
Peru	85%	13%	2%	0%
Richmond	85%	10%	5%	0%
Rockville	96%	4%	0%	0%
Sellersburg	100%	0%	0%	0%
Sullivan	99%	1%	0%	0%
Tell City	65%	3%	5%	0%
Union City	75%	25%	0%	0%
Vincennes	93%	6%	1%	0%
Warsaw	50%	48%	2%	0%
Average percent, June 2004	83%	14%	2%	0%
Average percent, Dec 2004	76%	17%	5%	1%

The average income for current voucher holders at the time of the September 2004 survey was \$9,075 per year. The annual household income was even lower for those households on waiting lists, at \$8,272 per year. These households are at the HUD defined level of extremely low-income.

The largest household group on waiting lists as of June 30, 2004 was families with children. Eighty-five percent of the PHAs reported that 60 percent or more of their waiting lists were comprised of families with children. The second largest household group on housing authority waiting lists continued to be non-elderly persons with disabilities. Two-thirds of housing authority respondents reported more than 10 percent of their waiting list households in this category.

Exhibit IV-40 shows each PHA's waiting list by household type. The Exhibit shows the average percentage in each household category for the 2004 survey.

**Exhibit IV-40.
Estimated Percentage of
Households on Waiting
List, by Household Type,
June 30, 2004**

Source:
2005 Indiana Consolidated Plan PHA
Survey.

City	Families With Children	Elderly Without Disabilities	Elderly With Disabilities	Non-elderly With Disabilities
Anonymous	80%	3%	10%	2%
Anonymous	73%	4%	3%	15%
Brazil	79%	9%	8%	4%
Elwood	78%	21%	0%	0%
Greencastle	60%	19%	3%	10%
Greensburg	70%	10%	10%	10%
Logansport	57%	2%	3%	33%
Marion	58%	4%	4%	24%
New Castle	60%	15%	14%	11%
Peru	73%	4%	3%	15%
Richmond	70%	10%	10%	10%
Rockville	78%	3%	0%	0%
Sellersburg	80%	0%	10%	10%
Seymour	30%	0%	4%	15%
Sullivan	70%	0%	0%	30%
Tell City	75%	15%	5%	5%
Union City	64%	12%	0%	24%
Vincennes	70%	4%	6%	20%
Warsaw	60%	11%	1%	5%
Average %, June 2004	68%	8%	5%	13%
Average %, Dec 2004	66%	10%	8%	19%

The survey also asked if the PHAs had ever applied for vouchers designated for persons with disabilities. Five of the PHAs said they had applied; three of the five had received funding. The PHAs that received funding for these vouchers said that the vouchers were well utilized.

Community needs. The survey also asked the PHAs what the greater need is in each PHA community—additional rental units or more tenant-based rental assistance (TBRA). Forty-eight percent of the PHAs were in need of additional affordable rental units, 38 percent were in greater need of TBRA, and 14 percent of respondents needed both rental assistance and affordable rental units. The following exhibit shows these needs by PHA. Earlier in 2004, during the February/March survey, respondents were fairly evenly divided between the need for rental assistance (Section 8 vouchers) versus additional affordable housing units, with 42 percent of housing authorities having the greatest need for additional voucher funding, and 47 percent needing additional units.

**Exhibit IV-41.
Greater Need for
TBRA or Affordable
Units, June 30, 2004**

Source:
2005 Indiana
Consolidated Plan PHA Survey.

City	Greater Need for Tenant Based Rental Assistance	Greater Need For Affordable Units	Both
Anonymous	X		
Anonymous	X		
Angola		X	
Brazil	X		
Elwood		X	
Fulton		X	
Greensburg		X	
Knox		X	
Logansport	X		
Marion	X		
New Castle		X	
Peru	X		
Richmond		X	
Rockville			X
Sellersburg	X		
Seymour		X	
Sullivan		X	
Tell City		X	
Union City	X		
Vincennes			X
Warsaw			X

Housing Authority respondents most frequently cited families, particularly large families, as having more difficulty finding units that accept vouchers. In addition, respondent PHAs said that disabled accessible units are also difficult to find. Of the 10 PHA respondents, 70 percent stated that families with children and large households find it more difficult than average to find a unit that accepts vouchers. Thirty percent listed households with disabilities as having a harder time finding units that will accept vouchers. Exhibit IV-42 shows the location and the type of household having difficulty finding a unit with a voucher.

Exhibit IV-42.
Types of Households Having Particular Difficulty Finding Units That Accept Vouchers

City	Type of Household
Brazil	Large families needing 3 to 4 bedroom units
Greencastle	Large families, households with bad credit and poor rental histories
Greensburg	Households living off SSI, disability income, TANF, other governmental assistance, and child support
Logansport	Large families and the disabled
Marion	Families with children and the disabled
New Castle	Disabled requiring wheelchair accessible units
Richmond	Families with children
Seymour	Large households
Warsaw	Large families and households with zero income

Source: 2005 Indiana Consolidated plan PHA Survey.

Accessible units available. Most PHAs that administer accessible public housing units were administering one and two bedroom units as of June 30, 2004. According to the 2005 survey, the total number of PHA administered units was 716, with 68 percent of those being one bedroom units, and 18 percent being two bedroom units. The 716 units are much smaller than the number of accessible units reported in the 2003 survey of 1,764. The following exhibit shows the number of accessible public housing units administered by size of unit for each responding location.

Exhibit IV-43.
Number of Accessible Public Housing Units Administered, by size, June 30, 2004

City	Studio/ Efficiency	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	Total
Anonymous	0	10	0	0	0	10
Angola	0	3	2	2	0	7
Brazil	0	0	8	2		10
Fremont	0	4	0	0	0	4
Greendale	0	42	8	0	0	50
Knox	27	28	15	4	0	74
Linton	0	0	41	9	0	50
Marion	0	12	0	3	0	15
New Castle	0	10	6	0	0	16
Peru	0	10	0	0	0	10
Richmond	2	8	2	0	0	12
Sullivan	0	209	15	24	7	255
Tell City	0	138	39	20	2	199
Vincennes	0	2	2	0	0	4

Source: 2005 Indiana Consolidated Plan PHA Survey.

State voucher data. In addition to the surveys from the PHAs in nonentitlement areas, a completed survey was received from the State for the vouchers administered statewide, by the Family and Social Services Administration (FSSA).

As of June 30, 2004, FSSA administered 4,057 vouchers. The waiting list for State-administered vouchers was 6,728 households, with the majority of households waiting for one to three bedroom units. It takes households between 16 and 20 months to reach the top of the State's waiting list, depending on bedroom size.

The vast majority of the households on the State's waiting list—91 percent—earn less than 30 percent of the AMI. Most households on the waiting list are families with children (64 percent) or non-elderly persons with disabilities (46 percent). Nine percent of the waiting list is made up of elderly without disabilities; 5 percent is made up of elderly with disabilities.

The State reported that it does not provide funds for adaptive modifications of Section 8 funded units through its Section 8 voucher program. The State has applied for and received funding for vouchers designated for persons with disabilities; these vouchers are well utilized.

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The State of Indiana Department of Commerce, Indiana Housing Finance Authority and the Family and Social Services Administration are currently preparing the 2004 Consolidated Plan for the U.S. Department of Housing and Urban Development. This plan will include a housing market analysis, which will examine the need for affordable rental units and vouchers in the State. To aid in this effort, please fill out this brief survey and return by February 15, 2004. We appreciate your assistance.

1. As of December 31, 2003, how many Housing Choice vouchers did your Housing Authority administer? _____
2. As of December 31, 2003 what was the utilization rate of your Housing Choice vouchers? _____
3. As of December 31, 2003, how many households were on your waiting list for Housing Choice vouchers by unit size? On average, how long does it take a household to reach the top of the waiting list? Please complete the chart below:

Unit Size	Length of Waiting List (Number of Households)	Time to Reach Top of Waiting List (months)
Studio/Efficiency		
1 bedroom		
2 bedroom		
3 bedroom		
4 bedroom		
More than 4 bedrooms		

4. During 2003 what was the average number of households on your waiting list for Housing Choice vouchers? _____
5. Has your Housing Authority's Housing Choice voucher utilization rate ever fallen below 95 percent?
 ρ Yes ρ No
- 5a. If so, during what year? _____
- 5b. If so, what was the primary reason for the low utilization rate? _____

6. Has your Housing Authority ever had to return part of its voucher funding to HUD because of low utilization?

- 6b. If yes, how much funding was recaptured (by year)? _____
- 6c. If yes, Please explain the reason for the recapture. _____

7. By percent, roughly how many households on your current waiting list for vouchers earn 30 percent of median income or less, between 31 and 50 percent of median income and between 51 and 80 percent of median income?
 Earn 30 percent of area median income (AMI) or less _____%
 Earn between 31 and 50 percent of AMI _____%
 Earn between 51 and 80 percent of AMI _____%
 Other (specify) _____%
Total **100%**

8. By percent, roughly how many households on your waiting list for vouchers are families with children, elderly or people with disabilities?
 Families with children _____% of total households
 Elderly (without disabilities) _____% of total households
 Elderly (with disabilities) _____% of total households
 Non-elderly with disabilities _____% of total households

9. What is the greater need in your community—tenant based rental assistance (e.g., rental vouchers) or additional affordable rental units? Please explain. _____

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10. How easy is it for the average applicant to find a unit in your community that accepts vouchers?

- Very easy Difficult
 Easy Very Difficult

11. Is it particularly difficult for individuals or households with certain characteristics to find a unit that accepts vouchers? If so, please list those characteristics. _____

12. How many accessible public housing units does your Housing Authority administer, by bedroom size?

Number of Bedrooms	Number of Accessible Units
Studio/Efficiency	
1 bedroom	
2 bedroom	
3 bedroom	
4 bedroom	
More than 4 bedrooms	

13. Does your Housing Authority provide funds for adaptive modifications of Section 8 funded units in the Housing Choice Voucher program?

- Yes No

14. Has your Housing Authority ever applied for vouchers designated for persons for disabilities?

- Yes No

14a. If yes, were these vouchers well utilized? Why or why not? _____

15. Do you permit applicants to reject public housing units and remain on your waiting lists?

- Yes No

16. Do you have a policy of evicting tenants the first time they violate resident rules?

- Yes No

Contact Information (Optional)

PHA Name: _____

Address: _____

Contact Person: _____

Phone/e-mail: _____

Would you like to receive a copy of the State Consolidated Plan Executive Summary?

- Yes No

Would you like to receive information about the State Consolidated Planning process?

- Yes No

For Further Questions and Information, Please Contact:

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Thank You for Your Assistance!

SECTION V.
Special Needs Populations

SECTION V.

Special Needs Populations

Introduction

This section discusses the housing and community development needs of special needs populations in Indiana, pursuant to Sections 91.305 and 91.315 of the State Government Consolidated Plan Regulations.

Due to lower incomes and the need for supportive services, special needs groups are more likely than the general population to encounter difficulties finding and paying for adequate housing and often require enhanced community services. The groups discussed in this section include:

- Youth;
- The elderly;
- Persons experiencing homelessness;
- Persons with developmental disabilities;
- Persons with HIV/AIDS;
- Persons with physical disabilities;
- Persons with mental illnesses and/or substance abuse problems; and
- Migrant agricultural workers.

A list of data sources used in assessing the needs of these populations is provided at the end of this section.

Individuals with extremely low- and very low-incomes are also considered a special needs group by many policymakers and advocates. Because the needs of this group are given attention in other sections of this report, low-income populations are not included here as a specific special needs group.

Key Population and Housing Statistics

Exhibit V-1 on the following page displays summary population and housing statistics found throughout this report by special needs group. These statistics incorporate the most current data available to estimate the specified living arrangements, unmet housing needs and homeless numbers by special needs population. The remainder of this report contains narrative and data detailing the needs of each special needs population group.

**Exhibit V-1.
Key Population and Housing Statistics**

Special Needs Group			Number
Youth	<i>Population</i>	Total aging out of foster care each year	787
	<i>Housing</i>	Youth shelters (17 years and under)	6 shelters
		Sheltered homeless youth (point-in-time)	1,093
		Former foster youth in 4 or more foster homes	315
		Former foster youth ending up homeless	315
Elderly	<i>Population</i>	Total population 65 years and over (2004)	772,010
	<i>Housing</i>	Group quarters population (2000)	50,034
		Cost burdened owners (2004)	86,750
		Cost burdened renters (2004)	46,293
		Nursing facilities	484 units/53,000 beds
		Living in substandard housing (nonentitlement areas)	27,000
		Living in units with condition problems:	
		Renters	48,599
Owners	83,255		
Persons Experiencing Homelessness	<i>Population</i>	Total: (2005)	6,460
		Individuals	3,352
		Persons in families with children	3,108
		Balance of Indiana: (2005)	6,460
		Individuals	3,352
		Persons in families with children	3,108
	<i>Housing (Balance of Indiana excluding metro areas)</i>	Emergency beds (2004)	2,080
		Transitional housing	1,859
		Permanent supportive housing	1,449
		Chronically homeless	2,777
Unmet need, literally homeless	5,963		
Persons with Developmental Disabilities	<i>Population</i>	Total	70,787
		DD population receiving services from state or non-state agencies (2004)	9,868
	<i>Housing</i>	Facilities for DD (2004)	2,032
		Persons in congregate care	4,510
		Persons in host home/foster home	543
		Living in own home	4,815
		Living with family member and receiving supportive services	4,815
		Unmet housing need	7,000
Persons with HIV/AIDS	<i>Population</i>	Total living with HIV/AIDS (June 2005)	7,156
	<i>Housing</i>	Units for persons with HIV/AIDS	143
		Tenant-based rental assistance units	223
		Short term rent/mortgage and/or utility assistance	561
		Sheltered homeless with HIV/AIDS (point-in time)	13
		Housing need	2,086
		Homeless or at-risk of experiencing homelessness	2,150 - 3,580
Persons with Physical Disabilities	<i>Population</i>	Total (2000)	1,054,757
	<i>Housing</i>	Living in poverty (rural areas)	71,000
Persons with Mental Illness	<i>Population</i>	Total	247,285
		Target population for State services	67,071
		SMI population served by DMHA (SFY 2005)	48,114
	<i>Housing</i>	Living in rural areas	11,999
		Living in urban areas	36,019
		Beds reported by CMHCs (2001)	1,900
Sheltered homeless with SMI (point-in-time)	680		
Persons with Chronic Substance Abuse	<i>Population</i>	Total	87,946
		Chronically addicted population served by DMHA (SFY 2005)	29,215
	<i>Housing</i>	Beds for substance abuse treatment	5,662
		Homeless with substance dependencies (1-year period)	30,000 - 71,000
Sheltered homeless with chronic substance abuse (point-in-time)	0		
Migrant Farmworkers	<i>Population</i>	Total (migrant and seasonal farm workers)	8,000
	<i>Housing</i>	State licensed camps (2006)	53
		Living in substandard housing	1,760
		Living in crowded conditions	4,160
		Substandard, cost burdened and crowded conditions	480

Source: BBC Research & Consulting.

Youth

Because of growing concerns Statewide of the needs of youth, the Consolidated Plan included this group as a special needs population for the first time in the 2004 Update. This section details the most current research about the needs of this population.

Population. There are three segments of the population of youth in Indiana who have potential housing and supportive service needs: Youths aging out of the foster care system; older youth transitioning to adulthood with uncertain future plans; and youth who are homeless.

Youth exiting the foster care system. Indiana has an average of 787 youth who “age out” of foster care each year.¹ Typically, the foster care system expects youth to live on their own at age 18. Often, youth in foster care do not get the help they need with high school completion, employment, accessing health care, continued educational opportunities, housing and transitional living arrangements, which can lead to longer term housing and supportive service needs.

Youth who are homeless. On March 27, 2000, the Census identified approximately 2,384 persons staying in emergency and transitional shelters Statewide. This tabulation does not include people in domestic violence shelters or shelters for abused women, transitional housing and permanent supportive housing. Of these 2,384 persons, 26 percent (615 persons) were under 18 years of age.

According to the 2005 Indiana Balance of State Continuum of Care, there were 1,093 youth (under 18 years of age) who were homeless but living in a sheltered environment.² This is an increase of 78 percent compared to the 2000 Census estimate of 615 youths.

Youth with uncertain futures. The U.S. Census Bureau produced a special supplementary survey in 2002 with data on disconnected youth. Disconnected youth are persons ages 18 to 24 who are not presently enrolled in school, are not currently working and have no degree beyond a high school degree or GED. The statistic intends to capture a population of young adults having difficulty making the transition to adulthood. In 2002, 93,000 Hoosier youth (17 percent of all young adults) were reported by Census data to be “disconnected.” This is slightly higher than the 15 percent of young adults who are considered disconnected nationally.³

Outstanding need. In December 2003, the Social Science Research Center of Ball State University of Indiana completed a study, *Indiana Independent Living Survey of Foster Youth*. The survey asked 247 youth in foster care (ages 14 to 18 years) from more than 40 of the 92 counties in Indiana information regarding the characteristics, experiences and needs of young people and offered these individuals the opportunity to voice their opinions regarding needs and resources. Approximately 28 percent of the youth lived in rural areas and the remaining in urban areas.

Over half (52.5 percent) of the youth stated that they did not know where they were going to live when emancipated. Additionally, 108 youths (44.3 percent) indicated they were *not* aware of housing options available upon emancipation. The youth who did know of housing options said they were

¹ *An Amendment to the Indiana Child and Family Services Plan for FY 1999-2004, Education and Training Vouchers for Youths Aging out of Foster Care Program*, July 30, 2003.

² This number is from the balance of the state and does not include St. Joseph, Marion, Knox, Daviess, Gibson, Pike, Dubois, Posy, Vanderburgh, Warrick, Spencer and Perry counties in the count.

³ *KIDS COUNT 2003 Data Book Online*, Profile for Indiana, <http://www.aacf.org/cgi-bin/kc.cgi?action=profile&area=Indiana>.

informed mostly by their Division of Family and Children case manager (37.5 percent) or their independent living program staff (25.7 percent).

Almost three-fourths (74 percent) stated that they would prefer to stay with their foster parents. When asked if they would like to stay with their foster parents after emancipation or aging out, on average, the youth wanted to stay 2.06 years.

The study also reported that Indiana youths participating in focus groups in 2002 expressed an interest in better housing options when they left care. They stated they would need furnished housing and possibly roommates to share the bills. A suggestion by the participants included housing similar to the secure housing provided for seniors.

National studies have shown that most youth transitioning from in-home care to self-sufficiency do not appear to have the needed supports to be self-sufficient. These studies have found that of the youth leaving foster care, within 12 to 18 months:

- 40 percent end up homeless (which would equate to 315 Indiana youth per year).
- 50 percent are unemployed (394 Indiana youth per year).
- 37 percent do not have a high school diploma or GED (291 Indiana youth per year).
- 33 percent are on public assistance (260 Indiana youth per year).
- 30 percent have children (236 Indiana youth per year).
- 27 percent of the males and 10 percent of the females have been incarcerated.

Research also shows that three out of ten of the nation's homeless are former foster children, and homeless parents who have a history of foster care are almost twice as likely to have their own children placed in foster care as homeless people who were never in foster care. Several studies document that anywhere from 10 to 25 percent of former foster youth are homeless for at least one night after they leave foster care.

In February of 2004, the Midwest Study, a collaboration of state public child welfare agencies in Illinois, Iowa, and Wisconsin, the Chapin Hill Center for Children at the University of Chicago and the University of Wisconsin Survey Center produced a report entitled the *Midwest Evaluation of the Adult Functioning of Former Foster Youth: Conditions of Youth Preparing to Leave State Care*. The team gathered data from 732 adolescents in the aforementioned states to assess how former foster care youth handle the transition to adulthood. This study was the first comprehensive look at former foster care youth since the enactment of the Chafee Act in 1999.

The 732 interviewed youths were 17 years old and still under the jurisdiction of the state child welfare system. The youth respondents were almost split evenly between male and female. The majority of youths (57 percent) were African American and 31 percent were White. Before entering foster care, most youth lived with at least one birth parent, the birth mother in the majority of cases. Youth were asked to identify their primary caregiver's problems. Seventy-one percent said that their caregiver had one or more problems — 43 percent cited drug abuse, 39 percent cited inadequate parenting skills and another 35 percent cited alcohol abuse. When asked if they had been abused or neglected, the majority (59 percent) said they had been neglected. Twenty-five percent of youth reported only one foster home placement; however, almost 40 percent reported living in four or more foster homes since entering the system (315 of the 787 Indiana youth aging out each year).

The Midwest Study assessed the physical and mental health of the youth participants. Of the 732 youths, 230 (31 percent) suffered from one or more mental or behavioral health disorder, over one-third had received counseling, almost 25 percent had been prescribed drugs for a psychological or psychiatric condition and 7 percent had been in a psychiatric hospital for at least one night in the past year. In comparison to the general population, foster youth reported more serious physical injuries in the past year.

The foster youth in the Midwest Study “were much more likely than the national sample to have been pregnant and to have carried a pregnancy to term, but less likely to have had an abortion. Altogether, 100 of the youth (13.7 percent) reported having at least one child.”

Foster youth in the study were much more likely than the average population to engage in delinquent behavior, particularly theft, serious fighting, causing injury and running away. In all crime categories, males were much more likely to be involved in the juvenile justice system than females.

Resources and solutions. As noted above, one of the greatest needs of youth transitioning from the foster care system—and, by definition, of youth who are homeless—is affordable housing. The need for safe, affordable housing is a central need consistently identified by young adults who have aged out of foster care. These young adults need to have transitional housing with supportive services, rental vouchers with supportive services and affordable housing.

There are several programs in Indiana that assist youth with housing needs. However, these programs are all transitional, providing temporary assistance, as outlined below.

Family Unification Program. HUD’s Family Unification Program (FUP), managed by the Indiana Family Social Services Administration, provides housing assistance for youth ages 16 to 21 who have left foster care. These vouchers are time-limited; a youth can only have the voucher for 18 months. The agency that refers a youth to this program provides aftercare to each youth. There are an array of services available to youth in housing to promote their successful transition to adulthood.

Transitional Living Program. The Transitional Living Program (TLP) is a part of the U.S. Department of Health and Human Services Family and Youth Services Bureau’s Runaway and Homeless Youth Program. Youths ages 16 to 21 experiencing homelessness are eligible for residential services for up to 18 months. The TLP provides funding to the Children’s Campus, Inc. in Mishawaka. The Children’s Campus treats severely emotionally disturbed children, adolescents and their families who require compassionate and specialized care in residential environments ranging from secure care to independent living.

John H. Chafee Foster Care Independence Program. Indiana is using the John H. Chafee Foster Care Independence Program funding for Room and Board, Independent Skill Services and Youth Advisory Boards for youth ages 14 to 21 who are transitioning from foster care. Services are available based on availability of funding in each county. All 92 counties have included IL services in their budgets to manage the 20 percent match but all have limited funds. Except for Room and Board, IL skill services are available to youth that were in foster care at any time after the age of 14 and probation youth that were in foster care after that age of 14 and were IV-E eligible. Room and Board services have been capped at \$3,000 per eligible youth between age 18 and 21. When youth receive Room and Board services, it is expected that the youth will be capable of becoming self-sufficient within a 6-month period with skill services being provided. The Chafee allotment for Indiana was \$2,288,567 in 2005 and is distributed by the Division of Family and Children.

Youth shelters. There are six youth shelters in Indiana for persons 17 years and younger that receive ESG funds. In Indiana, persons 18 years and over are considered an adult and can receive services at any shelter for adults. IHCD has given three awards for youth shelters for a total allocation of \$980,000. The awards were made to the following counties:

- Harrison County was awarded \$200,000 in CDBG funds in January 2004 for ten units of a youth shelter;
- The Bashor Home in Elkhart County was awarded \$480,000 in January 1999 to provide permanent housing to children under the age of 21 that are either wards of the State or homeless; and
- Dearborn County was awarded \$300,000 in November 1998 for rehabilitation of a youth shelter.

In addition to housing, there are a number of resources available to youth ranging from education about basic living skills to job training. The following is a description of primary programs in Indiana.

Emancipation Goods and Services. Emancipation Kits (including items, such as a tool kit, towels, pot and pans, etc.) are given to youth aging out of the foster care system. Services may include GED prep classes, driver's education, specialized testing application fees, and services needed to make the transition to independence successful. A Resource Card, listing important telephone numbers of agencies, is provided to youth upon discharge from care. Helpful numbers listed on the laminated card include the Family Helpline, FSSA General information, Runaway National Switchboard and Indiana Workforce Development.

Other services. Many agencies providing housing services to youth, either directly or by referral, include the following services:

- Education regarding the range of housing options, budgeting for consistent payments of rent to assure a positive rental history;
- Education on tenant rights and responsibilities;
- Education to develop understanding of the importance of following apartment communities rules and regulations policies;
- Advocacy on behalf of youth for affordable appropriate housing;
- Assistance with obtaining safe, growth enhancing living environment suitable to the needs of the youth and his/her level of functioning; and
- Receives formal supervised independent living services where the youth is under the supervision of an agency and receiving agency financial support, but without 24-hour adult supervision, as appropriate and outlined in the case plan.

Workshops and conferences. Each year workshops and youth conferences are held throughout the State. Two computer workshops are held to increase self-sufficiency. Upon successful completion, the youth leaves with the computer, printer, software, power strip, and textbook. There are also two youth conferences held each year discussing employment services, housing, post secondary and training opportunities, budgeting and living independently.

Education and Training Voucher Program. The Education and Training Voucher Program (ETV) that began in 2003 offers financial assistance, up to \$5,000 per year not to exceed the cost of attendance, to eligible Indiana youths to help with post secondary education (college) or job training.

Energy Education Training. Young adults (18 to 20 years of age) voluntarily receiving independent living services, must undergo Energy Education Training. The training covers such topics as overall home energy use, space heating, adjusting thermostats, water heating, hot water heaters, lighting appliances and heating leaky space. In addition to training, each youth is also given an Energy Conservation Kit that includes such items as an energy efficient shower head, faucet aerators, compact fluorescent light bulbs and a Conservation Action Kit booklet to guide the young adults through the installation and assessment of energy savings potential.

Solutions to address needs. In 2002, the Casey Family Programs Foundations for the Future released a framework for youths transitioning from foster care to successful adulthood. It mentioned finding and maintaining good living situations as one of the biggest challenges for youths leaving foster care. The framework for housing includes:

- Provide life skills classes that teach youths how to live independently.
- Provide opportunities for youths to practice living on their own.
- Increase staff knowledge of housing issues, including knowledge of available resources to accommodate housing needs.
- Create alliances with housing providers.
- Ensure that youths have a safe, affordable place to live when leaving care.

The Governor's Commission on Home and Community-Based Services released a report June 2003 discussing the many barriers and action steps needed to shift the balance of long-term care services in Indiana. Twenty-eight actions were presented to serve as a blueprint for reform in Indiana. Two of the actions focused on children at-risk and are as follows:

- The Family and Social Services Administration should assist each Indiana community to implement an integrated and unified system of care that is organized to respond to the needs of children who are at-risk of long-term out of home placements. A system of care is a "comprehensive spectrum of services and supports that are organized into a coordinated network to meet the multiple and changing needs of individuals and their families."
- The Governor must issue a clear statement that identifies an on-going commitment by the State of Indiana to early identification and assessment of children who need services as well as a comprehensive prevention and early intervention strategy for Hoosier children.

The Elderly

Total population. The U.S. Census Bureau has two statistical units that estimate population in-between the decennial Census, the Population Division and the American Community Survey (ACS) Office. The American Community Survey data do not include those persons residing in institutions, college dormitories and other group quarters. Therefore, population estimates from both sources can vary considerably. According to 2004 estimates from the Population Division, there were 772,010 persons 65 years and over living in Indiana in 2004, a 2.5 percent increase over the 2000 total of 752,831. However, according to the ACS, only 715,268 persons 65 years and over were living in Indiana in 2004 (a difference of almost 57,000 from the Population Division number). Because many elderly persons live in group quarter settings (not reflected in ACS data), the estimate from the Population Division likely reflects the elderly population in Indiana more accurately. In addition, comparing the 2000 Census number of 752,831 to the 2004 ACS estimate (715,268) would indicate a decrease in the elderly population, which is unlikely given national trends and projection data from the Indiana Business Research Center.

According to Indiana Business Research Center Data forecasts, the State's elderly population is expected to grow to 809,460 in 2010. The elderly made up 12.4 percent of the State's population in 2004; by 2010, this is expected to increase to 12.6 percent. Nationally, the elderly constituted 12.4 percent of the total population in 2004, but this share is projected to increase to 20 percent by 2030 as the baby boomers continue to age.

Housing. According to the 2000 Census, 50,034 seniors, or 6.6 percent of the State's elderly population, lived in group quarters (nursing homes included). This is nearly one percentage point higher than the 5.7 percent of seniors nationwide living in group quarters. Nationally, about 4.5 percent of the 65 and older population lived in nursing homes in 2000, with percentages increasing dramatically with age.⁴ For example, only 1.1 percent of those aged 65 to 74 nationwide lived in nursing homes in 2000, while 4.7 percent among those aged 75 to 84 years and 18.2 percent of those 85 years and older lived in nursing homes.

Of the seniors residing in group quarters in Indiana, 44,402 lived in nursing homes and the majority of the remaining 5,632 lived in noninstitutionalized group housing. This noninstitutionalized housing most likely represents congregate care and assisted living settings, which are less care-intensive than nursing homes.

Of the senior households in Indiana not residing in group settings, 79 percent owned their homes in 2000. This was similar to nationwide statistics that showed 78 percent of older residents owning their homes. For individuals 85 years and older, the State homeownership rate dropped to 66 percent, which was slightly higher than the nation at 65 percent. Declining homeownership is indicative of both increasing needs for assisted living and the difficulty supporting the burden of homeownership as individuals age. Exhibit V-2 on the following page presents the housing situations of the senior populations in Indiana and the U.S.

⁴ U.S. Census Bureau, "The 65 Years and Over Population: 2000 Census, Census 2000 Brief, October 2001," <http://www.census.gov/prod/2001pubs/c2kbr01-10.pdf>.

**Exhibit V-2.
Senior Housing In the
State of Indiana and the
United States, 2000**

Note:

Group home figures represent individuals while renter and owner figures are households.

Source:

U.S. Census Bureau, 2000.

Housing Type	State of Indiana	United States
Group quarters population	50,034	1,993,621
Nursing homes	44,402	1,557,800
Other institutionalized	1,478	83,276
Non-institutionalized	4,154	352,545
Owner occupied households	395,565	17,553,827
Renter occupied households	102,486	5,080,863

Exhibit V-3 displays the tenure of seniors by type of living arrangement. The Census defines a family to include the householder and one or more other people living in the same household who are related to the householder by birth, marriage or adoption. The Census further classifies families as either a “married-couple family” or an “other family.” The “other family” category includes households where the spouse of the householder is missing. Non-family households are those householders living alone or with non-relatives.

**Exhibit V-3.
Elderly Living Arrangement by Tenure, Type and Age, March 2000**

Living Arrangement and Tenure	65 to 74 Years	Percent 65 to 74 Years	75 Years and Over	Percent 75 Years and Over
Total Elderly Living in Family Arrangements				
Owner Occupied	146,217	92%	89,771	89%
Renter Occupied	12,642	8%	11,656	11%
Married Couple Families				
Owner Occupied	127,447	94%	71,404	90%
Renter Occupied	8,334	6%	8,095	10%
Male Householder, No Spouse Present				
Owner Occupied	3,581	82%	3,628	89%
Renter Occupied	788	18%	463	11%
Female Householder, No Spouse Present				
Owner Occupied	15,189	81%	14,739	83%
Renter Occupied	3,520	19%	3,098	17%
Total Elderly Living Alone or with Non-family Members				
Owner Occupied	68,372	70%	91,205	65%
Renter Occupied	29,547	30%	48,641	35%
Male Householder, Living Alone				
Owner Occupied	16,448	67%	18,596	71%
Renter Occupied	8,079	33%	7,656	29%
Male Householder, Not Living Alone				
Owner Occupied	2,072	77%	952	76%
Renter Occupied	633	23%	297	24%
Female Householder, Living Alone				
Owner Occupied	48,088	70%	70,410	64%
Renter Occupied	20,362	30%	40,349	36%
Female Householder, Not Living Alone				
Owner Occupied	1,764	79%	1,247	79%
Renter Occupied	473	21%	339	21%

Note: The data in this table do not include individuals in group quarters.

Source: U.S. Bureau of the Census, 2000 Census.

Exhibit V-3 highlights several important features of elderly living arrangements:

- Homeownership declines as seniors age.
- Elderly persons living alone or in non-family arrangements are less likely to be homeowners than elderly living in family arrangements.
- Females and males living alone had the lowest homeownership rates.

In most communities, seniors prefer to stay in their own homes as long as possible. If they are nearby, family members can assist with basic care needs, which enables seniors to remain in their homes longer than they would otherwise. However, the increased work demands and increased transience of the population in recent years has made family assistance more challenging.

Outstanding need. Given the variety of housing options available to serve the elderly, and the fact that much of this housing is privately produced, it is difficult to assess the sufficiency of housing for the State's elderly households without undertaking a comprehensive market analysis. However, according to the data and research conducted for this section on elderly housing needs, the largest issues faced by the elderly in the state include cost burden, housing condition and need for accessible housing, especially as seniors age.

Cost burden and poverty. Households paying more than 30 percent of their income for housing are considered to be cost burdened. Data from the 2004 ACS indicate that 22 percent of homeowners 65 years and over were cost burdened, equaling 86,750 cost burdened elderly-owned households. This statistic is much higher for seniors who are renters: In 2004, 58 percent of renters 65 years and over were cost burdened, equaling 46,293 cost burdened elderly renter households. Overall, the State's percentage of owners who were cost burdened was 20 percent in 2004; the percentage of renters who were cost burdened was 41 percent. Therefore, elderly renters have a higher incidence rate of cost burden than households overall in the State⁵.

The elderly poverty rate in Indiana, those over the age of 65 whose total income was less than the threshold, was 8.1 percent in 2004 and 7.2 percent in 2000. The 2000 Census provides more detail of persons in poverty and discussed here. Of the 54,287 elderly in poverty as of the 2000 Census, 801 (or 1.5 percent) were male householders with no wife present and 3,724 (or 6.9 percent) were female householders with no husband present. In 1999, over 52,500 elderly households—or 9 percent of all elderly households—had incomes of less than \$15,000 and an additional 54,000 (also about 9 percent) had incomes ranging from \$15,000 to \$24,999.

Housing condition. HUD's 1999 *Housing Our Elders Report* provides the latest national data available for seniors living in housing in need of repair or rehabilitation. HUD reports that in 1999, 6 percent of seniors nationwide lived in housing that needed repair or rehabilitation. Applying this estimate to Indiana, it is estimated that approximately 27,000 elderly residents of nonentitlement areas in Indiana were likely to live in substandard housing in 2000.

HUD also recently released special data from the 2000 Census that estimate the number of elderly living in housing units with condition problems. A housing unit "with condition problems" is defined as a household having at least one of the following conditions: lacking complete plumbing, lacking complete kitchen facilities, having more than 1.01 persons per room, or housing costs exceeding 30 percent of household income.

⁵ Cost burden for elderly is sometimes defined as 50 percent of household income, rather than 30 percent because of the assumption that elderly people have lower household costs than non-elderly households. HUD applies the 30 percent threshold to elderly households.

Exhibit V-4 compares the number of elderly households living in units with conditions by tenure, income and age.

**Exhibit V-4.
Elderly Housing Condition by Tenure, Age and Income, 2000**

	Grand Total	Living in Housing With Conditions		Living in Housing Without Conditions	
		Total	Percent	Total	Percent
Owners					
<i>Householder between 62 and 74 years old</i>	283,991	50,428	18%	233,563	82%
Earning less than \$25,000 per year	94,058	35,530	38%	58,528	62%
Earning more than \$25,000 per year	189,933	14,898	8%	175,035	92%
<i>Householder 75 years old and more</i>	180,971	32,827	18%	148,144	82%
Earning less than \$25,000 per year	96,158	28,989	30%	67,169	70%
Earning more than \$25,000 per year	84,813	3,838	5%	80,975	95%
All Households in State	1,669,072	291,090	17%	1,377,982	83%
Renters					
<i>Householder between 62 and 74 years old</i>	55,603	20,876	38%	34,727	62%
Earning less than \$25,000 per year	38,063	19,280	51%	18,783	49%
Earning more than \$25,000 per year	17,540	1,596	9%	15,944	91%
<i>Householder 75 years old and more</i>	60,287	27,723	46%	32,564	54%
Earning less than \$25,000 per year	47,117	24,674	52%	22,443	48%
Earning more than \$25,000 per year	13,170	3,049	23%	10,121	77%
All Households in State	667,190	235,629	35%	431,561	65%

Source: Economic and Market Analysis Division, Special Tabulation of 2000 Census Data, Department of Housing and Urban Development.

The data reveal the following about housing conditions of the elderly:

- Elderly renters are much more likely to be living in housing units with condition problems than owners and all households overall. In 2000, 38 percent of renters aged 62 to 74, and 46 percent of renters aged 75 years and above lived in housing units with condition problems, compared to 18 percent of all elderly owners and 35 percent of all the State’s renters.
- Approximately half of all elderly renter households earning less than \$25,000 per year live in housing units with condition problems.
- A very small percentage of elderly households earning more than \$25,000 per year live in units with condition problems. The exception is elderly renter households who are 75 years and older: In 2000, nearly one-fourth of these households lived in units with condition problems.

Accessible housing. Many seniors also live in homes that need modifications to better serve their physical disabilities or other mobility limitations. This trend is reflected by the 33 percent of seniors age 65 to 74 who indicated disability status in the 2000 Census. The percentage rises dramatically to 54 percent of seniors age 75 years and older. Seniors who indicated disability status had a sensory, physical, self-care, going-outside-the-home or employment disability.

Resources and solutions. Numerous federal programs, although not targeted specifically to the elderly, can be used to produce or subsidize affordable elderly housing. These include CDBG, HOME, Section 8, Low-Income Housing Tax Credits, mortgage revenue bonds, credit certificates and public housing. There are also several federal programs targeted specifically at the elderly. A description of the programs widely available to the elderly in the State, along with the utilization of the programs, follows.

Section 202 housing. Section 202 is a federal program that subsidizes the development of affordable housing units specifically for very low-income elderly, including frail elderly. The program also provides rental subsidies for housing developments to help make them affordable to their tenants. The developments often provide supportive services such as meals, transportation and accommodations for physical disabilities. The units are targeted to very low-income elderly. The Section 202 program has supported over 300,000 units in over 7,800 housing developments nationwide since 1959. For FY 2004, four Indiana nonprofits received grants to fund 133 units for very low-income elderly.

Section 8. FSSA administers the State tenant-based rental assistance/Section 8 program, which provides rent subsidies to low-income households including households with disabilities. The State FSSA program funding for Section 8 is \$19.8 million in 2005. Local PHAs also administer local Section 8 programs. In 2004, the total amount of Section 8 funds coming into the State through PHAs and FSSA was \$181 million.

Equity conversion. The Home Equity Conversion Mortgage Program (HECM) supports repair and rehabilitation of housing and the ongoing needs of individuals by allowing elderly homeowners (62 years or older) to recapture some of their home equity. Individuals who own their homes free and clear, or have very low outstanding balances on their mortgages, are eligible for the program as long as they live in their homes. The HECM became a permanent HUD program in 1998.

As of February 2006, more than 193,000 elderly homeowners had chosen HECM loans to help them with their financial needs. Lenders originated a record 43,131 HECM loans during the federal fiscal year 2005 ending September 30, a record number of reverse mortgages for a fifth consecutive year. The increase in loans was driven by record low interest rates that reduced monthly income to seniors from CDs and similar investments, plus other factors.

Since January 2004, seniors have been able to qualify for larger reverse mortgages due to higher loan limits. The loan limit increase enables seniors to convert a greater portion of the equity in their homes into cash to address their financial needs through retirement. In December 2005, the U.S. House of Representatives passed legislation that eliminates the cap on the number of reverse mortgages that can be insured by HUD.

A study of the HECM program, conducted in March 2000, found the following trends:

- HECM borrowers tend to be older and are more likely to be single female households;
- HECM properties are more valuable and owners have a higher equity share;
- HECM properties have a higher share in the West and Northeast regions of the country;
- The program is increasingly located in the center city; and
- Highest penetration is in Utah, Colorado, the District of Columbia and Rhode Island.

Specifically in Indiana, the study found that HECM loans grew 611 percent from 76 loans in 1995 to 540 loans in 1999. Overall, as of October 1999, 694 HECM loans had been originated in Indiana.

In May 2003, an update to the 2000 report was completed to address several issues that may be inhibiting the reverse mortgage market in general and the HECM market in particular. The report updated the actuarial analysis presented in the 2000 HECM report and examined the potential impact of three legislated changes to FHA's Home Equity Conversion Mortgage Program. Between the 2000 report and the update in May of 2003, the HECM program originated 14,000 new loans.

Thirty-five entities in the State of Indiana are HUD approved mortgage counselors for the HECM program, 160 lenders who do business in Indiana and have done reverse mortgages and 11 HUD approved lenders are physically located in Indiana.⁶ The lenders are located in Elkhart, Granger, Indianapolis, Merrillville, Mishawaka and West Lafayette, which could limit program access for some elderly individuals.

Rural home improvement. The United States Department of Agriculture, through its Rural Housing Service, offers loans of up to \$20,000 with very favorable repayment terms (currently 1 percent with a 20-year term) to very low-income rural residents to repair major health and safety related housing issues. Grants up to \$7,500 are also available for very low-income rural residents who are 62 years and older and do not have sufficient funds to repay the rehabilitation loans offered.

Medicaid. Another important federal support for elderly housing is the Medicaid program. Typically, Medicaid is used to pay for room and board in nursing homes or other institutional settings. States can seek approval from the Centers for Medicare & Medicaid Services (CMS), previously named Health Care Financing Administration (HCFA), to allow Medicaid to be applied to in-home and assisted living services (excluding rents) of assisted living facilities. As of May 2002, there were 484 nursing facilities in Indiana with almost 53,000 beds, of which 68 percent utilized Medicaid.⁷

Currently in Indiana, Medicaid can be used for in-home services for the elderly and disabled in cases where without the services, an individual would need to be institutionalized. Medicaid waivers can also pay for "environmental modifications" to the homes of elderly or disabled individuals. The State recently received approval from CMS to be able to use Medicaid for assisted living services. During FY 2004 Medicaid waivers served a total of 5,050 people and 4,637 of these were Aged and Disabled waivers.

In October 2003, the State received a grant of \$500,000 to enhance community-based services for senior citizens and people with disabilities. During 2002 and 2003, Indiana's Family & Social Services Administration (FSSA) helped create options for more than 4,800 seniors and 2,000 people with disabilities to live in their homes and communities. In the next two years, FSSA plans to help create options for 1,000 more seniors and 1,000 more people with disabilities.

⁶ The list is limited to Lenders who have done a HECM within the past 12 months, as of March 2006.

⁷ *Office of Medicaid Policy and Planning, County Listing Summary, Data Set: Latest RED Set as of 05/17/02*, Prepared by Myers and Stauffer LC.

Individuals apply for a Medicaid waiver through their local Area Agency on Aging offices, Vocational Rehabilitation offices, Bureau of Developmental Disabilities Services field offices, and/or Division of Family and Children offices. The lifetime cap for use of Medicaid waivers is currently \$15,000 for disabled individuals and the elderly.

CHOICE. The State of Indiana offers a home health care program (Community and Home Options to Institutional Care for the Elderly and Disabled, or CHOICE), which provides a variety of services, including minor home modifications. There are no income limits for the CHOICE program. After certain allowable deductions, individuals pay a portion of the cost of services. However, individuals earning 150 percent or less of the poverty limit and individuals on Medicaid are exempt from the cost-sharing provisions. The goal of the program is to enable the elderly and persons with disabilities to live independently. To be eligible, a person must be 60 years or older, or of any age with a disability that inhibits the person from performing two or more daily living activities. Similar to the Medicaid waivers, individuals apply for the program through Area Agencies on Aging. In fact, the State has combined funding from the various State and federal programs into a bundled program that provides “one stop shopping” for the elderly and disabled. There is currently a \$5,000 lifetime limit for Medicaid funding of CHOICE services for the elderly.

In FY 2004, 10,488 Indiana residents benefited from the CHOICE program, a decrease of 7 percent from FY 2003. However, the original projections of CHOICE program use have been exceeded. Between 1998 and 2004, the number directly served by CHOICE increased by 10 percent. In FY 2004, there were 9,296 people on the waiting list to receive CHOICE services, an increase of 5.6 percent from FY 2003, which is approximately a three to four month wait from the first date of contact.⁸

The 2002 *Statewide IN-Home Services* report stated that 80 percent of CHOICE beneficiaries served were 60 years and over and 20 percent were persons with disabilities only (not 60 years and over).⁹ During FY 2002, individuals 85 and over accounted for 27 percent of all CHOICE beneficiaries. In 2002, most CHOICE recipients lived alone and had incomes of less than \$10,000 per year.

Home modifications. Funding for home modification projects is available to owner occupied households through IHCDA’s Housing from Shelters to Homeownership program, which uses HOME and CDBG.

The Governor’s Planning Council for People with Disabilities (GPCPD) recently completed a survey of the scope, status and character of home modification services in Indiana with a grant from IHCDA. Developed by the Indiana Institute on Disability and Community (Center on Aging and Community), the primarily web-based survey was conducted from November 11, 2002, to January 12, 2003. Forty-five organizations providing services in 91 of 92 Indiana counties responded to the extensive questionnaire. One hundred fifty individuals completed a second survey of 1,700 professionals in the building and trades industry. The results of both surveys were consolidated and interpreted in a final report published April 2003.

⁸ Indiana Family & Social Services Administration, *Statewide IN-Home Services 2004 Annual Report, July 1, 2003 – June 30, 2004*.

⁹ The 2003 and 2004 *Statewide IN-Home Services* report did not break down recipients by age.

Exhibit V-5 presents the current status and future trends of home modification and proposed changes to public policy and programs to better accommodate needs of Hoosiers, as derived from the survey and interviews with service providers.

Exhibit V-5.

Results of Indiana Home Modification Survey

Current State of Home Modification in Indiana
<ul style="list-style-type: none">■ A wide range of non-profit and for-profit providers, varying in size and organizational base, provides home modification services in Indiana.■ Home modification services are not equally available to consumers throughout the regions of the State.■ Medicaid, Medicaid waiver, private pay and CHOICE are the most frequently utilized sources of funding for home modification services in Indiana.■ Housing rehabilitation funding sources of federal origin are significantly underutilized for specialized home modification services.■ Successful home modification programs depend upon a creative blending of funds from effective collaboration with multiple players, including local grass-roots and faith-based organizations.■ Home modification services are needed and utilized by a broad population across the lifespan, from one to multi-person households, with very low- to moderately high-income.■ The large majority of home modification services target owner occupied homes and not rental households.■ In-home assessments for home modification are highly non-standardized throughout Indiana and draw upon a wide range of disciplines and professions.■ Home modification providers regularly supplement their services with education for individuals, communities and other professions.

Future Trends and Barriers to Development
<ul style="list-style-type: none">■ The demand for home modification services in Indiana is increasing while the funding base is decreasing or, at best, remaining stable.■ The greatest barriers to the delivery of public home modification services to Indiana residents include lack of public funding, overly burdensome administrative requirements of funding sources, and lack of consumer information.■ Local public home modification programs have created some innovative response to cope with barriers and expand services.■ Home modification for private households is still rarely accomplished. Only 30 percent of private industry respondents provide accessibility features often or very often in their work.■ The large majority of private industry respondents (66 percent) have never received specialized training in areas related to home modification.■ A significant number of private industry respondents (58 percent) seek further education about home modification.

Exhibit V-5. (continued)
Results of Indiana Home Modification Survey

Program and Policy Recommendations

Based on the previous observations, a number of recommendations are offered to help improve the status of home modification services in Indiana and enable more Hoosiers to become and/or remain independent in their homes and active in their neighborhoods and communities.

- Public home modification services should be supported to network with one another to share best practices and collectively advocate for greater awareness of their needs and capacities.
- State and local housing and housing rehabilitation funding sources should contribute to the expansion of services through developing categorical grants for accessibility and visibility improvements to agencies that do not provide comprehensive housing development.
- Training for professionals involved with the home modification industry, both public and private, should be greatly expanded. The training should provide certification in accessibility specialties and include information to enable the effective utilization of public funding sources by private providers.
- Administrative requirements for private providers to access public funding should be streamlined and made user-friendly, with reimbursements provided on a timely basis.
- The home modification movement in Indiana should be supported to create local or regional “staying put” coalitions to build community capacity and expand awareness among consumers, policy makers, the building and trades industry as well as the general public.

Source: Home Modification Services in Indiana: Statewide Survey Results and Recommendation for Public Policy and Programs, April 2003.

Since the survey results and policy recommendations were published, IHCDA and the Indiana Governor’s Planning Council for People with Disabilities have organized training workshops for builders and trades people, home designers care givers, and others who deal with home modification in their work. The trainings began in March 2004. Luncheons were also planned during the day of the workshops for participants and others who want to know more about home modification.

Persons Experiencing Homelessness

Definition. HUD’s definition of homelessness is fairly comprehensive. In addition to defining individuals and families sleeping in areas “not meant for human habitation,” the definition includes persons who:

- “Are living in transitional or supportive housing for homeless persons but originally came from streets or emergency shelters;
- Ordinarily sleep in transitional or supportive housing for homeless persons but are spending a short time (30 consecutive days or less) in a hospital or other institution;
- Are being evicted within a week from private dwelling units and no subsequent residences have been identified and they lack resources and supportive networks needed to obtain access to housing; or
- Are being discharged within a week from institutions in which they have been residents for more than 30 consecutive days and no subsequent residences have been identified and they lack the resources and support networks needed to obtain access to housing.”

This definition demonstrates the diversity of people experiencing homelessness. The numerous locations in which people experiencing homelessness can be found complicates efforts to estimate an accurate number of the population.

Total population. Estimating the total population of persons experiencing homelessness on a nationwide, Statewide or even local level, is challenging because of the various types of homelessness and difficulty in locating the population. For example, an individual living with friends on a temporary basis can be considered homeless but would be unlikely to be identified in a homeless count.

Indianapolis count. The most recent and comprehensive count of persons experiencing homelessness anywhere in the State was conducted in Indianapolis on January 25, 2005, by the Coalition for Homelessness Intervention and Prevention (CHIP). CHIP first conducted this survey in 1999 and again in 2003. The survey found that an estimated 9,000 to 13,000 people in Indianapolis experience homelessness during one year. The single night street count estimated that between 2,000 and 3,000 people on any given night in Indianapolis may experience homelessness. If this incidence of homelessness is applied Statewide, approximately 72,000 to 104,000 Hoosiers have experienced homelessness over the period of one year.

CHIP's 1999, 2003 and 2005 surveys produced similar results. However, interviews with local service providers indicated that homeless numbers are slightly worse than in 1999 and continue at a steady rate compared to 2003. Indeed, actual street counts in 2005 were 150 fewer people than in 2003 and in 2003 there were 156 fewer people than in 1999. A variety of factors may contribute to this phenomenon. For the first time in 2005 CHIP did not include those living in permanent supportive housing in the count. The street count numbers may be lower because of the nature of the "hidden homeless" and the greater number of shelters and beds.

Continuum of Care. The 2005 State Continuum of Care application estimated a total of 6,460 persons experiencing homelessness in the Balance of the State. The Indiana Coalition on Housing and Homeless Issues (ICHHI) coordinated the point-in-time survey on January 27, 2005.¹⁰ More than 55 shelters and transitional housing providers helped in the shelter and street count in 2005. Results were reported through the ICHHI website. ICHHI reviewed the data and compared it against population estimates provided by the U.S. Census Bureau. Through this comparison, ICHHI was able to determine the number of emergency and transitional housing beds per capita, and the percentage of the general population that received shelter.

The 2004 Continuum estimated a need for 11,351 beds, excluding metropolitan areas, for individuals and persons in families with children who are experiencing homelessness in Indiana, which exceeds the current and under development supply by 5,963 beds. After adjusting for beds per capita, the study estimated that 0.21 percent of the general population were homeless at any point-in-time. This number translates to 9,690 persons needing some type of shelter per night. This number correlates well with the City of Indianapolis, who has estimated nearly 3,500 homeless persons per night in their own CoC.

¹⁰ HUD requires a homeless count at least once every three years. The next homeless count occurred in January 2006.

Census count. The Census provides a point-in-time estimate of the number of people in emergency and transitional shelters as identified by group quarters.¹¹ However, the Census stresses that these data do not constitute and should not be construed as a count of people without conventional housing, as the tabulation is not comprehensive. This count only includes people without conventional housing who stayed overnight in permanent and emergency housing, missions, Salvation Army shelters, transitional shelters, hotels and motels and similar places known to have people without conventional housing staying overnight. On March 27, 2000, the Census identified approximately 2,384 persons staying in emergency and transitional shelters of this type Statewide. Of these persons, 63 percent were male and 26 percent were under 18 years of age.

Agency report. Another way to estimate the number of persons experiencing homelessness is by using counts of persons experiencing homelessness served by State and local assistance. The Family and Social Services Agency (FSSA) reported serving 3,244 persons who had experienced homelessness at some point during FY 2003. Of these persons, 315 were located in rural areas and 2,929 were in urban areas.

Homeless at any point in time. As part of the State's Five-Year Consolidated Plan, a statistically significant telephone survey was conducted of Indiana residents in nonentitlement areas throughout the State. Three percent of respondents to the survey reported being homeless at some point in time in their lives. These data suggest that, based on 2004 population numbers for the State, as many as 109,000 Hoosiers in nonentitlement areas have ever been homeless.

Hidden homelessness. When assessing the extent of homelessness in nonentitlement areas, it is important to note the degree to which it may be hidden. That is, in areas where there are limited social service providers, it might be more common for those at risk of experiencing homelessness to move in with friends and relatives rather than to seek local services or housing at a shelter. Furthermore, when individuals have exhausted all other alternatives, they are likely to move to larger cities with institutional supports such as homeless shelters and soup kitchens. This progression makes it difficult to detect the extent of homelessness in nonentitlement areas. According to the Federal Interagency Council on the Homeless, if 1 percent of the population is homeless during the year and 10 percent of the homeless is chronically homeless, then there is a large undercount of chronically homeless persons and persons in need of Permanent Supportive Housing.¹²

The study conducted by CHIP in 1999 further illustrates this point. It found that only 2 percent of the general population said they would go to a shelter or the street if they lost their home, which implies that 98 percent of people considered homeless by definition are not in shelters or on the street. The 1999 study also indicated that over 110,000 Indianapolis residents, or about 7 percent of the population, were temporarily homeless and relying on relatives for housing in the past year. If this figure is applied to Statewide population statistics, approximately 400,000 Indiana residents defined as homeless were staying with friends or relatives at one point over the year. These people are considered to be the hidden homeless.¹³

¹¹ Census 2000 PHC-T-12. Population in Emergency and Transitional Shelters, <http://www.census.gov/population/cen2000/phc-t12/phc-t12.pdf>.

¹² 2004 Continuum of Care, Exhibit 1: Indiana Balance of State.

¹³ The 2003 and 2005 CHIP study did not ask survey respondents these questions.

Characteristics of persons experiencing homelessness. While the only consistent characteristic of persons experiencing homelessness is the lack of a permanent place to sleep, there are a number of subgroups that are typically part of the homeless population. These include the following:

- **HIV/AIDS.** National estimates place the proportion of persons experiencing homelessness who are HIV positive at 15 percent. Other estimates place the total between 1 and 7 percent. Providers of HIV/AIDS services in Indiana believe the actual count is closer to the national figure. The 2003 CHIP report stated that 6 percent of the sheltered population was living with HIV/AIDS.
- **Substance abuse.** A recent HUD report found that 38 percent of individuals experiencing homelessness who contact shelters, food pantries or other assistance providers have an alcohol dependence, 26 percent have a drug dependence, and 7 percent have both. Applying these percentages to the estimate of the 109,000 persons experiencing homelessness in the State during any one-year results in a total of approximately 62,000 individuals experiencing homelessness who also have substance dependencies. The 2003 CHIP study reported that 50 percent of the sheltered population in Indianapolis had a chronic substance abuse issue. However, recent studies have concluded that addiction rates among persons experiencing homelessness have been greatly overstated. The 2004 U.S. Conference of Mayors' report cited the prevalence of addiction disorders among adults experiencing homelessness at 30 percent.¹⁴ Using this prevalence rate, 33,000 (compared to 62,000) persons experiencing homeless have an addiction problem.
- **Persons with mental illness.** CHIP's Indianapolis study indicated that approximately 24 percent of the homeless population suffers from some form of severe and persistent mental illness. National estimates suggest this may be closer to 40 percent. However, in a U.S. Conference of Mayors' report in 2004, 23 percent of homeless single adults suffered from a severe and persistent mental illness.¹⁵ Using the above estimate of 109,000 persons experiencing homelessness in Indiana over the course of a year, this would indicate that between 25,000 and 44,000 of those individuals have a mental illness.
- **Families.** The *Blueprint to End Homelessness* in Indianapolis reported 40 percent of the local homeless population were families in 2002. Applying the 40 percent rate to the estimated 109,000 Hoosiers who have experienced homelessness during one year suggests that 44,000 were families. A 2004 study conducted by the U.S. Conference of Mayors found the same results—families constituted 40 percent of the homeless population, a significant increase over the last decade. Twenty years ago it was rare to find families who were homeless. Nationally, families comprise the fastest growing group of homeless people. In rural areas, the proportion of homeless families, single mothers and children make up the largest group of people who are homeless.¹⁶ The *Blueprint* also reported 4,500 children experience homelessness annually in Indianapolis. Homeless children are more likely to suffer from mental and physical health problems and they are at greater risk of failing in school. In the 2003 Indianapolis CHIP survey, 30 percent of people counted were families with children. However, single night counts tend to underestimate homeless persons in families with children. Over the course of a year, more than half of persons experiencing homelessness may be families with children.

¹⁴ *Who is Homeless?* National Coalition for the Homeless, June 2005, <http://www.nationalhomeless.org/publications/facts.html>

¹⁵ Ibid.

¹⁶ Ibid.

- **Domestic Violence.** Women who experience domestic violence are often forced to choose between an abusive relationship and homelessness. According to the Indiana Coalition Against Domestic Violence, there were 4,513 adults and 4,251 children who were victims of domestic violence served in emergency shelters throughout Indiana from July 2005 through June 2005. Over half (56 percent) earned an income of \$5,000 or less and an additional 28 percent earned an income of \$5,000 to \$15,000. Thirty-six percent of the victims were between 26 to 35 years of age, with an additional 24 percent ages 18 to 25 years and 25 percent 36 to 45 years. Shelters provide immediate safety to persons experiencing abuse. There are 46 domestic violence shelters located throughout Indiana and 32 crisis centers that assist with sexual assault.
- **Prisoner reintegration.** According to a study conducted for the *Blueprint to End Homelessness* in Indianapolis approximately 15 percent of adult homeless people living in emergency shelters in Indianapolis said they had recently been released from a prison or jail. Others said they had recently left a jail or prison and were living on the street. Most of the people who reported that they had been recently released from the criminal justice system were men. Besides having criminal histories – often a barrier to finding a job or housing – many people released from incarceration face additional challenges, according to the survey. About one-fourth admitted to having serious mental health problems, though fewer than half said they received treatment for those problems. And nearly all said their current homelessness was caused by problems related to rent affordability, job loss, or eviction. Former criminal offenders released into the community often commit new crimes or violate probation or parole. State and national prison data indicate that about 40 percent of the population released from custody re-offends within a year. Many of these former offenders need treatment for addictions or other mental health problems.

At risk of experiencing homelessness. In addition to those who have experienced homelessness in the past or who show up on a point-in-time estimate of current homelessness, it is important to understand the size of the population that is at risk of future homelessness. In general, the population at risk of experiencing homelessness includes persons who are temporarily living with friends or relatives (also known as hidden homeless) and individuals at risk of losing their housing (usually very low-income).

The 1999 Indianapolis study of persons experiencing homelessness conducted by CHIP found that 69,000 Indianapolis residents reported that they were in danger of becoming homeless in the past year. Applying this incidence rate to Statewide population data, it is estimated that over 560,000 (or about 9 percent) of Indiana residents may have been in danger of experiencing homelessness in the past year.

The share of the population that has very low-incomes or is severely cost-burdened (e.g., paying more than 50 percent of income in housing costs) is also useful in estimating the number of persons at risk of experiencing homelessness. The 2004 ACS reports that 20 percent of all homeowners (348,000 households) in the State were paying more than 30 percent of household income for housing, and 7 percent (119,000 households) were paying more than 50 percent. The 2004 ACS also estimates that 41 percent of Indiana renters—or 256,600—paid more than 30 percent of household income for gross rent, with just under half of these (20 percent of renters, or 122,000) paying more than 50 percent of their incomes. Rentals constitute only 28 percent of the State’s occupied housing units in 2004; however, there were more cost burdened owner households (348,000) than cost burdened renter households (256,000).

The Indiana Information & Referral Network received almost 15,500 calls in 2005 requesting help with a housing issue. This represents 17 percent of all callers in 2005, similar results in reported housing needs compared to 2004 (15 percent). In 2004 the three largest needs in the housing category were: rent/mortgage assistance, shelter and low-cost/subsidized housing. Rent/mortgage assistance accounted for 38 percent of all housing needs. Of the 4,086 rent requests, 5,098 (95 percent) were recorded as “unmet.” This places these people at risk of becoming homeless if they are unable to pay their rent. Federal Emergency Management Agency (FEMA) money for rent assistance continues to be a very scarce resource. The only recourse for most people needing rent is to apply to their township trustee. Allocation amounts and eligibility requirements vary widely among trustees; most people needing help do not qualify for assistance. There are simply not enough financial resources in the community to meet this need.

Housing for homeless. According to the 2004 Balance of Indiana Continuum of Care, the State had a total of 3,048 beds or units available to individuals, and 2,031 for person in families with children, who are homeless (excluding metropolitan areas).

Outstanding need. The 2004 Balance of Indiana Continuum of Care application estimated a need for a total of 5,847 beds or units for individuals and 5,504 beds or units for persons in families with children who are experiencing homelessness. State shelters will support a total of 3,227 beds or units for individuals and 2,161 for persons in families with children by the end of 2004. As seen in Exhibit V-6 (which is also HUD table 1A), this total still leaves unmet needs for all types of housing, totaling 2,620 beds or units needed for individuals and 3,343 beds or units for persons in families with children.

**Exhibit V-6.
Housing Gap Analysis
Chart, Balance of
Indiana, 2004**

Source:
2004 Continuum of Care, Exhibit 1: Indiana
Balance of State.

Beds	Current Inventory in 2004	Under Development in 2004	Unmet Need/Gap
Individuals:			
Emergency Shelter	1,188	0	495
Transitional Housing	923	49	583
Permanent Supportive Housing	<u>937</u>	<u>130</u>	<u>1,542</u>
Total (number of beds)	3,048	179	2,620
Persons in Families with Children:			
Emergency Shelter	852	40	678
Transitional Housing	821	66	739
Permanent Supportive Housing	<u>358</u>	<u>24</u>	<u>1,926</u>
Total (number of beds)	2,031	130	3,343

There are a total of 6,460 persons who are homeless in Indiana, excluding metropolitan areas. Approximately 63 percent are sheltered and the remaining 37 percent are unsheltered. The following exhibit shows the breakdown of homeless population and subpopulations and if they are sheltered or unsheltered.

Exhibit V-7.
Homeless Population and Subpopulations Chart, Balance of Indiana, 2005

Homeless Populations:	Sheltered		Unsheltered	Total
	Emergency	Transitional		
Homeless Individuals	1,086	1,028	1,238	3,352
Homeless Families with Children	334	381	419	1,134
Persons in Homeless Families with Children	921	1,039	1,148	3,108
Total (number of persons)	2,007	2,067	2,386	6,460
Homeless Subpopulations:	Sheltered		Unsheltered	Total
Chronic Homelessness	756		443	1,199
Chronic Substance Abuse	965			
Persons with HIV/AIDS	13			
Seriously Mentally Ill	680			
Veterans	275			
Victims of Domestic Violence	1,029			
Youth (under 18 years of age)	1,093			

Source: 2005 Continuum of Care, Exhibit 1: Indiana Balance of State.

In 2004, the Information & Referral Network responded to 3,706 calls from people needing shelter. This represents a 37 percent increase in the number of shelter calls compared to 2003 (2,713). There are 27 shelters in central Indiana that serve families as well as men and women in domestic violence situations. Despite existing resources, finding shelter space remains difficult. In fact, the Information & Referral Specialists were unable to help 26 percent of those calling for shelter. In 2005 there were 2,449 callers who were involved in a domestic violence situation. This accounts for 3 percent of the callers and is a 31 percent increase compared to 2004. Of those calling involved in a domestic abuse situation 10 percent (245) called about shelter, 92 percent of the caller needs were met.

In 2001, a study of 27 cities found that 37 percent of all requests for emergency shelters were denied due to a lack of resources. Fifty-two percent of requests from families were denied, a much higher rate than the general population. “The “hidden homeless,” those who stay in places not easily found by researchers, include those living in cars, campgrounds or with other individuals and families. A survey of formerly homeless individuals found that 59 percent stayed in vehicles and another 25 percent lived in makeshift housing like tents, boxes, caves or boxcars. Because this homeless subgroup is not easily found, the “hidden homeless” are frequently missed in homeless counts and are less likely to be receiving necessary services?¹⁷

Resources and solutions. Indiana’s strategy for meeting the needs of persons experiencing homelessness includes outreach/intake/assessment, emergency shelters, transitional housing, permanent housing and supportive services. The State employs a number of resources to support this strategy, including State agencies, regional planning commissions, county welfare planning councils, local continuum of care task forces, county step-ahead councils, municipal governments and others.

¹⁷ How Many People Experience Homelessness? <http://nationalhomeless.org/numbers.html>

Continuum of Care. The Continuum of Care has prioritized the projects it will fund in the 2005 application. The first project is for new Shelter Plus Care units in Lake, Porter and LaPorte counties. The project is for 45 units of permanent housing for chronically homeless individuals with HIV/AIDS. The second project is a renewal of a Supportive Housing Program (SHP) project sponsored by Community Mental Health Center, Inc. providing transitional housing units. The third priority is a renewal of a SHP project proposed by Lafayette Transitional Housing Center, Inc.

The State's Continuum of Care notes that there are numerous barriers to ending chronic homelessness. Examples of barriers include a lack of supportive services, shortages of matching funds, few incentives to operate permanent supportive housing and negative attitudes—i.e., “not in my backyard” (NIMBY). To combat these barriers, the State aims to create more permanent housing for chronically homeless persons and to implement the *Plan to End Chronic Homelessness*. The State strategy to achieving such goals include enhancing prevention activities and strategies, increasing organizational capacity, supply and revenue for supportive housing development, enhancing and coordinating support systems, optimizing use of existing mainstream resources and developing a policy and planning infrastructure to create accountability for plan implementation.

Additionally, the State's Continuum of Care has been implementing the Homeless Management Information System (HMIS) since July 2004. Since July 2004, 16 training sessions have been offered in 8 of the 13 CoC Regions, resulting in 95 new agencies participating in HMIS. The Pilot Phase trained 15 agencies during 4 training sessions held April through May 2004. Additionally, the CoC has successfully engaged special populations, including domestic violence programs and the school systems.

Action Plan to End Chronic Homelessness. In May 2003, a team representing the State of Indiana participated in a policy academy entitled "Improving Access to Mainstream Services for People Experiencing Chronic Homelessness." The event was a collaborative effort of U.S. Department of Health and Human Services, U.S. Department of Housing and Urban Development, and U.S. Department of Veterans Affairs to assist State and local policymakers to develop an action plan to end chronic homelessness. As the result of the strategic planning process initiated during the policy academy, the Indiana Interagency Council on the Homeless has drafted an Action Plan to End Chronic Homelessness. The plan priorities are to:

- Enhance prevention activities and strategies
- Increase supply of supportive housing
- Enhance and coordinate support systems
- Optimize use of existing mainstream resources
- Develop a policy and planning infrastructure

Other activities. For the past several years, ICHHI, on behalf of the State through the Indiana Housing and Community Development Authority, has applied for HUD funding for Continuum of Care projects. In the 2003 SuperNOFA, 20 out of 22 Continuum of Care projects were funded, totaling over \$8.3 million. The Continuum of Care has carried forth this momentum and applied for 39 projects in the 2004 application totaling over \$10.2 million. For FY 2005, the Balance of the State was awarded \$10,043,154 in CoC grant. CoC grants fund transitional housing, permanent supportive housing, domestic violence shelters, and housing for special needs populations. In addition to the Continuum of Care funding, IHADA has a goal of dedicating \$3.5 million annually for the development, construction, and/or rehabilitation of emergency shelters, transitional housing

and youth shelters. IHCD also administers HOPWA funds, which are allocated each year based on regional needs. A large percentage of HOPWA funds generally go toward transitional housing programs and shelters. Additionally, the Office of Community & Rural Affairs provides planning grants and infrastructure funds to homeless assistance providers.

Emergency Shelter Grant. IHCD administers the Emergency Shelter Grant (ESG) program, which funds emergency shelter and transitional services in shelters throughout the State.¹⁸ For FY 2005, the State of Indiana received an Emergency Shelter Grant of \$1,890,425 to use for homeless shelter support, services and operations, homeless prevention activities and limited administrative costs.

As in past years, the State chose to allocate this funding to three primary activities: essential services, operations, and homelessness prevention activities. These types of activities are described below.

- **Essential services.** Essential services consist of supportive services provided by shelters for persons experiencing homelessness. These services vary, as they are tailored to client needs. In general, essential services consist of the following: employment services (job placement, job training and employment counseling), health care services (medical and psychological counseling, nutrition counseling and substance abuse treatment) and other services (assistance in locating permanent housing and income assistance, child care and transportation).
- **Shelter operations.** Funds allocated to shelter operations are used by shelters for operating and maintenance costs, shelter lease costs, capital expenses, payment of utilities, purchases of equipment and furnishings, provision of security, and purchase of food.
- **Homeless prevention.** The State believes in taking a proactive approach to the problem of homelessness. Once a person becomes homeless, it can be very difficult to move them back into permanent housing. The State assisted those at risk of experiencing homelessness through short-term rental and mortgage subsidies to prevent evictions or foreclosures, payment of apartment security deposits, mediation of landlord/tenant disputes and provision of legal services for tenants in eviction proceedings.

Shelter Plus Care. One goal of the State's FY 2000 Consolidated Plan was to enhance resources such as FSSA's Shelter Plus Care grants that provide rental assistance for persons who are homeless *and* have a severe disability, including a serious mental illness. The State has successfully applied for and received two Shelter Plus Care grants from HUD. The first grant was awarded to Community Action of Northeast Indiana; it will provide \$900,000 over 5 years to produce approximately 50 vouchers for housing and utility payments. Populations to be served include persons who are homeless and disabled and may have other special needs. The State recently received another Shelter Plus Care grant of \$2.2 million. On April 28, 2003, FSSA held a statewide Shelter Plus Care training about the program and the additional funds. In the 2004 NOFA, 45 new Shelter Plus Care units were funded, some units serving chronically homeless individuals. The 2005 NOFA grant proposed to provide 45 Shelter Plus Care units of permanent housing specifically targeted to chronically homeless persons.

¹⁸ The grant was previously administered by FSSA.

Persons with Developmental Disabilities

Definition. According to the Indiana Bureau of Developmental Disabilities, five conditions govern whether a person is considered to have a developmental disability:

- Three substantial limitations out of the following categories: self-care, receptive and expressive language, learning, mobility, self-direction, capacity of independent living and economic self-sufficiency;
- Onset of these conditions prior to the age of 22;
- A condition that is likely to continue indefinitely;
- The condition is attributable to a mental or physical impairment or a combination of both (other than a sole diagnosis of mental illness); and
- The person needs a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated.

Total population. The Association of Rehabilitation Facilities of Indiana's 2000 *Assessment of Developmental Disabilities Services* estimates that 70,787 people in Indiana, or 1.2 percent of the State's population had a developmental disability in 2000. In 1995, the Governor's Council for People with Disabilities estimated the number to be 0.8 percent of the population, or about 48,000. Based on the 1.2 percent assumption, the total number of people in Indiana that have developmental disabilities is projected to grow to 74,055 in 2005. Approximately 65 percent of the 70,787 people with developmental disabilities had some degree of mental retardation, 9 percent had cerebral palsy, 17 percent had epilepsy and 10 percent had other physical and mental disabilities including autism.

In July of 2005, the University of Minnesota published a report entitled *Residential Services for Persons with Developmental Disabilities: Status and Trends Through 2004*. This study reported that, not including nursing homes or psychiatric facilities, in 2004, 9,868 Hoosiers with intellectual disabilities (ID) and/or developmental disabilities (DD) were receiving residential services from the State or a non-state agency.

The Division of Disability and Rehabilitative Services (DDARS) reported in 2005 there were 14,137 persons with developmental disabilities on their waiting lists for services.¹⁹

Housing. There are a wide variety of housing options for persons with developmental disabilities in Indiana. These range from highly structured, institutionalized care to living in a community with various supportive services. The type of housing that best meets the needs of persons with developmental disabilities varies from person to person depending on each person's ability to live independently. Nationwide, there has been an increased focus on providing persons with developmental disabilities with needed supports to enable them to live in community settings.

The trend away from large institutional settings for those with developmental disabilities is evident in the recent closures of such facilities as Muscatatuck Development Center in Butlerville (closed in 2005), New Castle Developmental Center and Northern Indiana State Developmental Center.

¹⁹ DDARS Monthly Management Report, duplicated count (individuals may be on more than one waiting list). As of 9/30/05, the duplicated total on waiting lists is 29,497, and the unduplicated total of individuals is 18,137.

Since 1979, six of the 11 large state facilities have closed. After 2005, only six state-run facilities will remain: a large developmental disability center in Fort Wayne and four specialized hospital units (Madison, Logansport, Richmond and Evansville) to serve persons with severe developmental disabilities.²⁰

As the State has shifted away from institutional settings for people with developmental disabilities, the number of individuals served in smaller settings of six or fewer people (group homes, supervised apartments and supported living settings) has increased. According to the University of Minnesota's Institute of Community Integration, as of June 30, 2004, 6,336 of the total 9,868 persons with developmental disabilities served by State and non-State agencies lived with six or fewer persons, which represents a 60 percent increase from 2002. Nationwide, in 45 states, more than half of the persons with such disabilities receiving residential services lived in settings with six or fewer people.

Exhibit V-9 shows the number of facilities and residents in State-owned and non-State facilities, by size of facility for 2004. The number of facilities for one to six people has increased by almost 1,500 facilities since 2000. This reflects the trend away from large institutional settings to smaller community-based facilities.

Exhibit V-9.
Facilities and Residents in State and Non-State Facilities for
Persons with Intellectual and Developmental Disabilities, June 30, 2004

	Number of Facilities *			Percent Change 2000 to 2004	Number of Residents			Percent Change 2000 to 2004
	State	Non-State	Total		State	Non-State	Total	
1 - 6 People	0	1,685 *	1,685 **	755%	0	6,336 **	6,336	511%
7 - 15 People	0	338	338	-4%	0	2,652	2,652	-4%
16+ People	6	3	9	-44%	559	321	880	-46%
Overall	6	2,026	2,032	260%	559	9,309	9,868	82%

Note: * Indiana did not furnish complete data for Number of Facilities in the 2004 report. Therefore, all data under Number of Facilities is from 2002.
 ** Contains an estimate.

Source: *Residential Services for Persons with Developmental Disabilities: Status and Trends Through 2004*. University of Minnesota, Research and Training Center on Community Living, Institute on Community Integration.

As shown in Exhibit V-10 on the following page, the largest number of persons served in 2004 resided in congregate care facilities (5,423), followed by those living in their own homes or apartments (4,815), and those living with host families or in foster homes (543).

²⁰ *Residential Services for Persons with Developmental Disabilities: Status and Trends Through 2004*, Research and Training Center on Community Living, Institute on Community Integration/UCEDD, The College of Education and Human Development, University of Minnesota.

Exhibit V-10.
Residents by Type of Facility for People with
Intellectual and Developmental Disabilities, 2000 and 2004

	2000	2004	Percent Change
Congregate Care	5,423	4,510	-17%
Host Family/Foster Home	490	543	11%
Homes Owned/Leased by Persons with ID/DD	<u>1,447</u>	<u>4,815</u>	233%
Subtotal	7,360	9,868	34%
Persons with ID/DD Receiving Services While Living With Family Member	<u>1,358</u>	<u>4,815</u>	255%
Total Services Recipients in Family Homes and Residential Settings	8,718	14,683	68%

Note: Unable to separate "own home" and "family home" data; using 50 percent of total of 9,173.

Source: *Residential Services for Persons with Developmental Disabilities: Status and Trends Through 2004*. University of Minnesota, Research and Training Center on Community Living, Institute on Community Integration.

Outstanding need. There are two primary needs of non-institutionalized persons with developmental disabilities—the need for a variety of supportive services to enable them to live in community settings and the need for affordable housing. Persons with developmental disabilities who want to work may also find barriers in finding adequate employment opportunities.

Need for services. There are a number of methods used when estimating the outstanding need of services for people with developmental disabilities in Indiana. Simple estimates place the number of adults in need of services at 50 percent of the entire population with developmental disabilities. This estimate suggests that of the 70,000 individuals with developmental disabilities in Indiana, approximately 35,000 need services. According to the Governor’s Planning Council on People with Disabilities, 12,000 individuals are currently receiving services, suggesting that approximately 24,000 of those who were estimated to need services are not receiving them.

A more conservative estimate can be reached by examining the waiting lists for various types of services. According to the *Residential Services for Persons with Development Disabilities: Status and Trends Through 2004* report, there were 5,629 persons with developmental disabilities not receiving residential services who were on waiting lists for such services on June 30, 2004.

Lack of affordable housing. A critical need for people moving out of institutions is finding an alternative place to live. In 2004, an estimated 99 persons with developmental disabilities were discharged from State hospitals and institutions.²¹ These individuals likely faced housing needs upon discharge. Section 8 tenant-based vouchers remain the primary mainstream resource available for housing people with disabilities and will likely continue to be a critical source of housing subsidies.

In many communities, the rent burden for people with disabilities moving from institutional settings would be more than 50 percent of their monthly Supplemental Security Income (SSI) benefit. Data from the recent study *Priced Out in 2004* indicate that people with disabilities were priced out of every market in the U.S.; nationally, a person receiving SSI needed to pay 109.6 percent of their

²¹ *Residential Services for Persons with Developmental Disabilities: Status and Trends Through 2004*, Research and Training Center on Community Living, Institute on Community Integration/UCEDD, The College of Education and Human Development, University of Minnesota.

entire monthly income in order to rent a modest one bedroom unit. In Indiana, the monthly SSI benefit of \$564 in 2004 represented 16.9 percent of Statewide one-person median income. A person with disabilities receiving SSI income support in Indiana would have to pay 88.7 percent of this monthly benefit to be able to rent a modestly priced one-bedroom unit.

When considering future need, it is also important to note that the families and caregivers of persons with developmental disabilities are aging. Approximately 30 percent are 60 years and older and 40 percent are 40 years and older. As these primary caregivers become less able to care for their family members with developmental disabilities, alternative housing options will be needed. This could cause the needs for housing and other community resources to increase significantly in the next 10 to 15 years.

Employment. According to the 2000 U.S. Census, 14.5 percent of the populations aged 16 to 64 years who are employed had a disability. This is slightly lower than the national average of 14.8 percent of the employed populations aged 16 to 64 years with a disability. The National Organization on Disability State of the Union 2003 for Americans with Disabilities reported employment was the largest gap area, with 68 percent unemployment despite the fact that two out of three individuals with disabilities wanted to work. According to a Harris Poll, 32 percent of Americans with disabilities ages 18 to 64 were working versus 81 percent of non-disabled adults.

Resources and solutions. Indiana provides many types of support available to individuals with developmental disabilities, as described below.

Intermediate Care Facilities. Intermediate Care Facilities for the Mentally Retarded (ICF/MRs) are large facilities or small group homes that provide intensive support services. A subset of these are Supervised Group Living (SGL) arrangements that provide 24-hour supervision overseen by paid staff in a home-like setting, which is often a single family dwelling. Nursing facilities are long-term health care facilities providing in-patient care and nursing services, restoration and rehabilitative care and assistance meeting daily living needs. In 2004 there were 4,447 persons living in ICF/MRs and 1,739 individuals living in nursing homes with ID/DD in 2004.²²

Through the State's Division of Disability Aging and Rehabilitation Services (DDARS), the Bureau of Developmental Disabilities Services (BDDS) administers several programs that assist individuals with developmental disabilities and their families. The programs are as follows.

Supported Group Living. Supported Group Living consists of homes with four to eight individuals residing in a group home. In 2001, 3,791 Indiana residents with developmental disabilities resided in SGL homes.

Supported Living. Supported Living consists of one to four individuals residing in a house or apartment with individualized supports. The former Semi-Independent Living Program (SILP), the Alternative Family Program (AF) and family support/respite services are now administered by BDDS through Supported Living. As of the end of 2003, 3,877 individuals benefited from Supported Living services and Medicaid waivers.

²² *Residential Services for Persons with Developmental Disabilities: Status and Trends Through 2004*, Research and Training Center on Community Living, Institute on Community Integration/UCEDD, The College of Education and Human Development, University of Minnesota.

Supplemental Security Income. Supplemental Security Income (SSI) is a federal income support program that is available to people who have disabilities and limited income and resources. Effective January 2004, the SSI basic benefit payment is \$564 a month for an eligible individual and \$846 a month for an eligible couple. The State of Indiana does not add any money to the basic benefit.

CHOICE. Community and Home Options to Institutional Care (CHOICE) for the Elderly and Disabled is a State funded program that supports the elderly and persons with disabilities. It can cover financial assistance for home modifications and various in-home supports (e.g., personal attendant care). The goal of the program is to enable the elderly and disabled to live as independently as possible. A 2000 analysis of CHOICE beneficiaries found that more than 15 percent of individuals in the program were persons with disabilities. CHOICE dollars are all State funds, and CHOICE may fund up to \$15,000 per person for home modifications. The original projections for the use of the CHOICE program were far exceeded. Between 1998 and 2003, the number directly served by CHOICE increased by nearly 13 percent each year. In FY 2004, 10,488 persons were served by the CHOICE program. There is currently a waiting list for the services.

Home and Community-Based Services. The Home and Community-Based Services (HCBS) program makes Medicaid waivers available for community support services in noninstitutional environments. They cannot be used to cover the cost of housing, although up to \$10,000 can be used for environmental modifications. As of the end of June 2004, 9,307 Hoosiers with developmental disabilities had been helped through the HCBS program.²³

Section 811. The U.S. Department of Housing and Urban Development's Section 811 program provides grants to nonprofit organizations to develop or rehabilitate rental housing. Nonprofit developers of such housing are granted interest free capital advances and rental assistance. The goal of the program is to increase the supply of rental housing with supportive services for people with disabilities, allowing them to live independently. The target population of the Section 811 program is very low-income individuals with physical or developmental disabilities who are between the ages of 18 and 62.

New housing development. CDBG, HOME and tax credit funds can also be used to support the development of new housing, the construction of group homes, and provide rental assistance for people with developmental disabilities.

HomeChoice Program. The HomeChoice Program, offered by Fannie Mae and administered by housing finance authorities (including IHCDA), offers conventional mortgage loan underwriting tailored to meet the needs of people with disabilities.

Indiana Conversion Task Force. The Indiana Conversion Task Force (CTF) is a group comprised of representatives of state agencies, advocacy organizations, Independent Living Centers, Community Rehabilitation Programs, and the Indiana Institute on Disability and Community. The purpose of the CTF is to promote a shift in philosophy, policies, funding, and services from facility-based to community-based employment and supports for adults with disabilities in Indiana.

²³ *Residential Services for Persons with Developmental Disabilities: Status and Trends Through 2004*, Research and Training Center on Community Living, Institute on Community Integration/UCEDD, The College of Education and Human Development, University of Minnesota.

The group has been meeting since 1997 in an advisory capacity. All of the goals listed in Exhibit V-11 reflect the priority of integrated community-based services and a reduction of congregate, segregated services. These priorities mesh with federal legislation (e.g., ADA, Workforce Investment Act/Rehabilitation Act) and State plans (e.g., FSSA work plan and 317 Task Force plan).

Exhibit V-11.
Indiana Conversion Task Force Priorities for FY2002-2003

Fiscal Recommendations
<p>Fiscal Incentives:</p> <ul style="list-style-type: none">■ Provide fiscal incentives for community-based day services. Rates for supported employment and related community supports must be higher than for facility-based services.■ Eliminate new Title 20 funding to sheltered facilities. <p>Individualized Budgets:</p> <ul style="list-style-type: none">■ Tie funding to individuals to purchase integrated, community-based services and supports (including MRO, Title XX, Ticket-to-Work, group home day services money, Medicaid Waivers).

Philosophy/Practice Recommendations
<p>Shift People from Facilities to Community:</p> <ul style="list-style-type: none">■ The number of people and the hours they are served in integrated employment and community activities will exceed the number and hours people spend in facility-based day services by the year 2006. <p>State Leadership:</p> <ul style="list-style-type: none">■ FSSA will promote a clear and consistent message prioritizing community and integrated employment services across all divisions. <p>Provider Standards:</p> <ul style="list-style-type: none">■ Provider Standards should make it very difficult for someone to enter and stay in facility-based services. Providers need to utilize person-centered planning and emphasize integrated services. <p>Medicaid Waivers & SE:</p> <ul style="list-style-type: none">■ Significantly increase use of Medicaid Waivers for supported employment with adequate funding. <p>Training & Technical Assistance:</p> <ul style="list-style-type: none">■ Provide training to agencies, case managers, etc. regarding integrated employment and community services.

Source: Indiana Conversion Task Force Priorities, FY2002-2003.

The Olmstead Supreme Court ruling. In June 1999, in the Olmstead V. L.C. case, the U.S. Supreme Court ruled that under the Americans with Disabilities Act, States are required to support individuals with disabilities in community settings rather than in institutions when it has been determined that community settings are appropriate and can be reasonably accommodated.

As a result, Indiana has formed the Governor's Commission on Home and Community-Based Services Housing Task Force. Its purpose is to coordinate existing resources and develop new housing solutions for persons at risk of being institutionalized. The final commission meeting was held in December 2003 after the release of the final report of June 2003.

The Homeless Task Force has also addressed the change from State institutions to smaller settings. The Homeless Task Force learned of an Indiana Code requiring that residency must be considered in discharge planning. Currently, persons in developmental disability and mental health institutions that are being released cannot be released into homelessness. One of their 2002 goals was to ensure that State and local institutions do not discharge people into the homeless system. FSSA's Division of Mental Health has reviewed and written a policy concerning this issue; however, many local institutions do not have formal written policies in place.

In June 2003, the Governor's Commission on Home and Community-Based Services released its report. The report includes a list of 28 new actions to serve as a blueprint for reform in Indiana. The actions are organized into four categories: rebalancing the long-term care system; the removal of barriers; community capacity; and children at-risk.

A few of the Actions include:

- Raising the monthly income eligibility standard for the Medicaid Aged and Disabled Waiver (and all other applicable waivers) to the federally allowed limit of 300 percent (i.e., \$1,692) of the SSI amount. This Action is further supported by a similar provision included in Senate Bill 493 (2003). FSSA responded to this action by raising the monthly income standard for the Medicaid Aged and Disabled Waiver to the federally allowed 300 percent of the SSI.
- Appointing a Housing Task Force by the Governor to focus on the housing issues of the elderly, disabled, and mentally ill populations. Membership should include: representatives of the housing industry, especially builder and contractors who have expertise and experience in new construction; consumers; advocacy groups; legislators; representatives of public/private funding sources; and service providers.
- Working with the Indiana General Assembly, the Governor should establish a real estate transaction fee to be assessed in the transfer of all commercial, farm, and residential real estate. The proposed fee per transaction would be dedicated to the Indiana Low Income Housing Trust Fund.
- Developing a Business Leadership Network in Indiana to establish and further strengthen the link between business and employment at the local and state levels. Business Leadership Networks assist employers by exploring methods to more effectively recruit, market, and hire the talents of job applicants with disabilities. Business Leadership Networks have been developed across the country as part of an initiative started by the Office of Disability Employment Policy (ODEP) and supported by the U.S. Chamber of Commerce.

The report also concludes that affordable and accessible housing is in very short supply. The study reported that there are 3,700 households receiving housing assistance through Indiana's Housing Choice Voucher Program (Section 8), two-thirds of which have elderly or disabled members.²⁴ The PHA survey conducted for the 2005-2009 Consolidated Plan found that approximately one-fifth of persons on waiting lists for Section 8 vouchers in nonentitlement areas are non-elderly persons with disabilities.

Persons with HIV/AIDS

Total population. Among the 50 States and the District of Columbia, Indiana ranked 33rd in reported AIDS cases, with an annual case rate of 6.3 per 100,000 people in 2004.²⁵ According to the Indiana State Department of Health, 815 new HIV and AIDS cases were reported in Indiana during 2005.

In February 2003, AIDS Housing of Washington completed the *Indiana HIV/AIDS Housing Plan* for the Indiana Housing and Community Development Authority, the City of Indianapolis and The Damien Center. The study found that as of June 2002, there were a reported 3,368 people living with AIDS and another 3,668 people living with HIV Statewide (7,036 total). Since data have been collected on the epidemic, 11,994 people have been diagnosed with HIV and/or AIDS in Indiana.

Estimates from the Center for Disease Control and Prevention's (CDC) *HIV Surveillance Report* are slightly higher. As of December 2004, CDC estimated that 3,675 persons were living with HIV and another 3,731 persons were living with AIDS in Indiana (7,406 total).

The State has divided its service areas for people with HIV/AIDS into 12 geographic regions. As of June 2004, Region 1 (Gary) and Region 7 (Indianapolis) accounted for almost 60 percent of people living with HIV in Indiana. Exhibit V-12 presents the number of people living with HIV by region as of June 2004.

²⁴ Governor's Commission on Home and Community-Based Services, June 30, 2003 Report.

²⁵ Center for Disease Control and Prevention, *HIV Surveillance Report, Cases of HIV Infection and AIDS in the United States 2004, Vol. 16.*

**Exhibit V-12.
Number of People
Living with HIV
by Region,
June 2005**

Source:
Indiana HIV/STD Quarterly
Report, June 2005.

Region	Counties	People living with HIV
1	Lake, LaPorte, Porter	1,048
2	Elkhart, Fulton, Marshall, Pulaski, St. Joseph, Starke	500
3	Adams, Allen, DeKalb, Huntington, Kosciusko, LaGrange, Noble, Steuben, Wabash, Wells, Whitley	421
4	Benton, Carroll, Clinton, Fountain, Jasper, Montgomery, Newton, Tippecanoe, Warren, White	154
5	Blackford, Delaware, Grant, Jay, Randolph	160
6	Cass, Hamilton, Hancock, Howard, Madison, Miami, Tipton	443
7	Boone, Hendricks, Johnson, Marion, Morgan, Shelby	3,201
8	Clay, Parke, Putnam, Sullivan, Vermillion, Vigo	273
9	Dearborn, Decatur, Fayette, Franklin, Henry, Ohio, Ripley, Rush, Union, Wayne	141
10	Bartholomew, Brown, Greene, Lawrence, Monroe, Owen	233
11	Clark, Crawford, Floyd, Harrison, Jackson, Jefferson, Jennings, Orange, Scott, Switzerland, Washington	268
12	Daviess, Dubois, Gibson, Knox, Martin, Perry, Pike, Posey, Spencer, Vanderburgh, Warrick	314
	Total	7,156

Of cumulative cases of HIV and AIDS reported through December 31, 2005 (3,891), by the Indiana State Department of Health, 78 percent of persons in Indiana were male, while approximately 49 percent of the population as a whole is male. In addition to males, African Americans are disproportionately more likely to have the disease. Although White residents of Indiana account for 88 percent of the State's population, only 61 percent of the State's residents with HIV and AIDS are White. Meanwhile, African Americans comprise only 9 percent of the State's population, yet account for one-third of residents living with HIV and AIDS. A study prepared for the National Resource Center on Homelessness and Mental Illness in 1998 stated that HIV infection "is rapidly spreading to the poorest and most marginalized sectors of the U.S. population. It is impacting particularly hard on minority African American and Latino communities."²⁶

According to the *Indiana HIV/AIDS Housing Plan*, although AIDS originated in the metropolitan areas, the epidemic is quickly spreading to rural areas with constrained resources and often a lack of knowledge. In 1999, 6 percent of all new AIDS-related cases were in rural areas.

²⁶ *HIV, Homelessness, and Serious Mental Illness: Implications for Policy and Practice*. National Resource Center on Homelessness and Mental Illness.

Housing. The 11 regions of the State that are covered by the State HOPWA funds (Region 7, which includes Indianapolis, is funded separately through the City of Indianapolis) provide a total of 143 housing units dedicated to persons living with HIV/AIDS as of 2001. In addition to the units set aside for persons with HIV/AIDS Statewide, each of the 11 geographic service areas are available to assist persons with HIV/AIDS through short-term rental assistance, long-term rental assistance, housing referrals and other supportive services. From July 2004 to June 2005, there were 223 tenant-based rental assistance vouchers. Exhibit V-13 shows, by geographic service area, the number of persons with HIV/AIDS who were supported through either short-term or long-term rental assistance and/or supportive services between July 2004 (the beginning of the 2004 HOPWA awards) and July 2005.

**Exhibit V-13.
Short- and Long-Term Rental Assistance and Supportive Services
for Persons with HIV/AIDS by Service Region, July 1, 2004 to June 30, 2005**

HIV Care Coordination Region (City)	Region Name	Long- Term Rental Assistance	Short-Term Rent, Mortgage and/or Utility Assistance	Supportive Services
Region 1 (Gary)	Greater Hammond Community Services, Inc.	35	55	-
Region 1 (Gary)	Brothers Uplifting Brothers	24	4	-
Region 1 (Gary)	AIDS Task Force of LaPorte and Porter Counties	15	1	48
Region 2 (South Bend)	AIDS Ministries/AIDS Assist of North Indiana	45	50	-
Region 3 (Fort Wayne)	AIDS Task Force Fort Wayne	32	166	-
Region 4 (Lafayette)	The Center for Mental Health	7	44	23
Region 5 (Muncie)	The Center for Mental Health	7	52	30
Region 5 (Muncie)	Open Door Community Services	2	-	-
Region 6 (Elwood)	The Center for Mental Health	11	39	17
Region 8 (Terre Haute)	Area VII Agency on Aging	11	22	-
Region 9 (Richmond)	The Center for Mental Health	5	25	12
Region 10 (Bloomington)	Positive-Link	12	46	41
Region 11 (Jeffersonville)	Hoosier Hills AIDS Coalition	2	9	-
Region 12 (Evansville)	AIDS Resource Group and Evansville Housing Authority	15	48	-
Region 12 (Evansville)	Matthew 25 AIDS Services	-	-	<u>27</u>
	Total	223	561	198

Note: Region 7 (Indianapolis) is funded separately through the City of Indianapolis.

Source: 2004 Indiana CAPER .

Outstanding need. The National Resource Center on Homelessness and Mental Illness reported that between one-third and one-half of people with HIV/AIDS are either experiencing homelessness or at imminent risk of homelessness. Using this estimate, providers of services to people with HIV/AIDS estimate that between 30 and 50 percent of the number of people with HIV/AIDS need housing. This suggests housing needs for between 2,150 and 3,580 people living with HIV/AIDS in the State.

Part of the *Indiana HIV/AIDS Housing Plan* study included focus groups of people living with HIV/AIDS in Indiana. These focus groups cited housing affordability as the primary housing challenge. Other concerns noted by the focus group participants included the quality of housing that is affordable to them, the desire to live independently and confidentiality when accessing services. AIDS Housing of Washington also conducted a survey of 418 people living with HIV/AIDS throughout the State. Survey findings were as follows:

- Survey respondents had very low-incomes;
- Many survey respondents received some housing assistance, but most still pay a large portion of their income for housing;
- Consistent with the preferences expressed, the majority of respondents lived alone and rented their homes;
- Behavioral health issues, such as mental health and substance abuse, affected a small but considerable percentage of people living with HIV/AIDS; and
- Many respondents had experienced homelessness.

The survey also collected income and cost burden data of respondents. Exhibit V-14 on the following page summarizes median income, median housing costs and the cost burden of respondents by region.

**Exhibit V-14.
Income and Cost Burden
of HIV/AIDS Survey
Respondents, 2001-2002**

Source:
AIDS Housing of Washington, Indiana
HIV/AIDS Housing Plan, February 2003.

Region	Median Income	Median Housing Costs	Cost Burden
Region 1 (Gary)	\$665	\$415	52%
Region 2 (South Bend)	\$597	\$371	54%
Region 3 (Fort Wayne)	\$601	\$398	52%
Region 4 (Lafayette)	\$653	\$309	52%
Region 5 (Muncie)	\$595	\$500	53%
Region 6 (Anderson)	\$787	\$467	38%
Region 7 (Indianapolis)	\$591	\$413	44%
Region 8 (Terre Haute)	\$551	\$513	78%
Region 9 (Richmond)	\$635	\$314	37%
Region 10 (Bloomington)	\$764	\$453	50%
Region 11 (Jeffersonville)	\$617	\$293	45%
Region 12 (Evansville)	\$598	\$350	43%

The *Indiana HIV/AIDS Housing Plan* reported there were 143 existing housing units for persons with HIV/AIDS in 2001 and 190 persons receiving long-term rental assistance with HOPWA dollars. Assuming the total number of persons with HIV/AIDS and a need for housing assistance is 2,276 (30 percent of the State's HIV/AIDS population), the State faces an outstanding need of over 2,086 housing units for persons with HIV and AIDS. Surveys indicate that among persons living with HIV/AIDS, most desire to live in single family homes rather than apartments. The most desired types of housing subsidies are mortgage or rental assistance, followed by subsidized housing and units with some supportive services.

For persons experiencing homelessness who also have HIV/AIDS and a mental illness, fragmented services creates the largest barrier to receiving adequate care. As a whole, there is a “lack of integration of housing, mental health, substance abuse, and health services...”²⁷ The nature of case management has been to specialize in one particular service area. Therefore, even if case managers want to address the various needs of an individual, often they lack the expertise to do so.

A report entitled *Epidemiological Profile for HIV/AIDS in Indiana 2003* completed for the Indiana State Department of Health in May 2004, reported that in 2002, 4,726 people who were HIV positive had medical and service needs that were not met.

²⁷ *HIV, Homelessness, and Serious Mental Illness: Implications for Policy and Practice*. National Resource Center on Homelessness and Mental Illness.

In addition to living with their illness and inadequate housing situations, persons with HIV and AIDS in need of housing face a number of barriers, including discrimination. According to the 1998 report from the National Resource Center on Homelessness and Mental Illness, persons with HIV/AIDS and persons with a mental illness have long faced discrimination to safe and affordable housing. Landlords and housing providers sometimes fear that physical and architectural elements of their building might create an unsafe environment. Oftentimes, the discrimination is merely based on the stigma associated with the illness.

The co-occurrence of other special needs problems with HIV/AIDS can make some individuals even more difficult to house. For example, 10 percent of *Indiana HIV/AIDS Housing Plan* survey respondents indicated alcohol or drug use. Approximately 12 percent of HIV/AIDS survey respondents indicated mental health or psychiatric disability. Among people with mental illness, a high rate of infection is attributed to several factors such as social circumstances, psychopathology, medications and substance abuse. Persons with serious mental illness tend to cycle in and out of homelessness, affecting behaviors in ways not completely understood. Because of the frequent concurrence of substance abuse and mental illness with HIV/AIDS and the need for health care and other supportive services, many of those with HIV/AIDS can be very difficult to serve.²⁸

Additionally, the study's Housing Plan Steering Committee, consumers, providers of HIV/AIDS services and survey respondents identified the following barriers to achieving and maintaining housing stability:

- Poor credit;
- Recent criminal history;
- Poor rental history, including prior eviction and money owed to property managers; and
- Active substance abuse.

Resources. The following section described programs and services available to persons with HIV/AIDS.

HOPWA. The primary source of funding for HIV/AIDS housing in the State is the Housing Opportunities for People with AIDS (HOPWA) program. IHEDA has awarded \$858,614 of HOPWA funds for July 2005 to June 2006 to 12 agencies in 11 of the State's 12 regions (Region 7, which includes Indianapolis, is funded separately through the City of Indianapolis). These funds are available for use as rental subsidies, as well as emergency services, such as utility assistance and emergency medicine. Awards of HOPWA funds are made on an annual basis. Exhibit V-15 displays the HOPWA awards made for July 2005 through June 2006.

²⁸ *HIV, Homelessness, and Severe Mental Illness: Implications for Policy and Practice*, National Resource Center on Homelessness and Mental Illness.

**Exhibit V-15.
HOPWA Awards by
Category of Services,
July 2005 to June 2006**

Source:
IHCDA.

Category of Service	Award Amount	Percent of Total
Rental Assistance	\$471,396	55%
Short-term Rental, Mortgage and Utility Assistance	\$169,256	20%
Support Services	\$145,955	17%
Project Sponsor Administration	\$36,126	4%
Operating Costs	\$11,701	1%
IHCDA Administration	<u>\$24,180</u>	<u>3%</u>
Total	\$858,614	100%

Exhibit V-16 presents the allocation of funds by counties served, projects sponsors, allocation amount and percent of total HOPWA funding from July 2005 to June 2006, outside of the Indianapolis MSA.

**Exhibit V-16.
HOPWA Program Awards by Region and Activity, July 2005 to June 2006**

Region	Counties Served	Project Sponsor	Award Amount	Percent of Total
1	Lake, LaPorte, and Porter Counties	Greater Hammond Community Services, Inc.	\$192,000	23%
1	Lake, LaPorte, and Porter Counties	Brothers Uplifting Brothers, Inc.	\$70,662	8%
2	Elkhart, Fulton, Marshall, Pulaski, and St. Joseph Counties	AIDS Ministries/AIDS Assist of North Indiana, Inc.	\$119,205	14%
3	Adams, Allen, DeKalb, Huntington, Kosciusko, LaGrange, Noble, Steuben, Wabash, Wells, and Whitley Counties	AIDS Task Force, Inc.	\$115,505	14%
4	Benton, Carroll, Clinton, Fountain, Jasper, Montgomery, Newton, Tippecanoe, Warren, and White Counties	The Center for Mental Health, Inc.	\$38,228	5%
5	Blackford, Delaware, Grant, Jay, and Randolph Counties	The Center for Mental Health, Inc.	\$41,516	5%
6	Cass, Howard, Madison, Miami, and Tipton Counties	The Center for Mental Health, Inc.	\$55,081	7%
8	Clay, Parke, Sullivan, Vermillion, and Vigo Counties	West Central Indiana Economic Development District	\$50,559	6%
9	Decatur, Fayette, Henry, Ripley, Rush, Union, and Wayne Counties	The Center for Mental Health, Inc.	\$18,908	2%
10	Bartholomew, Greene, Lawrence, Monroe, and Owen Counties	Bloomington Hospital, Inc.	\$50,148	6%
11	Crawford, Jackson, Jefferson, Jennings, Orange, and Switzerland Counties	Hoosier Hills AIDS Coalition, Inc.	\$7,811	1%
12	Daviess, Dubois, Gibson, Knox, Martin, Perry, Pike, Posey, Spencer, Vanderburgh, and Warrick Counties	AIDS Resource Group of Evansville, Inc.	<u>\$74,811</u>	<u>9%</u>
	Total		\$834,434	100%

Note: Region 7 (Indianapolis) is funded separately through the City of Indianapolis.

Source: IHCDA.

In addition to HOPWA funds, through various State agencies, Indiana administers five additional programs for people living with HIV/AIDS, as described below.

Care Coordination Program. The HIV/AIDS Care Coordination Program is State-funded. This program pays for Care Coordination at 15 sites throughout the State addressing medical, financial, psychosocial and other needs. Funding for grant year 2004-2005 is \$2,452,500. Exhibit V-17 lists 15 organizations in the Care Coordination network in Indiana.

**Exhibit V-17.
HIV Care
Coordination Sites**

Source: Indiana State Department of Health,
<http://www.in.gov/isdh/programs/hivstd/care.htm>.

Organization	City
AIDS Ministries/AIDS Assist	South Bend
AIDS Resource Group of Evansville	Evansville
AIDS Task Force of Northeast Indiana	Fort Wayne
Aliveness Project of Northwest Indiana	Gary
Area VII Agency on Aging and the Disabled	Terre Haute
Bloomington Hospital Positive Link	Bloomington
Center for Mental Health - Central	Elwood
Center for Mental Health -Southeast	Richmond
Center for Mental Health - West	Lafayette
Clark County Health Department	Jeffersonville
Concord Center Association	Indianapolis
Damien Center	Indianapolis
LifeCare Program of Clarian Health	Indianapolis
Open Door Community Services	Muncie
Wishard Health Services	Indianapolis

Special Population Support Program. The Special Population Support Program is a State-funded program administered by the FSSA. This program provides substance abuse and mental health support services throughout the State. Funding for grant year 2004-2005 is \$900,000.

HIV/AIDS Education Program. The HIV/AIDS Education Program is a State-funded program that pays for prevention and education programs. Funds are sub-granted to community action programs throughout the State. Funding for grant year 2004-2005 is \$674,802.

Social Services Block Grant. The Social Services Block Grant is federally funded. This program also provides care coordination at two of the 15 sites throughout the State. Funding for grant year 2005 is \$561,206.

HIV Medical Services Program. The Ryan White CARE Act – HIV Medical Services Program is federally funded and awarded to the State. Title II of the Ryan White CARE Act in Indiana is primarily used to purchase HIV medications, services and insurance coverage for eligible HIV positive State residents. Indiana received \$11,402,950 for FY 2004 (April 1, 2004 to March 31, 2005). Eligible applicants must be living below 300 percent of the federal poverty level and must not have access to public or private health coverage. The program is administered centrally by the State Department of Health and a contracted third-party claims payer. Participants are required to enroll in the State’s case management program (Care Coordination) as well. A portion of the award covers normal administration costs, quality management projects, advisory council expenses, and special set-aside projects (i.e., Emerging Communities and Minority AIDS Initiative).

Persons with Physical Disabilities

Total population. Estimates of the total population in Indiana with physical disabilities vary according to the definition of disability. The 2000 Census definition of disability encompasses a broad range of categories, including physical, sensory and mental disability. The Census classifies individuals as having a disability if any of the following three conditions are true:

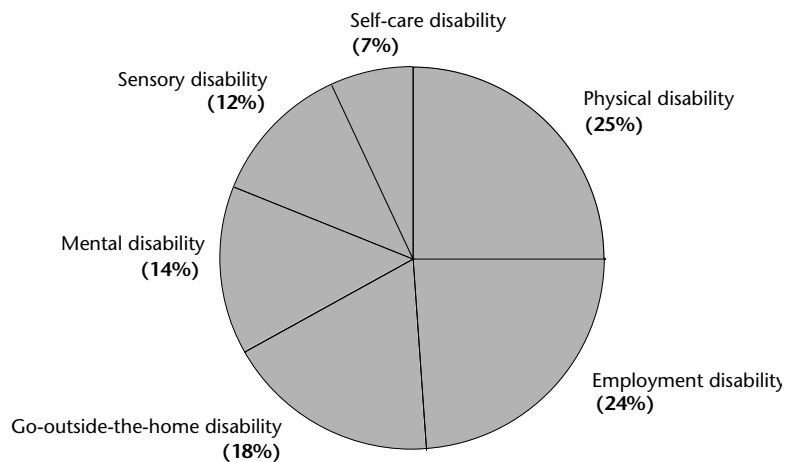
- They were five years old and over and, on the 2000 Census survey, had a response of “yes” to a sensory, physical, mental or self-care disability;
- They were 16 years old and over and had a response of “yes” to going outside the home disability; or
- They were 16 to 64 years old and had a response of “yes” to employment disability.

The Census definition of people with disabilities includes individuals with both long-lasting conditions, such as blindness, and individuals that have a physical, mental or emotional condition lasting 6 months or more that makes it difficult to perform certain activities. In 2000, 1,054,757 Hoosiers over the age of five indicated disability status. According to a 2002 publication *Opening Doors* produced by the Technical Assistance Collaborative and the Consortium for Citizens with Disabilities Housing Task Force, 23 percent of all rural area residents and 18 percent of all urban area residents are people with disabilities. Based on 2000 Census data, this indicates that nearly 775,000 persons in urban areas have a disability and almost 409,000 persons with disability status resided in rural areas.

The 2000 Census also reports total disabilities by type of disability for the population five years and older. Exhibit V-18 below displays the distribution of *types of disabilities* in Indiana in 2000.

Exhibit V-18. Types of Disabilities, 2000

Source:
U.S. Bureau of the Census, 2000.



Of all disabilities, physical disability is the most prevalent, comprising one-quarter of all types of disabilities. According to the U.S. Census, seniors aged 65 and over compose 45 percent of persons with a physical disability, and 28 percent of all elderly had some form of physical disability.

Housing. Much like the elderly, it is difficult to estimate the housing situations of persons with physical disabilities because they often live independently or rely on family and friends for assistance. Furthermore, specific data on the housing needs of persons with physical disabilities is lacking.

Census data provide estimates of persons with disabilities who are living in poverty, which can be somewhat of a proxy for housing need. In 2000, 232,000 Hoosiers who had a disability lived in poverty. Census data suggest that persons with physical disabilities comprise roughly 44 percent of all persons with disabilities, and that 70 percent of persons with disabilities reside in rural areas. Applying these assumptions to the poverty data, an estimated 71,000 persons with physical disabilities in rural areas are living in poverty and, as such, are likely to have some type of housing need (e.g., cost burden, substandard housing).

Meeting housing needs of persons with disabilities in rural communities can be especially challenging. Challenges include poor quality housing, fewer accessible units and limited transportation options.²⁹

The latest *Five Year State Plan for People with Disabilities* reported that persons with disabilities want to live in a community with privacy, safety, and without fear of being raped, abused or belittled. They need supportive services to make this possible. Some require the support of assisted living, but not regimentation. Those who are married expect to be able to live together. Group homes and Independent Living Centers are helping people become more self-sufficient, but they need well-trained, permanent staff who can teach life skills.

Outstanding need. The Governor's Planning Council for People with Disabilities (GPCPD) is currently conducting the "Tell It Like It Is" survey, which will help the Governor's Council understand how people with disabilities and their families feel about the current status of disability-related issues in Indiana. The results from the survey will be used by the Council in shaping a five-year plan for 2007-2011.

A consumer survey of nearly 1,400 Indiana residents with disabilities and various focus groups with representatives from nonprofit organizations and advocacy groups were conducted as part of their *Five-Year State Plan for People with Disabilities* (2001–2005). Through their research, they identified the following "key issues" for Indiana residents with disabilities:

- **Home and community-based services.** Indiana residents with disabilities believe that services delivered to their homes and places of work provide the greatest benefit, and they desire more options and greater investment in the implementation of such services.
- **Waiting lists.** Currently, thousands of Hoosiers with disabilities are waiting for home and community-based care services. According to the GPCPD report, "The issue is not just that waiting is hard, but many people's conditions deteriorate while they are waiting for services."
- **Full utilization of Vocational Rehabilitation Services funds.** Indiana residents with physical disabilities who participated in the survey indicated that they believe the available Vocational Rehabilitation Services programs are currently underutilized.

²⁹ *Opening Doors, A Housing Publication for the Disability Community*, October 2004, Issue 27.

A recent study, *Priced Out in 2004*, compared average monthly SSI payments with rental housing costs at the national level and for each state. The study concluded that persons with disabilities receiving SSI income support lost “buying power” in the nationwide rental housing market over the past two years. The study also found that in Indiana, the monthly SSI benefit of \$564 in 2004 represents only 16.9 percent of Statewide one-person median income. A person with disabilities receiving SSI income support in Indiana would have to pay 88.7 percent of this monthly benefit to be able to rent a modestly priced one-bedroom unit (in January 2006 the SSI benefit was raised to \$603 per month, a 6.9 percent increase).

Resources and solutions. Many of the programs (including CDBG and HOME) available to persons with developmental disabilities and some of the programs for the elderly are also available to persons with physical disabilities. Individuals with physical disabilities also have access to financial and supportive service programs to help meet their housing and support needs.

Supplemental Security Income. Supplemental Security Income (SSI) is a federal income support program that is available to people who have disabilities and limited income and resources. Effective January 2006, the SSI payment for an eligible individual is \$603 per month and \$904 per month for an eligible couple. For January 2005, the SSI payment for an eligible individual is \$579 per month and \$869 per month for an eligible couple. The State of Indiana does not add any money to the basic benefit.

CHOICE. Community and Home Options to Institutional Care for the Elderly and Disabled (CHOICE) is a State funded program that supports the elderly and people with disabilities. It can cover financial assistance for home modifications and various in-home supports (e.g., personal attendant care). In 1998 (the date of the last available data), approximately 1,800 Indiana residents with physical disabilities received CHOICE funds (18 percent of the total number of CHOICE fund recipients). In FY 2001, there were a total of 12,537 persons served by CHOICE and 2,666 of those residents (21 percent) were under 60 years old with physical disabilities. The number of residents over 60 years old with physical disabilities was not provided.

In FY 2004, 10,488 Indiana residents benefited from the CHOICE program, a decrease of 7 percent from FY 2003. However, the original projections of CHOICE program use have been exceeded. Between 1998 and 2004, the number directly served by CHOICE increased by 10 percent. In FY 2004, there were 9,296 people on the waiting list to receive CHOICE services, an increase of 5.6 percent from FY 2003, which is approximately a three to four month wait from the first date of contact.³⁰

The 2002 *Statewide IN-Home Services* report stated that 80 percent of CHOICE beneficiaries served were 60 years and over and 20 percent were persons with disabilities only (not 60 years and over).³¹ During FY 2002, individuals 85 and over accounted for 27 percent of all CHOICE beneficiaries. In 2002, most CHOICE recipients lived alone and had incomes of less than \$10,000 per year.

Medicaid. Medicaid services are available to meet the needs of individuals living in the community, large and small congregate facilities or who are receiving care in a hospital. Medicaid waivers allow Medicaid to fund home and community-based services that have the support services needed for

³⁰ Indiana Family & Social Services Administration, *Statewide IN-Home Services 2004 Annual Report, July 1, 2003 – June 30, 2004*.

³¹ The 2003 and 2004 *Statewide IN-Home Services* report did not break down recipients by age.

individuals to live in his/her own home. Currently in Indiana, Medicaid can be used for in-home services for the elderly and disabled in cases where without the services, an individual would need to be institutionalized. Medicaid waivers can also pay for “environmental modifications” to the homes of elderly or disabled individuals. Medicaid waiver funding cannot be used to cover the cost of housing, although up to \$10,000 can be used for environmental modifications. The State recently received approval from Centers for Medicare & Medicaid Services (CMS) to be able to use Medicaid for assisted living services. During FY 2004 Medicaid waivers served a total of 5,050 people and 4,637 of these were Aged and Disabled waivers.

Effective July 1, 2003, Medicaid participants receiving institutional care who are clients of the Autism and Developmental Disability waiver programs will have \$1,000 available to them for out-of-pocket expenses when transitioning from institutions to community settings. The allowance will pay for the client’s initial security deposit on an apartment, essential furnishings, pest eradication and set up fees for utilities and telephones.

In October 2003, the State received a grant of \$500,000 to enhance community-based services for senior citizens and people with disabilities. During 2002 and 2003, Indiana’s Family & Social Services Administration (FSSA) helped create options for more than 4,800 seniors and 2,000 people with disabilities to live in their homes and communities. In the next two years, FSSA plans to help create options for 1,000 more seniors and 1,000 more people with disabilities.

Individuals apply for a Medicaid waiver through their local Area Agency on Aging offices, Vocational Rehabilitation offices, Bureau of Developmental Disabilities Services field offices, and/or Division of Family and Children offices. The lifetime cap for use of Medicaid waivers is currently \$15,000 for disabled individuals and the elderly.

Governor’s Planning Council for People with Disabilities. The GPCPD has identified the following four objectives for increasing community inclusion of persons with physical disabilities:

- Increase the number of children with disabilities in inclusive educational settings, including those with emotional disabilities;
- Increase the number and quality of community living supports that enable people with disabilities and families to participate in inclusive community activities of their choice;
- Expand the number of people with disabilities who have accessible, affordable housing; and
- Expand the availability of accessible, affordable public and private transportation throughout the State, especially in rural areas.

GPCPD plans to expand the number of persons with disabilities who have accessible, affordable housing through the implementation of the following strategies:

- Promote interagency coordination around quality housing;
- Build supports that enable people to live in their own houses;
- Educate about and advocate for the benefits of universal design with housing designers, developers and builders as well as the general public; and
- Promote awareness in the housing industry that persons with disabilities are viable customers.

Five-Year Plan for People with Disabilities. The Council is currently developing a five-year plan for 2007-2011. The Five Year Plan identifies a vision for the future of community living for persons with disabilities. This vision includes the establishment of affordable and accessible, individualized and dispersed housing for people with disabilities of all ages throughout the community, and the direction of funding away from services/buildings that congregate people with disabilities. This vision includes the provision of individualized supports to meet people’s needs in their own homes (ownership or rental).

Persons with Mental Illness or Substance Abuse Issues

Total population. It is appropriate to consider persons with mental illness and those with substance abuse issues together because Indiana uses one system to serve both of these populations.³²

Severe mental illness. The most recent estimates (for 2006) developed by the State’s Division of Mental Health place the population of persons with severe mental illnesses at approximately 247,285. A recent actuarial study estimates the target population for State services—that is, the poorest and least able to secure services—at 67,071.

Substance abuse. It is estimated that 0.43 percent of Indiana’s population are substance abuse clients in specialty treatment units on any given day. Given the 2005 population of 6,217,973 people, this would result in a total of 26,969 substance abuse clients Statewide.

If the prevalence of mental illness and substance abuse were the same in nonentitlement areas as the State as a whole, they would be home to approximately 144,000 people with mental illness and 15,600 substance abuse clients.

Characteristics of the populations. Exhibit V-19 displays the number of people served by the Indiana Division of Mental Health and Addiction (DMHA) from July 1, 2004, to June 30, 2005. The clients identified are all adults (18 years and older) who received services through community mental health centers and/or managed providers funded by the Indiana DMHA and Addiction Hoosier Assurance Plan (HAP), the primary funding source for mental health and additional services in Indiana. Included clients met specific income and diagnostic criteria. The number of individuals displayed represents an unduplicated count of persons. Individuals are entered only once into the DHMA database per fiscal year, and may only be categorized in one “agreement type,” (i.e., seriously mentally ill or chronically addicted/substance abuse).

**Exhibit V-19.
Consumers Served by the
Division of Mental Health
and Addiction, FY 2006**

Note:
Persons served have income at or below
200 percent of the Federal Poverty Level.
Source:
Indiana and Social Services Administration,
Division of Mental Health and Addiction,
INDIANA Numbers of Consumers Served
Report, FY2006.

	Indiana
Seriously mentally ill adults (SMI)	48,114
Seriously emotionally disturbed children (SED)	28,256
Co-occurring disorder (Adults, SMI with chronic addiction)	4,597
Chronically addicted adults	26,214
Chronically addicted women with children or pregnant	3,001
Total consumers served	110,182

³² Persons with mental illness are also often referred to as “persons with psychiatric disabilities.” This report uses the term “persons with mental illness,” which is currently used by HUD.

During FY 2004, the Division of Mental Health served 21,523 people through the Substance Abuse Prevention Treatment (SAPT) block grant. The SAPT block grant is administered by the federal Department of Health and Human Services Center for Substance Abuse Services, Substance Abuse and Mental Health Services Administration (SAMHSA). To receive these funds, an annual application with public review is necessary. Two of the requirements are that 20 percent of the award must be spent for alcohol and drug abuse prevention services and that treatment services for pregnant women and women with dependent children must be funded. Sixty-nine percent of service recipients in FY 2004 were men, 78 percent White and 18 percent African American. After treatment, 1.2 percent of persons who had been homeless did not return to homelessness, 11 percent of persons abstained from alcohol use and 13 percent abstained from other drug use.

The Division of Mental Health and Addiction's *Biennial Report SFY 2002-2003* released May 2004 estimated the number of Hoosiers in certain populations with incomes at or below 200 percent of the poverty level. The Division focused on prevalence data for the population with incomes at or below 200 percent of the poverty level—this is the population targeted by the Hoosier Assurance Plan (HAP). From July 2002 to June 2003, 77,295 persons with mental illness and/or co-occurring disorder, 28,855 children with a serious emotional disturbance and 87,946 Hoosiers with a chronic addiction were eligible for HAP services.

The National Institute on Mental Health (NIMH) has a department specifically dedicated to rural mental health. A fact sheet from September 2000 states that the prevalence of mental illness, substance abuse and disability in rural areas is equal to and often greater than in urban areas. There are unique barriers in rural areas such as access and availability of services, poverty, geographic isolations and cultural differences. People who do seek help, often only have the option of seeing a primary care physician who may lack the appropriate training and resources. In addition, cost of services is a major barrier to care. Only 25 percent of people in rural areas qualify for Medicaid, compared to 43 percent in urban areas. People living in rural areas have comparable insurance to those in urban areas; however, the coverage is less comprehensive and may not include psychotherapy. Geographic location often requires that SMI people seek treatment in a hospital or facility far from their friends and family—if they do seek help in a facility close to home, they are often in a general medical facility without psychiatric specialists.³³

According to the *AIDS Housing of Washington Spring 2003 Fact Sheet*, among the population with a mental illness, HIV prevalence rates range from 4 percent to 18 percent, compared to a 1 percent prevalence rate among the general population. A 2001 study concluded that nearly half of the population receiving care for HIV also had a psychiatric disorder. People who are mentally ill and abuse substances are at an even higher risk for HIV infection and homelessness. In fact, a study conducted by the American Journal of Addiction in 1998 found that persons with co-occurring disorders have a 19 percent rate of HIV infection—cocaine users were 4.5 times more likely to be HIV positive than non-users.³⁴

³³ Department of Health and Human Services, Public Health Service, National Institute of Health, *Rural Mental Health Research Fact Sheet*.

³⁴ AHW Fact Sheet, Spring 2003, *Living with HIV/AIDS and a Major Mental Illness*.

Housing. Of persons with a mental illness, co-occurring disorders or a gambling addiction served by FSSA in 2003, 76 percent lived in a private residence; 2 percent lived in a foster home; 7 percent lived in residential care; 3 percent in an institutional setting; less than 1 percent in jail/correctional facility; 2 percent were homeless; 2 percent lived in other setting; and 7 percent did not provide data.

It is estimated that there are 97.5 beds available for substance abuse treatment per 100,000 people in the United States. Given this estimate, Indiana would have 5,662 total beds targeted to persons with substance abuse on any given day.

The number of persons being served in state hospitals and the length of stay has steadily declined over the past several years. The number of people served in state psychiatric institutions from SFY 1999 to 2003 has decreased by approximately 500 persons. Additionally, the percentage of patients in state hospitals staying less than one year has increased from 37 percent in SFY 2000 to 45 percent in SFY 2003. This shift in persons served and length of time in state hospitals is attributable to the “increase in community capacity and the efforts to serve consumer in the least restrictive setting that is appropriate for each consumer [Olmstead Act].”³⁵

In 2001, the Indiana division of the National Alliance for the Mentally Ill (NAMI) conducted a residential survey of CMHCs throughout the State. Approximately 30 CMHCs responded to the survey and reported nearly 1,900 beds or units available for people with mental illness. The survey identified units that were owned by CMHCs, in addition to subsidized units or residences for clients they served. Types of units included group homes, HUD apartment complexes, cluster homes, assisted living, emergency housing and home-based services, among other types of living arrangements. Exhibit V-21 below displays the CMHCs who completed the survey and the number of beds or units they had available.

³⁵ Indiana Family and Social Services Administration, Division of Mental Health and Addiction, *Biennial Report SFY 2002-2003*.

Exhibit V-21.
2001 NAMI Indiana Survey of Community Health Mental Centers

Resource	Area Served	Units/Beds
The Center for Mental Health	Anderson	70
Center for Behavioral Health	Bloomington/South Central Indiana	N/A
BehaviorCorp	Marion, Boon, Hamilton Counties	50
Quinco Behavioral Health Systems	Columbus, North Vernon, Seymour	44
Cummins Mental Health Center, Inc.	Greencastle, Brownsburg	13
Tri-City Community Mental Health Center	Hammond, Munster, Whiting, East Chicago	40
Oaklawn Psychiatric Center	Elkhart	33
Southwestern Indiana Mental Health Center, Inc.	Evansville	40
Park Center	Fort Wayne	140
Edgewater Systems Residential Services	Gary	72
Adult & Child Mental Health Center	Indianapolis	N/A
Gallahue Mental Health Center	Indianapolis	57
Midtown Community Mental Health Center	Indianapolis - Center, Wayne Townships	96
Southern Hills Counseling Center, Inc.	Jasper	10
LifeSpring Mental Health Services	Jeffersonville	377
Northeastern Center, Inc.	Kendallville	20
Howard Community Hospital	Kokomo	40
Community Mental Health Center	Lawrenceburg	N/A
Four County Counseling Center	Logansport, Cass County	41
Grant-Blackford Mental Health, Inc.	Marion, Grant County	130
Southlake Center for Mental Health	Merrillville, Schereville, Lake County	85
Swanson Center	LaPorte County, Michigan City	28
Comprehensive Mental Health Services, Inc.	Muncie	91
Dunn Center	Richmond	98
Madison Center and Hospital	South Bend	83
Hamilton Center, Inc.	Terre Haute and Marion	55
Porter-Starke Services, Inc.	Valparaiso	15
Samaritan Center	Vicennes	55
Bowen Center	Warsaw	79
Wabash Valley Hospital	West Lafayette	N/A
Entitlement areas		887
Nonentitlement areas		975
Total		1,862

Note: It is likely that this estimate is slightly lower or higher as the survey was conducted in 2001.

Source: Indiana National Alliance for the Mentally Ill, 2001.

Outstanding need. Provision of housing to persons who are mentally ill or abuse substances in rural areas is difficult due to two factors. First, rental properties, particularly apartments, are less common outside of large cities. Additionally, HUD's scoring system for Section 811 grants use minority participation as a significant factor in evaluations. Given the small number of minorities in the State's nonentitlement areas, this requirement puts applications from such areas at a disadvantage from the outset. Due to these factors, and the fact that all of the State's Mental Health Services for Homeless Persons with Mental Illness (PATH) programs are located in large cities, it seems likely that there is an outstanding need for housing for the mentally ill and for individuals with substance abuse problems in nonentitlement areas in Indiana.

The Division of Mental Health and Addiction's *Biennial Report* tabulated the number of Hoosiers who qualified for HAP during SFY 2003. Exhibit V-22 displays HAP eligible Hoosiers by disability and funding status.

**Exhibit V-22.
HAP Eligible Hoosiers by Disability and Funding Status, SFY 2003**

	Received DMHA funds for hospital services	Received DMHA funds for community services	Total served with DMHA funds	Received community services without DMHA funds	Unmet need - did not seek treatment or DMHA funds	Total
Adults w/SMI and co-occurring disorder	1,537	24,220	25,757	23,817	27,721	103,052
Hoosiers w/chronic addiction	283	18,882	19,165	6,789	61,992	107,111
Children w/SED	<u>171</u>	<u>9,974</u>	<u>10,145</u>	<u>13,038</u>	<u>6,672</u>	<u>40,000</u>
Total	1,991	53,076	55,067	43,644	96,385	250,163

Source: Indiana and Social Services Administration, Division of Mental Health and Addiction, Biennial Report SFY 2002-2003.

Exhibit V-22 above highlights over 96,000 HAP eligible Hoosiers with unmet needs (persons needing treatment and DMHA funds) in SFY 2003. Additionally, HAP requires that providers serve all eligible people seeking treatment. However, the Division is not able to fund all persons eligible for services. Almost 44,000 persons received unfunded treatment in SFY 2003.

The FSSA completed their third annual *State Operated Facilities (SOF) Community Readiness Report*. The study, also known as the *State Hospital Client Readiness Assessment*, is part of the DHMA mandate to develop plans for the State operated psychiatric facilities. This mandate, which comes from both State and federal resources, requires that the plan be based on individual client assessments relative to the clients' readiness for community-based care. Community Mental Health Centers (CMHC) and State Hospitals evaluated 650 consumers in State operated facilities in August 2002. Consumers with a serious mental illness constituted 510 (or 78 percent) of those evaluated. Consumers were evaluated based on the expected date at which they would be ready to leave the hospital and the availability of the kind of setting that they would need. Exhibit V-23 displays the results of the evaluation.

**Exhibit V-23.
Community Setting Availability, 2002**

All Populations (SMI, MICA and SED)	Setting Exists	Setting Being Developed	Setting Full with Waiting List	Setting Exists Out of Home Area	Setting Does Not Exist	Total
Ready for discharge	8%	1.2%	3%	1%	1%	14%
1 month to 6 months	20%	3%	6%	1%	0.5%	31%
6 to 12 months	12%	2%	4%	0%	1%	18%
1 to 2 years	8%	0.5%	2%	1%	2%	13%
2 years or more	5%	0.2%	0%	1%	6%	12%
May never be ready	<u>4%</u>	<u>0%</u>	<u>0.5%</u>	<u>1.1%</u>	<u>6%</u>	<u>12%</u>
Total	56%	7%	15%	5%	16%	100%

Note: SMI = Serious Mental Illness, MICA = Chemically Addicted, and SED = Serious Emotional Disturbance.

Source: State Operated Facilities Community Readiness Report. SFY 2003.

As shown in the previous table, 14 percent of the total 650 consumers were determined to be ready for discharge at the time of the assessment. This 14 percent was evenly distributed throughout the State. Overall, 202 or 31 percent of seriously mentally ill (SMI), mentally ill and chemically addicted (MICA) and serious emotional disturbance (SED, includes only children and adolescents) populations were evaluated to be placement-ready within one to six months.

The study found that 56 percent of all consumers assessed had an existing setting available, or would have a setting available at the time of discharge. The majority of the balance of consumers, regardless of their discharge status, were categorized under facilities that were full with a waiting list (15 percent) and/or did not have facilities that would suit their needs (16 percent).

In terms of placement needs, supervised group living (SGL) settings were determined most appropriate for 220, or 43 percent, of the SMI population. Ten percent were determined to need placement within a medical or nursing facility for extended care. A total of 58 MICA consumers were assessed; 26 percent were evaluated to need specialized residential treatment services for substance abusers, and 48 percent were divided equally indicating discharge to their family/personal home or a need for supervised group living. For SED consumers, it was anticipated that 65 percent of these children and adolescents would need to return to a family setting.

In 2006 the National Alliance for the Mentally Ill (NAMI) released a comprehensive survey and grading of state adult public mental health care systems in more than 15 years. Public systems serve people with serious mental illnesses - such as schizophrenia, bipolar illness, and major depression - who have the lowest incomes. The grades were based on surveys and publicly available information. The Nation received a grade of D, which suggests the system is in trouble. Indiana received the grade D- and was described as a state in transition due to the recent changes in leadership with a new vision. The review mentioned that DMHA has a Transformation Work Group that has defined several initiative for immediate action:

- Changes in the state hospital system
- Better management of contract relationships with providers
- Better cross-agency relationships
- Greater consumer and family participation, and
- Measurement of outcomes.

Urgent needs the report suggested for Indiana included caution on scope and speed of changes, greater transparency, consumer and family participation, and waiting list reduction for community services. Recent innovations included commitment to transformation, implementation of Assertive Community Treatment (ACT) partnership with universities, and the prison education program.

The New Freedom Commission on Mental Health Study. President Bush announced the creation of the New Freedom Commission on Mental Health (Commission) on April 29, 2002. The Commission's goal was to study the current mental health service delivery system to identify problems and make recommendations that would enable adults and children to participate fully in their communities. Before the Commission concluded its research, the President identified three obstacles that prevented Americans from receiving quality mental health care—the “stigma that surrounds mental illness, unfair treatment limitations and financial requirements placed on mental health benefits in private health insurance, and the fragmented mental health service delivery system.”

The Commission recognized many barriers and unmet needs in its July 2003 report such as the current fragmentation of the system that creates gaps for children and adults seeking care, high rates of unemployment among persons with mental illnesses, lack of care for older adults with mental illnesses, and the lack of national focus on mental health and suicide prevention.

The Commission identified six goals to transform the mental health system:

Goal 1: Create more awareness among Americans that mental health is essential to overall health.

Goal 2: Develop a system where mental health care is consumer and family driven.

Goal 3: Eliminate disparities in mental health services.

Goal 4: Ensure that early mental health screening, assessment and referrals are common practice.

Goal 5: Provide excellent mental health care and accelerate research.

Goal 6: Improve technology to access mental health care and information.

In developing the above goals, the Commission gathered research that produced the following information pertinent to this report.

Mental illness is the leading cause of disability as identified in a study conducted by The World Health Organization (WHO) in 2000. Almost 25 percent of all disabilities in major industrialized countries are mental illness related. Yet, among the primary mental health service organizations, services and funding are fragmented. Each individual program is an essential part of the mental health system, however, as a whole, the financing approach is complex, fragmented and driven by bureaucratic boundaries that create overwhelmed and bewildered consumers. The Commission recommended that agencies create individualized plans of care that will help overcome the fragmented and uncoordinated service system.

Services for people with co-occurring disorders need to be expanded. Research validates this point, suggesting that half of the adults with a diagnosed mental disorder will also have a substance abuse problem in their lifetime. However, the Commission found that few providers treat both disorders—19 percent of the population with co-occurring disorders are treated for both problems and 29 percent are not treated for either disorder.

Employment needs. According to the New Freedom Commission's report, persons with mental illnesses have a high rate of unemployment *and* underemployment. In fact, persons with mental illness have the lowest levels of employment among all disability types. Only 1 in 3 persons with mental illness are employed, even though surveys show that these adults desire to work and have the capabilities to do so. Seventy percent of persons who have a serious mental illness and have a college degree earn less than \$10 an hour.

Of persons on SSI, 35 percent are individuals with serious mental illnesses, representing the largest diagnostic group. Likewise, 28 percent of all SSDI recipients have a serious mental illness. Many of the individuals with mental illness live below the poverty level. Ironically, SSI recipients returning to work often find they become even poorer, since employment results in loss of Medicaid coverage that is essential for medication coverage and treatment. Therefore, there is a financial disincentive for persons to return to full employment.

According to the DMHA's *Biennial Report*, the two most important factors in successful recovery for persons with mental illness and/or substance abuse are adequate living arrangements and employment. During SFY 2002, 38 percent of adult HAP consumers were unemployed and looking for work. This compares to only 27 percent of adult HAP consumers who had either a part time or full time job.

Housing needs. The New Freedom Commission reported that one of the most significant barriers for persons with mental illnesses is finding decent, safe and affordable housing with supportive services. In fact, people who rely solely on SSI benefits have incomes equal to 18 percent of the median income and are not able to afford decent housing in any one of the 2,703 housing market areas, as defined by HUD. As a result, people often cycle between the jails, institutions and shelter systems. Among the population experiencing homelessness, persons with mental illness are overrepresented; 46 percent reported having a mental health problem within the previous year.

In addition, affordable housing programs are extremely competitive and federal policies often inhibit individuals with substance abuse problems, poor credit and criminal records from qualifying for Section 8 vouchers or public housing units. If individuals are able to qualify for Section 8 vouchers, they are often unable to use the vouchers for various reasons (cost of units may exceed voucher guidelines, units do not meet Federal Housing Quality Standards, landlords refuse to accept vouchers, and housing search assistance is unavailable). Another problem is the lack of available units. Many units have been converted to "elderly only" housing, leaving few units for persons with disabilities. Since 1992, 75,000 HUD units nationwide have been converted to elderly housing.

Consumers tend to be more accepting of treatment if they have a suitable place to live. In order to retain consumers in a home setting, supportive services are vital. A University of Pennsylvania study concluded that persons with mental illness who receive supportive housing services cost the public \$16,282 less per person per year when compared to the costs of mental health, corrections, Medicaid, public institutions and shelters that the same individual would need without supportive housing services.

Resources and solutions. The following section describes the resources and solutions available to persons with mental illness and/or substance addictions.

Hoosier Assurance Plan. Through the Hoosier Assurance Plan, the State's Division of Mental Health contracts with managed care providers to provide services to individuals requiring mental illness or substance abuse treatment and who have annual incomes falling beneath 200 percent of federal poverty guidelines. The Division has statutory authority for 44 managed care providers Statewide. Each provider is reimbursed on a per consumer basis from the State. Since Indiana is consciously trying to downsize its State hospitals and de-institutionalize its mental health system, Community Mental Health Centers (CMHC) are also allowed to "cash in" allocated State hospital beds for additional resources. CMHCs provide the following mandated services: inpatient services, partial hospitalization/psychosocial rehabilitation, residential services, outpatient services, consultation, education and community support. Priority populations are adults with chronic mental illness and children and adolescents who are seriously emotionally disturbed. During SFY 2003, the Hoosier Assurance Plan served approximately 53,000 persons with mental illness and addictions.

PATH and Community Mental Health Centers. The Division of Mental Health supports eight Mental Health Services for Homeless Persons with Mental Illness (PATH) teams and four Community Mental Health Centers (CMHC) with Shelter Plus Care programs. These provide housing, job training, case management, medical services and referrals. In addition, most CMHCs also serve persons experiencing homelessness through referrals from other agencies. It should be noted that the PATH teams are all located in Indiana's six largest cities, meaning that few of these housing services are available in nonentitlement areas. A PATH-like team has recently been funded at the Center for Mental Health in Anderson using Mental Health Block Grant funds.

Substance Abuse Prevention Treatment. The Substance Abuse Prevention Treatment (SAPT) block grant is administered by the federal Department of Health and Human Services Center for Substance Abuse Services, Substance Abuse and Mental Health Services Administration (SAMHSA) and awards organization funds on an annual basis. To receive these funds, an annual application with public review is necessary. Two of the requirements are that 20 percent of the award must be spent for alcohol and drug abuse prevention services and that treatment services for pregnant women and women with dependent children must be funded.

Other services. In addition to State-provided services, Indiana's statutes require employers who provide mental health coverage to provide it in full parity with physical health coverage. Furthermore, the State's Children's Health Insurance Program provides full parity for mental illness.

Homeless Task Force goals. As noted earlier, the State's Continuum of Care recently addressed the needs of people with mental illness who are also homeless. In regard to this population, the Homeless Task Force's 2003-2004 goals aim to:

- Improve working relationships between mental health centers and homeless providers to ensure better access to services by mentally ill homeless persons (ongoing);
- Survey mental health centers by December 2002 (completed);
- Develop model service agreements (ongoing);
- Establish service agreements between at least 75 percent of the mental health centers with homeless service providers by May 2003 (ongoing—DMHA reports that many of the mental health centers have good verbal agreements in place with homeless service providers. DMHA is reviewing how those agreements are working out.); and
- Highlight mental health centers that have established strong relationships with homeless service providers at the March 2003 training sessions (ongoing—Did not do in 2003. Task Force included with 2004 CoC trainings).

Migrant Agricultural Workers

Federal regulations identify “Migrant farm workers” as seasonal farm workers who travel to do farm work and are unable to return to their permanent residence within the same day. “Seasonal farm workers” as agricultural workers who receive over half their yearly earned income from agricultural work, work at least 25 days a year earning that income, and don’t work year round for the same employer.

Total population. By definition, the number of migrant agricultural workers in Indiana fluctuates and, consequently, is difficult to measure. During 2004 the Consolidated Outreach Program staff identified 4,982 farm workers and their dependents in the state of Indiana and were employed by throughout the State. However, this count does not include seasonal workers, which are very difficult to measure due to their transient nature. Thus, the total of migrant and seasonal workers is much higher than this identified count. A 2000 study conducted by the Indiana Commission on Hispanic/Latino Affairs identified approximately 8,000 migrant and seasonal farmworkers employed in Indiana. The 8,000 workers were largely employed in St. Joseph, Howard, Grant and Madison counties.

A Housing Study in Marion County, Indiana, prepared by the Institute for Social and Economic Development (ISED) in 1994, focused on persons living in Marion County and performing farm labor in either Marion, Hendricks, Morgan, Johnson, Shelby or Hancock counties.³⁶ Fifty-eight percent of the growers in the study area expected the future demand for seasonal workers to increase. Although the study is dated, to the extent that the growers’ expectations of future demand for labor hold true, meeting the needs of the migrant population could be increasingly important as the population grows in response to demand.

Characteristics of migrant farmworkers. The Indiana Commission on Hispanic/Latino Affairs report entitled *Latinos in Indiana: Characteristics, Challenges and Recommendations for Action*, reported the following characteristics of migrant farmworkers in Indiana:

- The typical migrant farmworker family consists of 2 adults and 3 children.
- The average family has three full-time workers.
- The median family income is \$4,400.
- 98 percent are Hispanic/Latino.
- 49 percent travel from Texas.
- 10 percent travel from Florida.
- 97 percent of the families live below the poverty line.
- 51 percent speak only Spanish or limited English.
- 80 percent are not enrolled in Medicaid or Medicare.

³⁶ Because a major portion of the study area is urban, including Indianapolis, the study findings may not be applicable to rural areas.

As part of the 2005-2009 Consolidated Planning process, surveys were sent to organizations that work with migrant farmworkers. The following are characteristics of farmworkers identified by survey recipients:

- Farmworkers are from Florida and southern Texas and come to Indiana from June to October to help in the fields and harvest operations.
- Farmworkers are generally under the age of 40.
- Farmworkers leave families in Florida and Texas and send a portion of their earnings back home.

Outstanding need. There are few recent studies of the needs of migrant farm workers in Indiana. State level studies supplemented with national studies offer insight into this population's needs in the State.

Housing. The study conducted by ISED in Marion County found that most grower-provided housing consisted of dormitories, single-family detached and attached structures, and mobile homes. Individuals and families not living in grower-provided housing resided in single-family detached structures, former single family structures converted into multi family units, multi family units located in complexes, and mobile homes. The 2000-2001 by the U.S. Department of Labor's National Agricultural Workers Survey (NAWS) found that 61 percent of migrant farmworkers lived in housing that they rented from someone other than their employer. A 2001 Housing Assistance Council survey indicated that 45 percent of migrant agricultural workers live in either single or multi family housing. Employers owned 25 percent of all units, and 57 percent of employer-owned units were provided free of charge. According to the *Latinos in Indiana* study, grower provided housing is often provided in lieu of higher wages.

The 2001 nationwide survey of the migrant worker population by the Housing Assistance Council found that the median monthly income for migrant worker respondents was \$860, and the median monthly housing cost was \$345. Excluding units where no rent was charged, the median housing cost was \$380. Three in five units were occupied by households with incomes at 80 percent or less of Area Median Income (AMI). Thirty-eight percent of migrant worker households surveyed had incomes of 50 percent or less of the AMI, and 17 percent had incomes 30 percent or less of the AMI.

Serious structural problems, including sagging roofs, house frames or porches, were evident in 22 percent of the units surveyed and 15 percent had holes or large sections of shingles missing from their roofs. Foundation damage was evident in 10 percent of all units and windows with broken glass or screens were found in 36 percent of the units. Unsanitary conditions, such as rodent or insect infestation, were evident in 19 percent of the units surveyed and 9 percent had frayed wiring or other electrical problems present. More than 10 percent of units lacked a working stove, 8 percent lacked a working bath or shower, and more than 9 percent lacked a working toilet.

The 2001 Housing Assistance Council survey found that crowding was extremely prevalent among migrant worker housing units. Excluding dormitories and barracks (structures designed for high occupancy), almost 52 percent of all units were crowded (defined as having a mean of more than one person per room, excluding bathrooms). Among crowded units, 74 percent had children present. Many farm workers face a multitude of housing problems. Twenty percent of substandard units were also overcrowded; 11 percent of all units were substandard *and* the workers were cost burdened; and 6 percent of all units (19 percent of all substandard units) were substandard, cost burdened and overcrowded. Applying these percentages to the 8,000 migrant and seasonal farmworkers in Indiana,

1,760 would live in substandard housing; 4,160 in a crowded environment; and 480 in a substandard, cost burdened and crowded conditions.

The goal of the Marion County study was to determine the feasibility of building a permanent farm labor housing complex within Marion County. As such, in order to qualify there were household residency and income requirements. Of the 78 households surveyed, 61 qualified for this potential housing complex. It is important to note that the needs of these 61 households represent permanent farmworkers and not necessarily the migrant population. Of the 61 households, the most widely needed unit size was a 1-bedroom unit followed by a 2-bedroom residence. The majority of qualifying households were satisfied with one bathroom. The same households indicated that childcare, laundry facilities, playground equipment and a community room were all necessities.

Exhibit V-24 displays market rents by unit sizes reported by the ISED study in Marion County in 1994. The rent levels identified were what a household might expect to pay in 1994 for a “good” quality housing unit.

**Exhibit V-24.
Market Rents by Unit Size
for Marion County, 1994**

Source:
A Housing Study in Marion County, Indiana,
Institute for Social and Economic
Development.

Unit Size	Average Monthly Rents
Multi-unit Attached Structure	
Efficiencies	\$275 to \$415
1-Bedroom	\$300 to \$500
2-Bedrooms	\$340 to \$650
3-Bedrooms	\$500 to \$750
Single-unit Detached Structure	
Varies by structure	\$300 to \$1,500

In order to afford a \$400 per month 1-bedroom unit—the largest need in Marion County as indicated above—an *individual* would need to earn at least \$16,000 a year. However, 77 percent of ISED surveyed *households* in 1994 earned less than \$11,000 per year—mean household income was \$9,535 and median household income was \$8,000. Of the surveyed households, only 8 percent could afford a \$400 per month 1-bedroom unit.

The Marion County study reported that in recent years, the State has begun to enforce housing regulations in labor camps throughout the State. The standards are increasing housing costs for growers and, ironically, forcing many growers to stop providing housing altogether. Without grower provided housing, an increasing number of farmworkers are searching for housing units in a competitive housing market. Thus, the affordable housing market has seen increasing pressure and decreased housing availability.

The survey results indicated that if farmworker households spent no more than 30 percent of their income on housing (above which would designate a cost burdened household) affordable housing units available to them would be limited to only 12 percent of the rental market in Marion County.

Employment and working conditions. Few of Indiana’s permanent residents seek out seasonal farm work due to the low wages and arduous tasks. Seasonal farm labor usually entails working in the fields and packing plants, generally requiring 6-day workweeks. The 2000-2001 by the U.S. Department of Labor’s National Agricultural Workers Survey (NAWS) found that 20 percent of workers reported not having drinking water and cups at their worksite. Five percent reported not having water with

which to wash, and 7 percent reported that toilets were not available at work. NAWS respondents were asked how many hours they worked in the previous week at their current farm job. In 2001-2002, the average was 42 hours, compared to 38 in 1993-1994.

The majority of workers surveyed in 2000-2001 NAWS were paid by the hour, although this varied by type of work. Approximately 43 percent of workers performing “harvest tasks” were paid piece rates (e.g., paid by amount of units harvested). The average wage earned by a worker in 2000-2001 was \$7.25 per hour compared to \$5.52 in 1993-1994. The survey compared wages over time and found that the average hourly earnings increased by 25 percent in nominal dollars and by nine percent in inflation-adjusted (real) dollars over the ten-year period (single calendar years) 1993-2002.

According to the NAWS survey, for the two calendar-year period 2000-2001, the average individual income range from all sources, as well as from farm work only, was \$10,000 - \$12,499. The average total family income range was \$15,000 - \$17,499. Based on the poverty guidelines that are issued each February by the U.S. Department of Health and Human Services, and which are based on family size, 30 percent of all farm workers had total family incomes that were below the poverty guidelines.

The Marion County study cited numbers from the 1987 U.S. Census of Agriculture, the most recent available data when the study was completed. On average, seasonal farmworkers made \$4.55 an hour in the Lake region and averaged 36.2 hours a week for approximately 13 weeks of the year.

According to the NAWS survey, most workers did not receive benefits as part of their employment. Only 39 percent were covered by unemployment insurance and 48 percent were covered by workers compensation insurance. Twenty-three percent of farm workers reported having some type of health insurance and between 8 and 12 percent of the workers reported the insurance was an employment benefit. The *Latinos in Indiana* study paints a bleaker reality stating that more often than not, workers did not have health insurance and/or workers compensation benefits.

In 1991, a taskforce appointed by the Governor recommended that agricultural workers who are not a member of the grower’s family receive workers compensation benefits. The bill passed the House Labor Committee but failed to receive full support in the House of Representatives. The constitutionality of excluding farmworkers from workers compensation has not been challenged nor has anyone worked to install these benefits since.

Health and community needs. Due to the nature of farm labor, migrant farmworkers often suffer disproportionately from illnesses like upper respiratory infections, injuries, dermatitis, eye infection, dehydration, muscle strain, diabetes and hypertension. For example, spraying insecticides on the fields while workers are present creates severe health problems.

Because migrant workers live and work in remote areas, they are often unable to access the public services that they need and qualify for. Contributing factors include lack of transportation, lack of sick/vacation time, working hours and language barriers.³⁷

Community input. The following is a summary of the issues and needs of migrant farmworkers identified by the 2005-2009 Consolidated Plan survey respondents.

³⁷ *Latinos in Indiana: Characteristics, Challenges, and Recommendations for Action*, Indiana Commission on Hispanic/Latino Affairs, 2002.

Migrant farmworkers living conditions:

- Rental housing: Overcrowded, substandard older homes and apartments. Unsafe and unsanitary living conditions (may be infested with rodents or other animals), units do not meet code and are overpriced.
- Grower-provided housing: Overcrowded mobile homes and manufactured homes.

Home maintenance:

- Owner-occupied units: Those who own their homes, which are very few, often do not have the money to make needed repairs. If repairs are made, it is often a temporary fix.
- Renter-occupied units: Repairs are not kept up and units remain substandard. Language barrier may prevent households from communicating needed repairs. Households are fearful of landlords and eviction and may not voice needs.

Most needed housing:

- Seasonal housing for workers during the growing season with amenities so workers can cook and sustain normal living conditions.
- Permanent and affordable housing.
- Family housing so workers can bring families with them during growing season.

Desired local and State policy changes:

- Tighter regulation of housing.
- Raise Department of Health standards for housing development approval.
- Streamline grant application process for building housing.

Types of discrimination:

- Unreasonable length of lease.
- Charging higher prices to farmworkers than to the general public.
- Assuming migrant worker is illegal.
- Assuming migrant will leave the unit in terrible condition.
- Assuming farmworkers will overcrowd unit.

Priorities given an unlimited amount of money to dedicate to migrant farmworker issues:

- Educate locals on Hispanic/Latino culture.
- Educate Hispanic/Latino culture about banking and other service agencies in the area.
- English literacy training.
- Invest in GED classes, worker training programs and computer operation classes.
- Youth education.
- Build more affordable housing.
- Life skills training to give people the skills to succeed and buy a home.

Other issues:

- Most migrant farmworkers lack an understanding of how the government and other service programs can be beneficial.
- Migrant farmworkers lack an understanding of the importance of the banking system and retirement savings plans. Most refuse to set up checking accounts and establish bank relationships. Many workers end up spending a tremendous amount of money cashing payroll checks simply in order to avoid being entered into any system where they might be tracked.
- Workers need more knowledge of health care and clinic locations.
- Need for specialized education in schools for migrant workers.
- Sex education for adults and children.
- Wage increases.
- Enforcement for crew leaders to submit wage information.
- Safe working conditions.

Resources. The following section identifies housing and outreach services available to migrant farmworkers in Indiana.

Consolidated Outreach Project (COP). The COP project is a collaborative effort to eliminate the duplication of travel and outreach in Indiana's labor camps and to refer farm workers who express a need for assistance to available services. COP outreach staff interview farm workers and their families and conduct a needs assessment prior to referring them to available resources and services (food pantries, clothing, legal aid, medical and dental services, employment and training services, etc.)

During the 2004 agricultural season, COP employed four full-time staff persons and ten seasonal outreach staff. Last year, COP staff identified 4,982 farm workers and their dependents in the state of

Indiana. COP staff conducted interviews with the farm workers at the migrant labor camps, at the worksites, and at the health clinics.

Housing. Historically, growers have provided housing for migrant workers in Indiana. These housing facilities are licensed by the Indiana State Department of Health and are held to minimum standards, including windows and a source of heat. Indoor faucets or plumbing are not required under the standards, and most camps have common showers, restrooms and facilities for washing clothes. It should be noted that structures built before the adoption of these standards are acceptable under a grandfather clause, meaning that some families live in cabins as small as 10 by 12 feet in dimension. According to service providers, grower provided housing is more common in central and northern Indiana, while workers in the southern part of the State typically find housing independently.

As of March 2006, there were 53 State-licensed agricultural labor camps in Indiana.³⁸ The camps are provided by the growers of the agriculture produce, and the migrant workers often pay rent. Anywhere from 50 to 350 live in grower-provided camps. These camps are inspected at least once a month during the growing season by the Department of Health.³⁹

Aside from grower provided housing, migrant workers are left to find housing for themselves in surrounding areas. The funding sources available for the development of migrant worker housing are those used by all developers of affordable housing seeking subsidies and can be very competitive.

Several migrant farmworker housing developments have been built recently using CDBG funding. The following exhibit shows the migrant farmworker housing projects from 1998 to the present.

**Exhibit V-25.
Migrant Farmworker Housing Projects, Indiana**

Grantee	Current	Date Board Awarded	Status
The Board of Commissioners of the County of Dearborn	\$265,000	August 2005	Open
Town of Geneva	\$500,000	November 2004	Open
Town of Orestes	\$500,000	November 2004	Open
Town of Orestes	\$388,900	January 2003	Closed
City of Elwood	\$499,000	January 2003	Closed
The Board of Commissioners of the County of Knox	\$400,000	September 2002	Closed
The Board of Commissioners of the County of Fountain	\$427,600	August 2001	Closed
Knox County	\$444,500	July 1999	Closed
Elkhart County Government	\$299,998	November 1998	Closed

Source: Indiana Housing and Community Development Authority, April 7, 2005.

In December 2003, USDA Rural Housing Service (RHS) announced a \$250,000 low interest Farm Labor Housing Loan to a farm corporation to build housing in Pulaski County. This is the first time that funding for farm labor housing has been made available by USDA Rural Development in Indiana. The farm labor housing, known as Gollier City Migrant Housing Facility, consists of eight units providing housing for 48 workers. The Farm Labor Housing Loan and Grant 9 (Section

³⁸ Indiana State Department of Health, http://www.in.gov/isdh/regsvcs/saneng/environmental_health/environmental_health.htm#alc.

³⁹ *Indiana Health Centers Serves Migrant Workers*, Indiana State Department of Health – Express, September 24, 2003.

514/516) program provides financing for the development of housing for farm laborers. Loans are granted to a variety of entities including farmers, associations of farmers, Indian tribes, nonprofits, public agencies, associations of farmworkers, etc. Funds can be used to purchase a site or a leasehold interest in a site; to construct housing, day care facilities, or community rooms; to pay fees to purchase durable household furnishings; and to pay construction loan interest. Loans are 33 years at 1 percent interest. Grants can cover up to 90 percent of development costs. RHS grants can be used as a subsidy so tenants pay only 30 percent of their income. The Housing Assistance Council noted that demand for these loans far exceeds the available dollars.⁴⁰

Outreach. In addition, special outreach services are provided to reach migrant worker populations through the Comprando Casa program, a homeownership education program run by Rural Opportunities, Inc. (ROI), designed specifically for the Hispanic/Latino population. In 2002, ROI received an American Express Foundation grant for *Hablemos de Dinero*, a Spanish language based financial literacy program for migrant workers throughout the State. The program also focuses on building basic money management skills. This ROI initiative is designed to help the Hispanic/Latino migrant worker population become familiar with the American banking system, decrease predatory lending, address credit issues and create a stepping stone to homeownership training. While the program provides aid to all migrant/seasonal farmworkers, it specifically targets farmworkers who are settling in Indiana for their homeownership training program. Additionally, ROI offers technical assistance, i.e., information and referral services to promote improvement of farmworker housing, to growers.

An Indiana Task Force on Migrant Affairs has also been formed to provide information sharing and coordination of migrant worker services throughout Indiana. The task force meets monthly and includes the following members:

- Federal Wage and Hour Division;
- Indiana Department of Education – Minority Languages;
- Indiana Department of Family and Social Administration;
- Indiana Department of Workforce Development;
- Indiana Health Centers, Inc.;
- Indiana Legal Services Organization;
- Rural Opportunities, Inc. - Housing Unit;
- Texas Migrant Council Migrant Head Start Program; and
- Transition Resources Corporation.

The members of the Indiana Task Force on Migrant Affairs have the opportunity to share information on new policies or eligibility requirements for their programs with the other members. Task Force members receive the most current updates on recent developments affecting farm workers and their families. They have the most recent information on crop conditions, manpower needs, office closings, and changes in staff positions.

Each spring, the Task Force sponsors a Planning Conference whereby all participating agencies have a forum to introduce their new seasonal staff to others as well as attend workshops to learn more about the services and assistances available for farm workers and their families.

⁴⁰ *USDA Awards Funding for Farm Labor Housing in Pulaski County*, USDA Rural Development, December 15, 2003 and <http://www.ruralhome.org/infoSheets.php?id=192>

Implications

The many needs of the populations discussed in this section, combined with the difficulties in estimating the extent of such needs, can be overwhelming. Furthermore, the dollars available to serve special needs populations are limited, and these groups often require multiple services. Exhibit V-26 on the following page attempts to identify the greatest needs of each special needs population and shows the primary resources available to meet these needs. As discussed in the text, these needs are often more pronounced in rural areas due to the lack of services.

**Exhibit V-26.
Summary of Special Needs and Available Resources**

Population	Housing Need	Community Need	Primary Resource Available
Youth	Affordable housing Transitional housing with supportive services Rental vouchers with supportive services	Job training Transitional living programs Budgeting	HUD's FUP Medicaid Transitional Living Program Chafee Foster Care Independence Program IHCDA Education and Training Voucher Program
Elderly	Rehabilitation/repair assistance Modifications for physically disabled Affordable housing (that provides some level of care) State-run reverse mortgage program Minimum maintenance affordable townhomes	Public transportation Senior centers Improvements to infrastructure	CDBG CHOICE HOME/IHCDA Home Equity Conversion Mortgage Program Medicaid Public Housing Section 202 Section 8 USDA Rural Housing Services
Homeless	Beds at shelters for individuals Transitional housing/beds for homeless families with children Affordable housing for those at-risk of homelessness	Programs for HIV positive homeless Programs for homeless with substance abuse problems Programs for homeless who are mentally ill Service organization participation in HMIS	ESG CDBG HOME/IHCDA HOPWA OCRA ISDH County Step Ahead Councils County Welfare Planning Councils Local Continuum of Care Task Forces Municipal governments Regional Planning Commissions State Continuum of Care Subcommittee

Source: BBC Research & Consulting, updated 2006.

**Exhibit V-26. (continued)
Summary of Special Needs and Available Resources**

Population	Housing Need	Community Need	Primary Resource Available
Developmentally Disabled	Semi-independent living programs Group homes	Smaller, flexible service provisions Community settings for developmentally disabled Service providers for semi-independent Integrated employment programs	CDBG CHOICE HCBS HOME/IHCDA SSI Medicaid Section 811 Olmstead Initiative Grant DDARS BDDS Supported Living Supported Group Living
HIV/AIDS	Affordable housing for homeless people with HIV/AIDS Housing units with medical support services Smaller apartment complexes Housing for HIV positive people in rural areas Rental Assistance for people with HIV/AIDS Short-term rental assistance for people with HIV/AIDS	Support services for AIDS patients with mental illness or substance abuse problems Medical service providers Public transportation Increase number of HIV Care Coordination sites	HOME/IHCDA HOPWA Section 8 ISDH
Physically Disabled	Housing for physically disabled in rural areas Apartment complexes with accessible units Affordable housing for homeless physically disabled	Public transportation Medical service providers Integrated employment programs Home and community-based services	CDBG CHOICE HOME/IHCDA SSI Medicaid Section 811

Source: BBC Research & Consulting, updated 2006.

**Exhibit V-26. (continued)
Summary of Special Needs and Available Resources**

Population	Housing Need	Community Need	Primary Resource Available
Mental Illness and Substance Abuse	Community mental health centers Beds for substance abuse treatment Supportive services slots Housing for mentally ill in rural areas	Substance abuse treatment Education Psychosocial rehabilitation services Job training Medical service providers HAP funding Services in rural areas Follow-up services after discharge	CDBG HOME CHIP Division of Mental Health Section 811 Hoosier Assurance Plan Olmstead Initiative Grant
Migrant Agricultural Workers	Grower-provided housing improvements Affordable housing Seasonal housing Family housing Raise standards for housing development approval	Family programs Public transportation Homeownership education Employment benefits Workers compensation Improved working conditions, including worker safety Literacy training Life skills training	CDBG Rural Opportunities, Inc. Comprando Casa Program USDA Rural Development 514 & 516 Programs

Source: BBC Research & Consulting, updated 2006.

Data Sources

A number of data sources were relied upon in the preparation of this section, including key person interviews with government and non-profit service providers and advocates, and multiple primary and secondary documents. The following documents were used in the preparation of this section:

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Persons Contacted

In addition to the aforementioned data sources, a number of people with specific knowledge of various special needs populations furnished information either electronically or by telephone that were used in preparation of this section. We thank these individuals for their very helpful assistance.

- Paula Barrickman, Division of Mental Health and Addiction;
- Rosemary Carney, Family and Social Services Administration;
- Shawn Carney, Indiana State Department of Health;
- Anita Carpenter, Indiana Coalition Against Sexual Assault;
- Lisa Coffman, Indiana Housing and Community Development Authority;
- Michael Connor, Family and Social Services Administration, Division of Mental Health;
- Lori Dimick, Indiana Housing and Community Development Authority;
- Gina Eckert, Division of Mental Health and Addiction;
- Jennifer Flora, Mental Health Association in Tippecanoe County;
- Judy Hall, Family and Social Services Administration;
- David Koenig, River Hills Economic Development District & Regional Planning Commission;
- Diane Mains, Indiana Department of Corrections;
- Deborah McCarty, Indiana University, Indiana Institute on Disability and Community;
- N. Ellen McClimans, Family and Social Services Administration;
- Molly Miller, Ball State University, Independent Living Program, Social Science Research Center;
- Dr. Patricia Rogan, Indiana University, Bloomington, IN, Institute for the Study of Developmental Disabilities;
- Rusty Shade, Transition Resources Corporation;
- Jacob Sipe, Indiana Housing and Community Development Authority;
- Marge Slauter, Family and Social Services Administration;

- Philip Stafford, PhD, Indiana University, Indiana Institute on Disability and Community;
- Patrick Taylor, Indiana Coalition on Housing and Homelessness Issues; and
- Mary Lou Terrell, Knox County Housing Authority.

SECTION VI.
**Analysis of Impediments
to Fair Housing Choice**

SECTION VI.

Analysis of Impediments to Fair Housing Choice

This section contains an updated Analysis of Impediments to Fair Housing Choice (AI) for the State of Indiana. The AI was conducted in 2005, using a similar methodology as the Consolidated Plan and includes data from two citizen surveys; a key person/organization survey; a public housing authority survey; a public forum; key person interviews; and reviews and analyses of data on fair housing complaints, legal cases, and mortgage lending and foreclosure data, as well as State barriers to affordable housing.

Citizen Surveys

A citizen telephone survey was conducted in October 2004 of 300 residents living within nonentitlement areas in the State of Indiana. The households selected for the survey were chosen through a random digit dial process. Davis Research, a telephone survey firm in California, fielded the survey. The survey included enough households to ensure statistical significance—that is, the survey was representative of the experiences and opinions of the State’s households overall who live in nonentitlement areas.

A second, almost identical, survey was conducted by mail. The survey was sent to targeted housing and social service organizations in the State, including public housing authorities. The organizations were asked to have five of their clients complete the surveys. The survey respondents could complete the surveys on a hard copy or through an Internet web page; all elected to complete the hard copy. The reason for this survey was to receive input from people who are low income, may have special needs and who are typically underrepresented in public outreach efforts.

The surveys included questions about residents’ current housing situation, the needs of their neighborhoods, if they had ever been homeless and if they had experienced housing discrimination. Telephone surveys were completed with approximately 190 cities/towns or counties throughout the State of Indiana and mail/Internet surveys were completed in 29 different cities/towns.

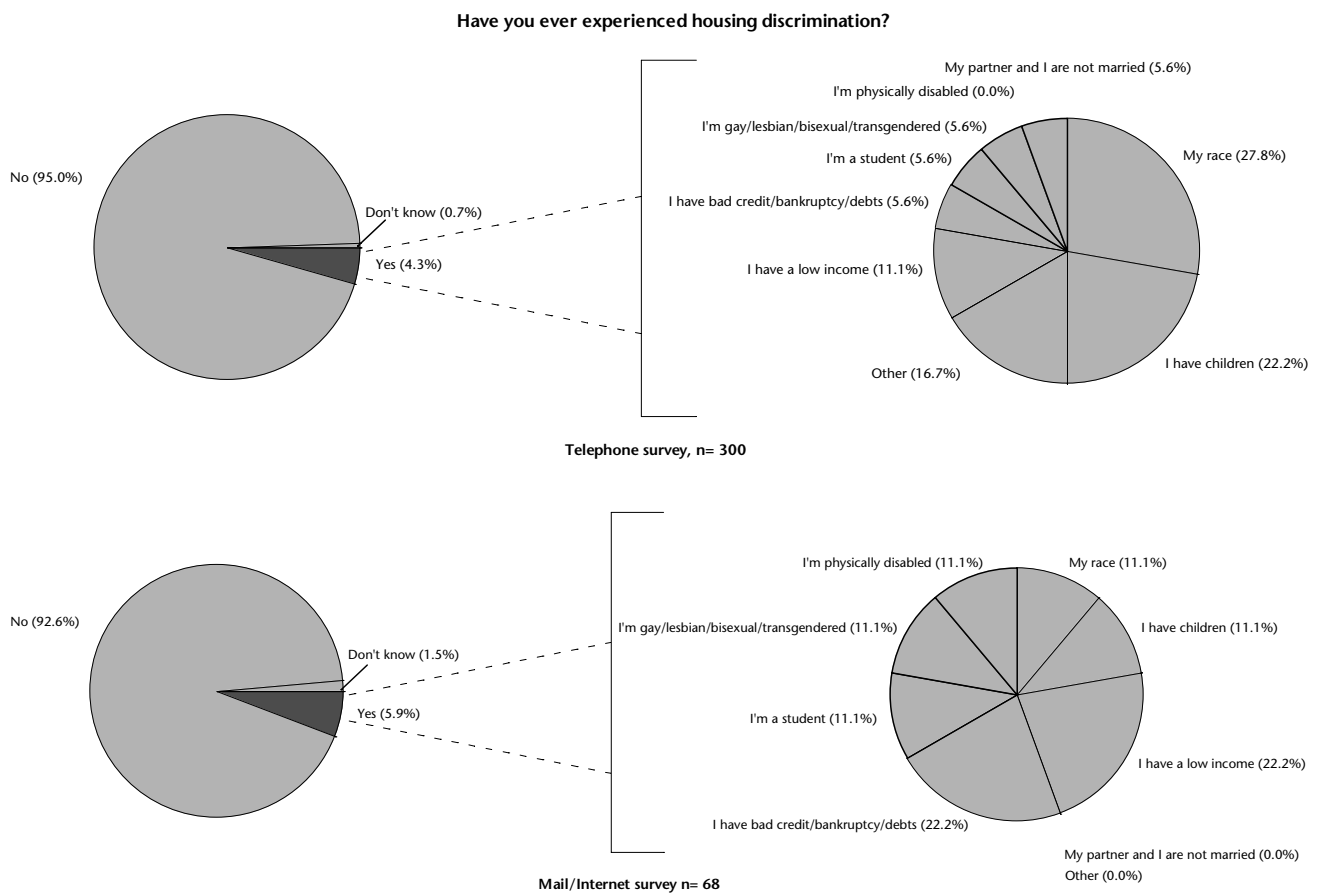
In February and March 2006, the Consolidated Plan Coordinating Committee and housing and community development stakeholders distributed a survey to citizens to collect information about their housing needs, and the housing and community development needs in their communities. A total of 802 surveys were received from citizens in nonentitlement areas. Results from this survey are included with the 2005 citizen survey results.

Experience with housing discrimination. The telephone and mail surveys conducted for the 2005 Consolidated Plan and AI asked respondents a number of questions about their experience with housing discrimination. 4.3 percent (13 respondents) of the telephone survey respondents and 5.9 percent (4 respondents) of the mail/Internet survey respondents said they had experienced housing discrimination. It is interesting that, despite different sampling methods, these percentages are so close. In 2006, 13 percent of respondents said they had experienced housing discrimination.

The survey respondents who had experienced discrimination were asked about the reasons why they believed they were discriminated against. The most common reason for the telephone respondents was discrimination based on race, followed by discrimination based on familial status. The mail/Internet survey population said they were discriminated against for different reasons – because they had low incomes and they had bad credit/bankruptcy/debts. (It should be noted that, in the absence of other factors, discrimination based on income or credit/bankruptcy is legal).

Exhibit VI-1 below shows the results of why survey respondents believe they were discriminated against.

**Exhibit VI-1.
Survey Respondents’ Experience with Housing Discrimination**



Note: “Have you ever experienced housing discrimination?” Telephone survey, n=300 and mail/Internet survey, n=68.

“What was the reason you were discriminated against?” Telephone survey, n=13 and mail/Internet survey, n=4

Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet.

The four most common reasons the 2006 citizen survey respondents said they were discriminated against was because they had low income (20 percent), race (15 percent), having children (13 percent), and having bad credit/bankruptcy/debts (11 percent).

A demographic review of the 13 telephone respondents who said they had experienced housing discrimination showed the following:

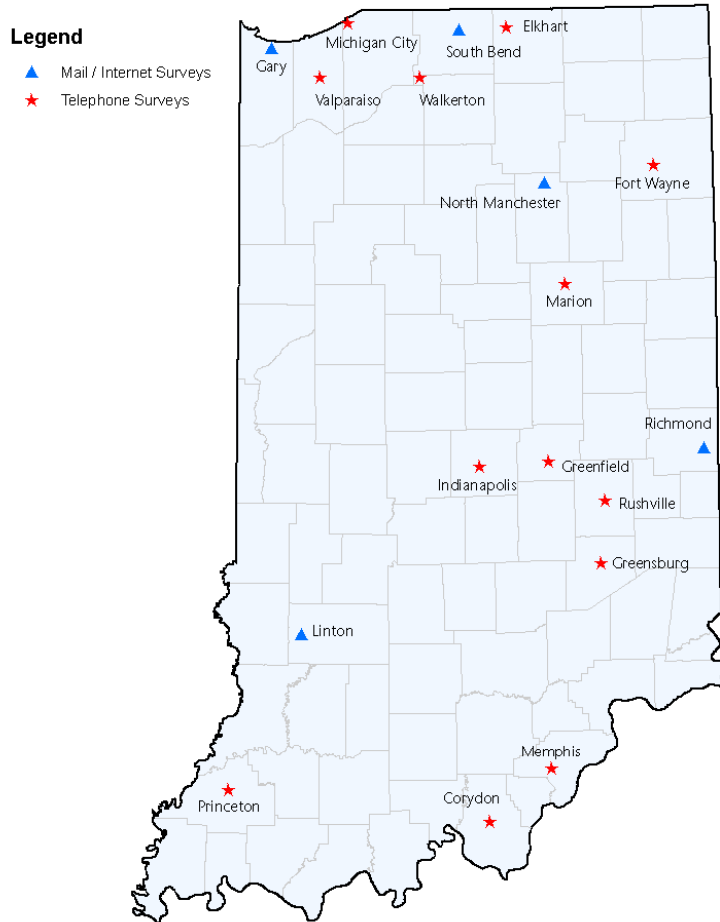
- Four said it was because they have children. Three of these households are made up of four people and one respondent had seven people in their household.
- Tenure (renter/owner status) was not correlated with having experienced housing discrimination.
- There was not a significant correlation between experiencing housing discrimination and having a disability.
- Persons earning less than \$50,000 were more likely to say they had experienced housing discrimination than persons earning \$50,000 or more.
- The breakdown of race/ethnicity of those respondents who said they had experienced racial discrimination included: White – 40 percent or two respondents, Multi-racial – 40 percent or two respondents and Hispanic/Latino – 20 percent or one respondent.

A demographic review of the four mail/Internet respondents who said they had experienced housing discrimination showed the following:

- Three persons earning less than \$35,000 said they had experienced housing discrimination due to having low incomes. These same 3 respondents also said they were discriminated against because they had either bad credit, bankruptcy and/or debts
- Tenure (renter/owner status) was not correlated with having experienced housing discrimination.
- Two respondents said they have a disability and one of these responded they were discriminated against because of their disability.

Exhibit VI-2, on the following page, shows the cities where the telephone and mail/Internet survey respondents said they experienced housing discrimination.

Exhibit VI-2.
Places Where Housing Discrimination is Believed to Have Occurred

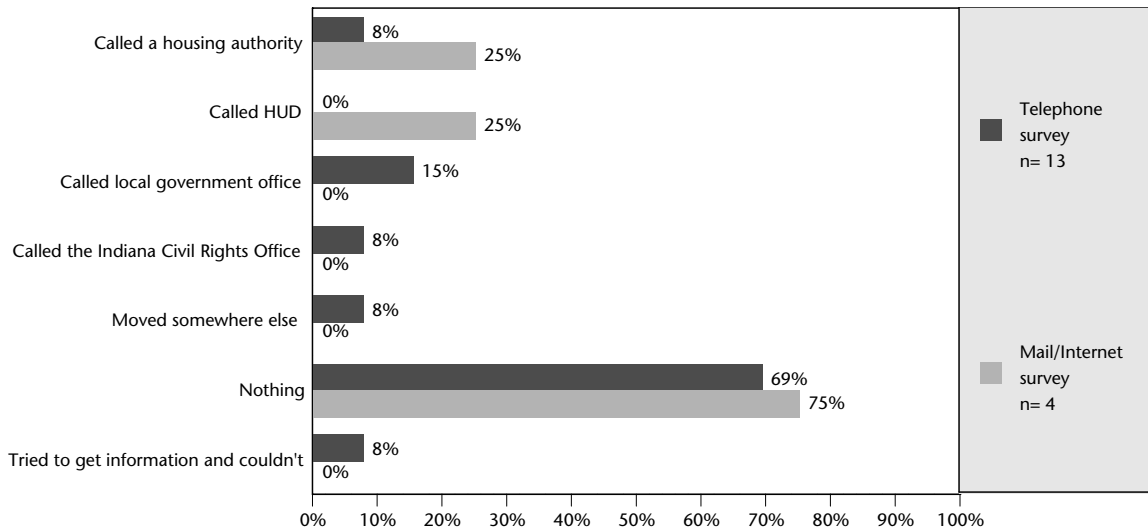


Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

Response to discrimination. Survey respondents were asked a series of questions to identify how they would respond if they encountered housing discrimination.

None of the telephone and mail/Internet survey respondents who experienced housing discrimination filed a complaint. In fact, most did nothing in response to being discriminated against, as shown in Exhibit VI-3.

**Exhibit VI-3.
What Did You Do About the Discrimination?**

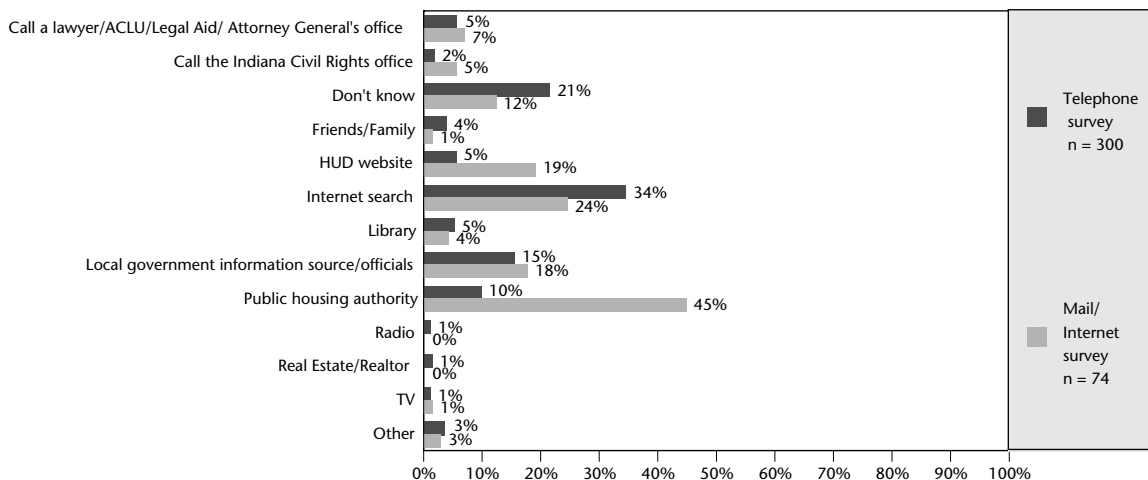


Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

When the 2006 citizen survey respondents were asked what they did about the discrimination, almost 40 percent responded they did nothing, 9 percent tried to get information and couldn't, another 9 percent called a housing authority, 7 percent called HUD, and another 7 percent filed a complaint.

Respondents were also asked how they would get information about their fair housing rights. The top responses for telephone respondents were to do an Internet search or that they did not know where to go. Mail/Internet survey respondent's top responses were to contact the local public housing authority and to do an Internet search. These responses are shown in Exhibit VI-4.

**Exhibit VI-4.
How Would You Get Information To Know More About Your Fair Housing Rights?**



Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

Responses in the “other” category on how they would get information about fair housing included the following:

- “Better Business Bureau.”
- “Call around to see who I could get in touch with.”
- “Generations, which is a local agency, either out of Washington, Indiana or Vincennes, Indiana.”
- “Other housing agencies La Casa, Elkhart Housing Partnership.”
- “I work in a bank, so I could ask there and they could help me.”
- “I’d write to Pueblo.”
- “Look in the Yellow Pages.”
- “Phone the Council on Aging.”
- “Write my Congressman.”
- “Family.”
- “Call ATTIC.”

A demographic review of the telephone respondents who answered the question about how to learn more about fair housing rights are as follows.

- Persons with higher incomes were more likely to consult the Internet to find information to this question; persons with the lowest incomes were more likely not to know where to get information.
- Respondents who had attended trade/vocational school or had some college and above were more likely to search the Internet and contact local government information sources/officials; they were also less likely to answer, “I don’t know” to this question.
- Persons who were White were more likely to conduct an Internet search. Persons of Hispanic descent were likely to do an Internet search, contact the local government or go to the library to get their information.

A demographic review of the mail/Internet survey respondents who answered the question about how to learn more about fair housing rights are as follows.

- Persons with lower incomes were more likely to consult the local public housing authority to find information to this question.
- Persons who were White were more likely to consult with the local public housing authority, to do an Internet search, or look at the HUD website. Persons who were African American were likely to contact a housing authority, look on the HUD website, or to call the Indiana Civil Rights office.

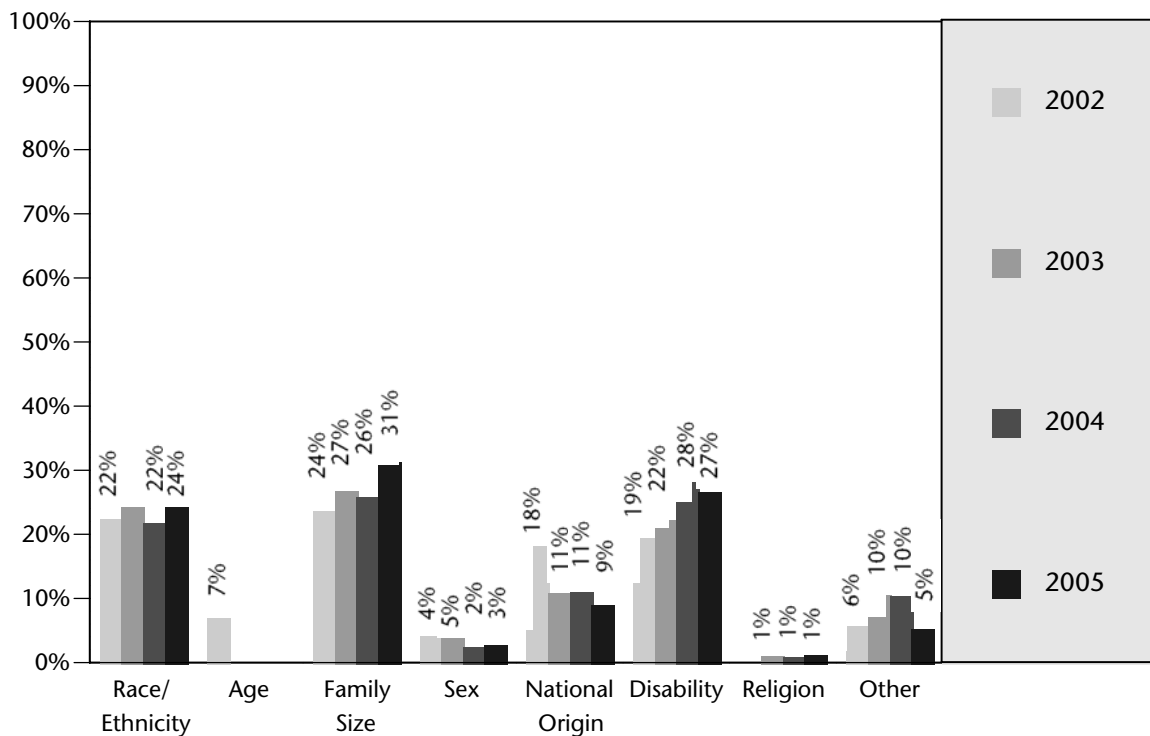
Key Person Survey

In October 2004, approximately 1,600 surveys were distributed to local government officials, community leaders, housing providers, economic development professionals, social service organizations and others. The surveys asked respondents a number of questions about housing and community development needs, including fair housing, in their communities. A total of 214 surveys were returned, for a response rate of 14 percent.¹

Discrimination occurring in communities. The fair housing questions included on the survey asked respondents about the prevalence of discrimination in their communities and the existing barriers to fair housing.

Compared to 2002, 2003, 2004 and 2005, a larger percentage of respondents in 2005 identified discrimination based on family sizes as occurring in their communities. Discrimination based on family size became the number one concern in 2005 at 31 percent, up from 26 percent in 2004. All other categories either remained at the same rate or decreased or increased minimally. Discrimination based on disability and race/ethnicity followed as the second and third most common response for 2005. Exhibit VI-5 compares the survey results for this question from 2002 through 2005.

Exhibit VI-5.
Comparison of Types of Housing Discrimination, 2002, 2003, 2004 and 2005



Note: Zero percent indicates that the category was not given as an option.

Source: Community Surveys, Indiana Consolidated Plan, 2001-2005.

¹ This rate accounts for surveys that were returned due to bad addresses.

In addition, respondents were asked whether certain groups in the community could obtain desirable housing. Forty-two percent of the 2005 respondents felt that persons with disabilities could not obtain desirable housing. The disagreement rates were similar for the other groups at 40 percent for large families, 27 percent for the elderly, and 30 percent for minorities. In 2004 the disagreement rates were slightly lower or the same for all of the groups. In 2003, the survey combined all the groups into one question. Twenty-six percent of respondents felt that minorities, large families, the elderly, and persons with disabilities could not obtain the housing they desire in their communities.

Barriers to housing choice. Respondents were also asked about the types of barriers to housing choice that exist in their communities. Respondents said that the cost of housing was the largest barrier to housing choice, followed by public transportation and distance to employment. Exhibit VI-6 shows the perceived barriers to housing choice for 2001, 2002, 2003, 2004 and 2005. The 2004 and 2005 surveys added two additional barrier categories. Even with the addition of these categories, the top barriers were similar across the five years.

Exhibit VI-6.
Barriers to Housing Choice

	2001	2002	2003	2004	2005
Cost of housing	34%	34%	37%	28%	28%
Public transportation	24%	19%	23%	21%	20%
Distance to employment	21%	19%	19%	13%	15%
Lack of knowledge among residents	NA	NA	NA	9%	11%
Lack of knowledge among landlords	NA	NA	NA	10%	10%
Lack of accessibility requirement	14%	14%	10%	11%	9%
Housing discrimination	7%	7%	6%	4%	4%
Age restricted housing	NA	7%	5%	4%	4%

Source: Community Survey, Indiana Consolidated Plan, 2001-2005.

Lending issues. In addition to the above barriers, respondents were asked about the ability of people in their community to access mortgages and refinance their homes at competitive interest rates. Fifteen percent of respondents believed that people are *not* able to refinance their homes at competitive interest rates in 2004 and in 2005. This was a 27 percentage point decrease from 2003, where 42 percent of respondents disagreed with the statement. In 2002, 38 percent of respondents agreed with this statement. The significant decrease in disagreement rate in 2004 is most likely related to a rephrasing of the question. The question in the 2002 and 2003 survey specifically asked about low-income families, whereas the 2004 and 2005 survey question asked about the community as a whole. The decrease may also be related to increasingly low interest rates.

The 2004 survey added a question about problematic lending activities in the community. Exhibit VI-7 summarizes the findings. Respondents indicated that the primary concern was lenders charging high rates followed closely by a concern for lenders charging high transaction fees.

**Exhibit VI-7.
Are the following
lending activities a
problem in your
community?**

Source: Community Survey, Indiana Consolidated Plant, 2005.

Percent Agreeing	2004	2005
Lenders charging high rates	28%	28%
Lenders charging high transaction fees	30%	27%
Lenders linking unnecessary products	16%	17%
Lenders selling sub-prime products to prime borrowers	14%	15%
Lenders charging prepayment penalties	12%	14%
Total	100%	100%

Zoning/land use issues. Respondents were also asked about the zoning ordinances and housing policies that prohibit fair housing choice. In 2005, 9 percent of respondents agreed that there are zoning or land use laws in their communities that create barriers to fair housing choice and encourage fair housing segregation. In 2004, 11 percent of the respondents agreed and in 2002 and 2003, 10 percent of the respondents agreed with this statement.

In 2005, 59 percent of respondents felt that members of their community are aware that discrimination is prohibited in housing mortgage lending and advertising, compared with 61 percent in 2003. Twenty-four percent of survey respondents, which was the same in 2004, indicated that people in their community know whom to contact to report housing discrimination. Finally, only 23 percent of respondents agreed that the housing enforcement agency in their community has sufficient resources to handle the amount of discrimination that may occur; this compares with 23 percent in 2004 and 22 percent in 2003.

Fair housing policies. In the 2005 survey, respondents were asked a number of questions specifically about their community's fair housing policies. In 2003 and 2004, approximately half of the respondents indicated that their community has joined forces with another organization to promote fair housing, while the percent responding positively to this questions dropped to 43 percent in 2005.

Seventy-five percent of survey respondents—about the same percentage as in 2004 and 2003—said that their community has access to a civil rights commission/office. Exhibit VI-8 shows which counties in the State have civil rights offices, as reported by survey respondents.

**Exhibit VI-8.
Access to a Civil Rights Office, by County, 2005**

County	Yes	No	County	Yes	No	County	Yes	No
Adams	✓	✓	Howard	✓		Putnam	✓	
Allen	✓		Huntington		✓	Ripley		✓
Bartholomew	✓		Jackson	✓		Rush	✓	
Benton	✓		Jasper		✓	Shelby	✓	
Boone	✓		Jefferson		✓	Spencer	✓	✓
Brown		✓	Johnson	✓	✓	St. Joseph	✓	
Carroll		✓	Knox	✓	✓	Starke	✓	
DeKalb	✓		Kosciusko	✓		Sullivan	✓	✓
Daviess		✓	LaGrange	✓		Vanderburgh	✓	✓
Dearborn	✓		LaPorte	✓		Vermillion	✓	
Decatur	✓		Lake	✓		Warren	✓	
Delaware	✓		Lawrence	✓	✓	Washington		✓
Dubois	✓		Madison	✓		Wayne	✓	
Elkhart	✓		Marion	✓		Wells		✓
Floyd	✓		Miami	✓	✓	White		✓
Fountain	✓		Monroe	✓	✓	Whitley		✓
Fulton		✓	Monroe	✓		Wornick	✓	
Gibson		✓	Montgomery	✓				
Grant	✓		Morgan	✓	✓			
Greene		✓	Noble		✓			
Hamilton	✓	✓	Owen	✓	✓			
Hancock	✓		Parke	✓				
Harrison	✓		Perry		✓			
Hendricks	✓		Porter	✓	✓			
Henry		✓	Pulaski	✓				

Note: Where both boxes are checked the surveys indicated different responses.
Source: Community Survey, Indiana Consolidated Plan, 2005.

Five percent of respondents indicated that there had been housing complaints filed against their organization in the past five years. Of the nine respondents who explained the complaints filed, four of the claims were either thrown out, dismissed or resolved, one dealt with mental illness, another concerned race and familial status and another complaint addressed the lack of vouchers and available homes.

The survey also inquired about various fair housing policy ordinances. Seventy-two percent of respondents said that their community has a fair housing resolution/ordinance, and 65 percent indicated they have an affirmative action plan. Seventy-five percent of respondents said they had an equal opportunity ordinance. Sixty-four percent of respondents indicated that their community's resolution/ordinance had been approved by the State.

PHA Survey

A mail survey of Public Housing Authorities (PHAs) in nonentitlement areas in the State was conducted as part of the 2005 Consolidated Plan process. The survey collected information on Section 8 Housing Choice voucher usage between January and September 2004 and included two questions pertaining to fair housing issues, by individual PHA. Forty-three surveys were mailed, and 28 responses were received, for a response rate of 65 percent.

Of the 15 PHAs who responded to the question asking if they permit applicants to reject public housing and remain on the waiting lists, 80 percent do permit applicants to reject public housing units and remain on the waiting lists and 20 percent said they do not.

Five of the 19 respondents to the questions asking if they have a policy of evicting tenants the first time they violate resident rules responded they did have such a policy.

PHAs were also asked if it is difficult for individuals or households with certain characteristics to find a unit that accepts vouchers. Seven respondents said it was difficult for large families (typically 4 person households) to find units and 3 responded it was difficult for persons who are disabled to find an accessible unit.

Complaint Data and Legal Analysis

Residents of Indiana who believe they have experienced discrimination may report their complaints to HUD's Office of Fair Housing and Equal Opportunity (FHEO), the Indiana Civil Rights Commission (ICRC), and to a local organization depending on local ordinances. There are six local/regional fair housing enforcement agencies located throughout Indiana. Complaints reported to FHEO are sent to ICRC for investigation. ICRC is the state agency that enforces Civil Rights Law and the Fair Housing Act.

ICRC also houses the state's Fair Housing Task Force, which provides education and outreach activities related to fair housing choice to communities and citizens statewide. After being inactive for a short period of time, the Task Force is in the process of being reinstated.

As part of the AI, the ICRC was contacted and requested to provide summary information about cases that had been filed by or against organizations in Indiana. Data was received and is summarized as follows.

Housing discrimination complaints. Any person who feels they have been discriminated against under the Fair Housing Act and/or the Indiana Fair Housing Act may file a complaint within one year after the discriminatory act has occurred with ICRC. ICRC is equipped to take complaints in person at their office in Indianapolis. Complaints may also be filed by either personal delivery, mail, e-mail, telephone, fax, or online (www.in.gov/icrc/pubs/onlinecomplaint.html). The complaints must be in writing. ICRC staff can provide assistance to those who need assistance in drafting and filing their complaints. After complaints are filed, they are investigated by ICRC on both the part of the complainant and the respondent.

A complaint may be resolved in a number of ways. The ICRC Alternative Dispute Resolution (ADR) Team can attempt to resolve the dispute through mediation at any time during the investigation, if all parties agree. If mediation is not agreed upon or a resolution cannot be found, the complaint proceeds through the investigative process (where a *test* may be performed during the investigation) and is then reviewed by the director of the ICRC. The director makes the final determination of probable cause that an illegal act of discrimination occurred. (If no probable cause is found, the complainant may ask for reconsideration of the complaint within 15 days). If probable cause is found, the complaint proceeds through the resolution process. A complaint may be resolved through a settlement between the parties. If a settlement cannot be reached, a public hearing takes place with

an Administrative Law Judge (ALJ). In a trial, the complainant may be represented by an ICRC staff attorney. After the trial, the ALJ issues proposed findings, which are submitted to ICRC. The complainant and respondent have 15 days to file objections to the recommended findings.

If, during the investigative, review, and legal process, ICRC finds that discrimination has occurred, the agency may issue an order to stop the discrimination and eliminate further discrimination.

As of November 2004, the ICRC database contained 400 records of housing discrimination complaints filed since 2001. Exhibit VI-9 summarizes the cases filed during this period. The most common reason for discrimination identified in ICRC records was race or color; 37 percent of the filed cases were filed based on racial discrimination. The second most common reason for discrimination was handicap/disability (31 percent of cases), followed by familial status (11 percent).

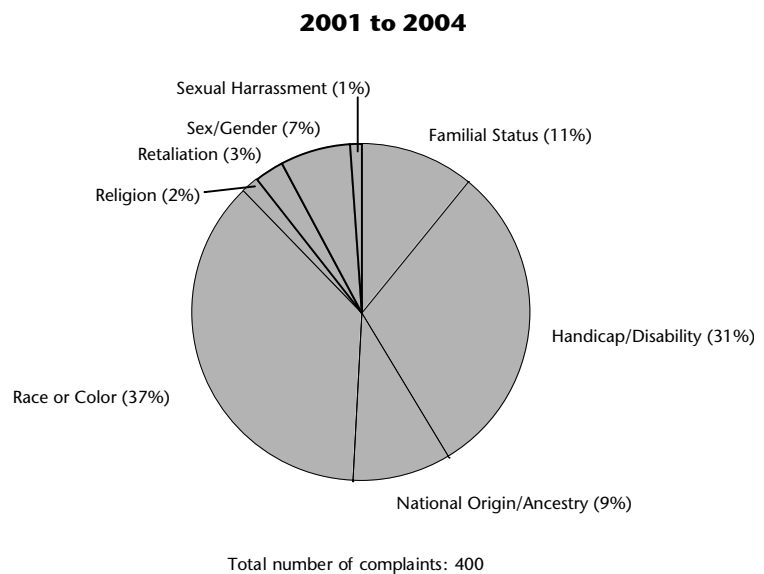
**Exhibit VI-9.
Basis of Housing
Discrimination
Complaints Filed with ICRC,
2001 through 2004**

Note:

The reported complaints are from all agencies in the ICRC's Fair Housing Database from 01/01/01 to 11/12/04.

Source:

Indiana Civil Rights Commission.



The following exhibit shows the type of complaints filed by year, from 2001 to 2004, by basis of complaint. The highest number of complaints were filed in 2004 (126 complaints) and the lowest number (36 complaints) were filed in 2001.

Exhibit VI-10.
Basis of Housing Discrimination Complaints Filed with ICRC, 2001 through 2004

	2001		2002		2003		2004		Total	
Familial Status	5	14%	15	15%	9	9%	11	9%	40	11%
Handicap/Disability	6	17%	33	33%	35	35%	46	37%	120	33%
National Origin/Ancestry	5	14%	5	5%	9	9%	14	11%	33	9%
Race or Color	17	47%	31	31%	35	35%	46	37%	129	36%
Religion	0	0%	3	3%	1	1%	2	2%	6	2%
Retaliation	1	3%	4	4%	4	4%	2	2%	11	3%
Sex/Gender	2	6%	9	9%	5	5%	4	3%	20	6%
Sexual Harassment	0	0%	0	0%	3	3%	1	1%	4	1%
Total number of complaints	36	100%	100	100%	101	100%	126	100%	363	100%

Note: The complaints were files from 01/01/01 to 11/12/04.

Source: Indiana Civil Rights Commission.

The above data are consistent with national data compiled by the National Fair Housing Alliance, which have shown that complaint volumes are highest among African Americans (the largest minority population in Indiana), persons with disabilities, and families with children.

A report on fair housing trends by the National Fair Housing Alliance suggests that only one percent of housing discrimination experienced in the U.S. is reported. There were 126 complaints received by ICRC in 2004. If these complaints represent only one percent of the incidences of housing discrimination experienced, then an estimated 12,600 cases of discrimination occur annually in Indiana.

The citizen surveys conducted for the Five-Year Consolidated Plan estimate that between 4 and 6 percent of Hoosiers believe they have experienced housing discrimination at some point in time. This equates to between 250,000 and 370,000 people, based 2003 population estimates for the State.

Exhibit VI-11 shows the status of the complaints in 2002 and 2003. Over two-thirds of the complaints closed in both 2002 and 2003, 71 percent and 72 percent respectively, as they were found to have no probable cause.

**Exhibit VI-11.
Case Status Summary for
Cases Closed in 2002 and
2003**

Source:
Indiana Civil Rights Commission.

	2002		2003	
Complaint Withdrawn	1	4%	8	4%
Reasonable Cause/State Court	0	0%	2	1%
No Probable Cause	20	71%	138	72%
Complaint Withdrawn/Settlement	4	14%	17	9%
Failure to Cooperate	0	0%	10	5%
Failure to Locate	0	0%	2	1%
Lack of Jurisdiction	3	11%	3	2%
Mediation Agreement	0	0%	4	2%
Consent Agreement	0	0%	4	2%
Final Order	0	0%	5	3%
Total number of cases closed	28	100%	193	100%

Fair housing testing. The ICRC investigator may also request that a *test* be performed during an investigation to identify cases of housing discrimination. Testing is a controlled method to determine differential treatment in the quality, and content, of information and/or services given in order to discover discriminatory practices. Testing programs “match” persons in protected classes with white individuals having the same characteristics (e.g., income levels, credit histories, rental records). These individuals independently engage in identical transactions—applying for a mortgage loan, refinancing a current loan, previewing an apartment and completing an application—and report the results of the transaction. The transactions are then compared to identify evidence of disparate treatment. ICRC does not yet have data on the housing discrimination component of the testing program.

Recent legal cases. As part of the fair housing analysis, recent legal cases were reviewed to determine significant fair housing issues and trends in Indiana. Searches of the Department of Justice case databases found three cases involving the Fair Housing Act in Indiana. This section summarizes the issues in these cases. A search was also completed of the National Fair Housing Advocate case database, which found five recent cases in Indiana from the Indiana Supreme Court and the U.S. District Court for Southern Indiana. These cases are described below.

United States of America v. Lake County Board of Commissioners, et al. In October 2004, a complaint was filed against the Lake County Board of Commissioners and Lake County Redevelopment Commission for violating the Fair Housing Act by interfering with and retaliating against two employees of the County’s Development Department. The United States alleges that the defendants terminated the employees for supporting a new housing development in which African-Americans would likely purchase homes and for assisting the Division in fair housing litigation against the City of Lake Station.

The case was referred to the Division after the Department of Housing and Urban Development (HUD) received a complaint, conducted an investigation, and issued a charge of discrimination.

United States of America v. Edward Rose & Sons, Inc, et al. In February 2003, the Court issued an order granting the United States a preliminary injunction to enjoin the defendants from occupying or further constructing 19 apartment buildings at Westlake Apartments in Belleville, Michigan and

Lake Pointe Apartments in Batavia, Ohio, until they could be redesigned or retrofitted to be brought into compliance with the Fair Housing Act.

The two complaints filed allege Edward Rose & Sons, several affiliate companies, as well as individual architects and architectural firms, have engaged in a pattern or practice of discrimination against persons with disabilities. They have failed to include accessible features required by the Fair Housing Act and the Americans with Disabilities Act in a number of apartment complexes it developed in Indiana, Michigan, Ohio, Wisconsin, Illinois and Virginia.

The United States alleges that approximately 4,050 ground floor units in 42 apartment complexes do not have accessible entrances, kitchens and bathrooms, along with other building features. Edward Rose & Sons is one of the largest multifamily developers in the nation. Fifteen of the 42 apartment complexes sited in this case are located in Indiana.

On August 25, 2004, the Sixth Circuit Court of Appeals affirmed the decision of the district court granting the United States' motion for a preliminary injunction. The Circuit affirmed that the Fair Housing Act requires the common landing area between two covered dwellings to be accessible to persons with disabilities. The defendants' split-level design only provides access by way of a half-flight of stairs.

United States of America v. City of Lake Station. In December 1998, the United States filed a complaint claiming the City of Lake Station, Indiana violated the Fair Housing Act by refusing to permit the development of a subdivision of affordable, owner-occupied, single-family tract homes. The U.S. contends that the refusal to authorize the construction was based on fears that the residents of the subdivision would come from neighboring Gary, whose population is overwhelmingly African American. Despite Lake Station's proximity to Gary, only 0.2 percent of Lake Station's population is African American.

The consent ordered the City to permit the construction of the subdivision, called Timbercreek. Under the agreement, the City will also:

- Amend its ordinances to ensure that all Timbercreek homes qualify for a significant, six-year, phased-out property tax abatement;
- Waive standard building permit fees, occupancy permit fees and inspection fees for Timbercreek homes;
- Waive water meter installation fees on the first four homes;
- Pay LCEDC \$10,000 to market Timbercreek throughout Northwest Indiana;
- Enter into a \$5,000 per year services contract with Northwest Indiana Open Housing Center for the next five years; and
- Send City officials to fair housing training.

Deborah Walton v. Claybridge Homeowners Association, et al. In January 2004, the United States District Court for the Southern District of Indiana, Indianapolis Division issued an opinion of the

matter brought before the court on the Defendants' (including the Claybridge Homeowners Association's along with other noted individuals also referred to as the HOA) Motion to Dismiss and/or Motion for Summary Judgment, on the claims of the Plaintiff, Deborah Walton. Walton brought this housing discrimination pursuant to the Civil Rights Act and the Fair Housing Act. Walton, an African American, asserts that the HOA, through actions of its individual officers and representative, discriminated against her based on her race.

In January 2000, Walton purchased a home in Hamilton County and allegedly immediately began to have problems with the HOA and its officers and representatives. Walton filed a complaint with the Indiana Civil Rights Commission (ICRC) in 2002 and the ICRC issued a no probable cause finding and dismissed the complaint. Walton filed a request for reconsideration, and the ICRC affirmed the no probable cause finding. However, as noted by the Court's response, a no probable cause finding by the ICRC does not bar a plaintiff from filing a subsequent federal lawsuit. The Court denied the HOAs motion to dismiss this case.

Sara Simpson and Anne Kavelman v. Flagstar Bank FSB. In September 2003 the U.S. District Court for the Southern District of Indiana, Indianapolis Division provided an opinion of the magistrate judge's Report and Recommendation of the class action lawsuit against Flagstar Bank as well as the Defendants' objections. This class action lawsuit arises from Flagstar Bank FSB's loan policy capping the loan officer's revenue per loan (RPL) at 3 percent for minority borrowers and 4 percent for non-minority borrowers. The policy was discontinued on January 31, 2002.

On September 25, 2001, the Plaintiff Sara Simpson, a non-minority, closed a loan with Flagstar where the loan officer earned 3.23 percent loan officer RPL, more than the 3 percent cap for minority borrowers. On August 6, 2001, Plaintiff Anne Kavelman, a non-minority, closed a loan where the loan officer earned 1.5 percent loan officer RPL. The Plaintiffs sued under the Fair Housing Act and sought to certify two subclasses: one, with Simpson as class representative, consisting of a non-minority borrowers who were charged over the 3 percent cap for minorities; and the second, with Kavelman as class representative, who closed loans within the policy period but were not charged over 3 percent.

The court denied certification of the Kavelman subclass: granted summary judgment against Kavelman in favor of Flagstar Bank FSB; and granted certification of Simpson subclass, specified as follows: non-minority borrowers nationwide who were subject to Loan Officer Policy 01-07 when they initiated mortgage loans in any amount from May 2, 2001 to October 1, 2001 or in any amount equal to or in excess of \$50,000 from October 1, 2001 to January 31, 2002, and were charged over 3 percent loan officer RPL.

Gus F. Bryant and Teresa K. Bryant v. Kevin Polston and Brenda Polston. In November 2002, the U.S. District Court for the Southern District of Indiana, Indianapolis Division provided an entry on Defendants' (Polston and Polston) motion to dismiss for failure to state a claim and move for sanctions for the filing of allegedly frivolous claims; and Plaintiffs (Bryant and Bryant) request for sanctions against Defendants for filing a frivolous motion for sanctions. The Plaintiffs brought this action against the Defendant under the Civil Rights Act, the Fair Housing Act and Indiana common law. The complaint alleges the Polstons discriminated against the Bryants because of their association with persons of African American descent, and that the discrimination consisted of a continuous

pattern of racially derogatory remarks, acts of intimidation and gestures of violence or bodily harm with a gun.

The court ruled the complaint's allegations sufficiently state claims under the Fair Housing Act and that these claims are not frivolous but have support in the law. The Defendants' motion to dismiss was denied and the Defendants' motion for sanctions was denied. The plaintiff's request for sanctions also was denied.

State of Indiana Civil Rights Commission v. County Line Park, Inc., Paul Fox and Carolyn Fox. In November 2000, the Supreme Court of Indiana reversed the judgment of the trial court and the case has been remanded for further proceedings. In December 1996, the Cain family purchased a three-bedroom mobile home located in a mobile home park owned and operated by County Line Park, Inc. The application indicated that in addition to the Cains their four children (all under 18 years) would also live in the home. The application was denied because of County Line's long-standing policy of not renting mobile home lots to families with more than two children.

The Cains filed an administrative complaint with the Indiana Civil Rights Commission (ICRC) and the U.S. Department of Housing and Urban Development (HUD). ICRC conducted an investigation and concluded there was reasonable cause to believe discrimination based on familial status had occurred in violation of the Indiana Fair Housing Act (Act) and the Federal Fair Housing Act (FHA). The ICRC then filed a complaint in Grant Superior Court alleging County Line Park had violated the Act. In response, the landowners filed a motion to dismiss contending that although the Act prohibits discrimination against families in general, it does not provide protection to "large families" such as the Cains. The landowners also contended that the Foxes, as corporate officers and shareholders of County Line, could not be sued in their individual capacities. The trial court agreed and granted the motion to dismiss and awarded attorney's fees to the landowners. The ICRC appealed. The Court of Appeal affirmed the judgment and remanded the case to the trial court for a determination of appellate attorney's fees. Transfer of the case was granted to Indiana Supreme Court and the judgment of the trial court was reversed.

The judgment included the following summary of the discussion. The Indiana Fair Housing Act (Ind. Code 22-9.5-1-2) states, "a discriminatory act based on familial status is committed if the person who is the subject of the discrimination is:

1. pregnant;
2. domiciled with *an individual* younger than eighteen years of age in regard to whom the person:
 - a. is parent or legal custodian; or
 - b. has the written permission of the parent or legal custodian for domicile with that persons; or
3. in the process of obtaining legal custody of an individual younger than 18 years of age.

The Act borrows heavily from the FHA. The FHA provided: “Familial status means *one or more individuals* (who have not attained the age of 18 years)....” Seizing on the “an individual” language of the Act in contrast to the “one or more individual” language of the FHA and relying on the principals of the statutory construction, the Court of Appeals reasoned that the Act should be read more narrowly than its federal counterpart. The Indiana Supreme Court disagreed, stating that the legislature is presumed to have intended the language used in the statute to be applied logically and not to bring about an unjust or absurd result. Applying these principals to the Act, they concluded that limiting protection to families living with only “an individual” under 18 years would produce a result they do not believe the legislature could have intended. Thus, despite the differences in wording, the Act should not be interpreted more narrowly than the FHA. Therefore, the Act entitles families living with one or more individuals under the age of eighteen protection from familial status discrimination.

The Indiana Supreme Court also ruled upon the question of whether the landowners could be sued in their individual capacities. The court concluded the allegation in the ICRC’s complaint entitle it to relief against all defendants for discrimination in housing based on familial status as defined in the Act.

Indiana Civil Rights Commission v. Clyde Alder and Barbara Alder, d/b/a Stoney Pike Mobile Home Park. In July 1999, the Indiana Supreme Court ruled on an appeal to a ruling of the Court of Appeals, which was a ruling on the case from Cass Superior Court, from which the Alder’s were seeking judicial review from a ruling from the ICRC.

In 1985, Jodie Jackson, her husband and her two children moved into a mobile home owned by her parents in Stoney Pike Mobile Home Park, which is owned by the Alders. The Alders and the Jacksons are white. Jackson and her husband divorced, but continued to live in the home for nine months after the divorce was final. In 1989, Jackson met Larry Stovall, an African American, and he began visiting Jackson at her mobile home and occasionally staying overnight. Alder filed an eviction action against Jackson citing the “one family per mobile home” rule of the park. Jackson prevailed in the suit but was warned by the trial court that if she continued to violate the one family rule the court would find Alders in favor the next time they sought eviction. After being served another eviction notice, Jackson moved from the mobile home park.

Jackson and Stovall filed a complaint against the Alders with the Indiana Civil Rights Commission (ICRC) alleging housing discrimination based on race. The ICRC found the Alders’ explanation the Jackson violated the “one family per home” rule to be pretextual, noting that other unmarried couples, including Jackson and her former husband, had lived in one home in the park without being evicted. The Alders were also ordered to pay Jackson and Stovall damages and moving expenses.

The case was later transferred to the Indiana Supreme Court. The court concluded the Civil Rights Law gives the ICRC authority to compensate a person aggrieved by discrimination for both economic and emotional losses. To the extent that previous decisions of the Court of Appeals hold to the contrary, they are disapproved. However, the statute does not give ICRC authority to award punitive damages.

Fair Housing Forum and Key Person Interviews

Fair housing forum. On Wednesday, February 9, 2005, the Indiana Civil Rights Commission hosted a Fair Housing Open Forum. The purpose of the forum was to assess impediments to Fair Housing in Indiana, and develop strategies to ensure that all Hoosiers are afforded fair housing choice. At the time of the forums, the Indiana Housing Finance Authority (IHFA, now IHCDA) assisted in identifying groups and individuals who were targeted as potential contributors so that they might also receive an invitation. Altogether, 100 people pre-registered to attend with a total of 89 in attendance. The attendees included individuals representing 60 agencies and organizations and six interested citizens, as shown in the following exhibit:

Exhibit VI-12. Fair Housing Forum Agency/ Organization Representatives

Source:
Fair Housing Forum, February
2005.

Adult & Children Mental Health Center	Indiana Protection /Advocacy Services
Affordable Housing Corporation	Indianapolis Division EEOC
Bloomington Housing Authority	Indianapolis Resource Center for Independent Living
BOSMA Industries	IRL Development Corporation
Brothers Uplifting Brothers	Knox County Housing Authority
Carpenter Realtors	Manchester Village Apartments
Community Action Program	Marion County Center for Housing Opportunity
Crawford Manor Apartments	Mayor's Advisory Council for People with Disabilities
Crawfordsville Housing Authority	Mexican Civic Association
Custom Mortgage	National City Corporation
Division of Family Resources Housing/Community Services	New Albany Community Housing
Edward Rose Properties	Norstar Mortgage Group
Family Services of Central Indiana	Northwest Indiana Aliveness Project
Fifth Freedom	NWI Open Housing Center
FSSA Consumer/Family Affairs	Park Regency Apartments
FSSA Division on Disability, Aging, Rehabilitative Services	Path Finder Services
FSSA Family/Children	Policy, Planning, Regional Services
Future Choices	Positive Link
Governor's Council for People With Disabilities	Project Renew
Great Lakes Capital Fund	Richmond Housing Authority
Homeless Initiative Program	Rural Housing Finance Corporation
Hope of Evansville	Rural Rental Housing
Indiana Association of Community and Economic Development	Salvation Army Harbor Light

**Exhibit VI-12
(continued).
Fair Housing Forum
Agency/ Organization
Representatives**

Source:
Fair Housing Forum, February 2005.

Indiana Civil Rights Commission	South Bend Housing Authority
Indiana Coalition on Housing and Homeless Issues	Southern Indiana Center for Independent Living
Indiana Housing Finance Authority	St. Jude House
Indiana Institute on Disability and Community	Therapeutic Solutions
Indiana Legal Services	Unique Ministries Awareness
Indiana Manufactured Housing Association	Villas Apartments

Many of the attendees were directors and managers that had personal experience with clients who had been discriminated against. The position of those attending ranged from top executives to citizens who elected to attend because of their experience with some form of discrimination. As illustrated in the job titles below, it is evident that the forum included a wide range of individuals who were informed about fair housing issues.

**Exhibit VI-13.
Job Titles
of Participants**

Source:
Fair Housing Forum, February 2005.

Families Counselor	Finance and Grants Manager
Allocation Analyst	Housing Coordinator, Specialist and Counselor
Case Manager	Loan Officer
Clinical Services Director	Occupancy Director
Community Organizing Specialist	Outreach Specialist
Compliance Manager/Monitor	Program Director/Manager
Director Compliance/Homeless Initiative Program	Property Manager
Disability Advocate	Real Estate Attorney
Education/Training Director	Referral Specialist
Fair Housing Specialist	Resident Manager/Services Coordinator/ Initiatives Specialist
Family Self Sufficiency / Home Training Coordinator	Section 8 Specialist

Those attending also represented a range of cities and counties throughout the State; from as far north as South Bend and Crown Point and as far south as New Albany and Evansville. Cities represented included:

**Exhibit VI-14.
Cities Represented by
Participants**

Source:
Fair Housing Forum, February 2005.

Bedford	Greencastle
Bicknell	Huntington
Bloomington	Indianapolis
Columbus	Marion
Crawfordsville	Merrillville
Crown Point	Muncie
Evansville	New Albany
Ft. Wayne	Richmond
Gary	South Bend

The list of attendees provides evidence that the forum incorporated varying opinions and experiences from citizens located throughout the State—an indication that the results provide a comprehensive picture of the impediments to fair housing from the views of the stakeholders.

Forum process. The session began with brief introductions of those attending the forum and a summary of the meeting’s purpose. The forum was facilitated by Dr. Linda Keys who provided an overview of the process and assisted the participant with the activities throughout the forum. During the session, participants were asked to form groups of 7 to 9 people and list the top ten impediments to fair housing. The group was asked to determine as a group the top ten impediments and to prioritize them.

The rules for the group process were to respect the opinions of all members and to make sure that the document submitted reflected all opinions of the group. To ensure that all were on task with this requirement, group members were asked to sign the exercise before submission. In addition, if a participant felt that the outcome did not reflect their opinion, they were instructed to tell the facilitator to provide them with an exercise or comment sheet for their own completion.

Forum results. Participants had little difficulty coming up with impediments to fair housing exhibited by the protective classes, although some groups did find it hard to condense the list down to ten and most group did not prioritize the list. The exhibit on the following page shows the barriers organized by the number of times a group listed the barrier, from most to least.

**Exhibit VI-15.
Top Ten Barriers
to Fair Housing**

Source:
Fair Housing Forum, February
2005.



In addition, the most common remark recorded during the forum was that the Fair Housing Task Force was an important factor in the education of stakeholders and the reduction of barriers to fair housing throughout the State. Consequently, participants felt that funds should be allocated for an administrator to manage the Task Force, to support Task Force activities and to assist representatives with associated attendance costs.

Interviews. BBC and The Keys Group conducted interviews in person and by telephone with individuals who are knowledgeable about fair housing in Indiana in 2005. These individuals represented local government officials, housing and real estate professionals, social service providers, and representatives of community and professional organizations. Their comments are summarized below, by type of question asked in the interviews. A list of the key people interviewed appears in Appendix C of the Consolidated Plan report.

Types of fair housing and affordable housing activities interviewees are engaged in:

- Help with home ownership for people with low-incomes (13)
- Affordable repairs (9)
- Consumer education (8)
- Home ownership counseling (7)
- Helping persons with disabilities find housing to suit their needs (4)
- Investigations of complaints and discrimination (3)
- Helping families buy their first homes (2)
- Purchase of apartment buildings and creating affordable units (2)
- Helping people with fair housing claims (2)
- Providing affordable rental properties (1)
- Participation in Fair Housing Month (1)
- Affirmative marketing procedures (1)

Where do you refer people who believe they have been discriminated against?

- Local HUD office (12)
- In-house counselor or local counselor (6)
- Indiana Civil Rights Commission (3)
- Local branches of legal services (3)
- Office of the Attorney General (1)
- Provide fair-housing brochures (1)
- More than two thirds of the groups did recall receiving fair housing complaints (some many), but did not have record of data.
- Many groups had an in-house counselor who did not keep record of complaints.

Organizations' perception on discrimination - where it occurs, changes in affected populations, changes in type of discrimination:

- Most (all) discrimination occurs in the disabled, minority (primarily Latino), low-income, and elderly populations. (25)
- Discrimination against women with children is prevalent. (11)
- Discrimination against Latinos and elderly are growing the fastest. (7)

What are your biggest concerns about fair housing and fair lending, for your clients?

- Most Latinos do not have any credit at all (12)
- Low-income families and persons with disabilities are not taken seriously when they report discrimination (11)
- Rural areas have a lack of financial institutions (6)
- There is a major language barrier for those who speak Spanish (5)

Predatory lending has been an increasing problem throughout the country. Have you noticed borrowers taking on increasing amounts of debt? Is this a concern?

- About half of interviewees stated that this was a not a problem.
- Lower income families and Spanish speaking populations are being solicited for loans they cannot afford

Is there any evidence of racial steering by Realtors or brokers in your area?

- All groups said they have not seen any evidence of racial steering.

Are there land use and/or zoning regulations that inadvertently restrict access to fair housing? That prevents development of affordable housing? If so, how should they be changed?

- Most stated there were no limitations directly that they were aware of that restricted fair housing, and that they were not aware of any policies to prevent the development of affordable housing units.

Are there public policies that inadvertently restrict access to fair housing? If so, how should they be changed?

- Most stated no to this question or that they were not knowledgeable of any issues.

What types of fair housing activities are most needed in your community (e.g., education/outreach, testing, and advertising)?

- The most consistent answer was outreach, followed by advertising (26)

Lending Analysis

The following section contains a review of two recent studies that examined predatory lending activity in Indiana, recent Indiana legislation addressing predatory lending activities and an analysis of HMDA data.

Predatory lending. A recent and growing concern in Indiana has been the increase in the State's foreclosure rate and, in particular, the role that predatory and subprime lending has played in the increase. Predatory lending can be connected with the Fair Housing Act because predatory lenders often target persons that are less financially sophisticated or otherwise vulnerable, or believed to be

vulnerable, or who have less access to mainstream lenders, such as the elderly and minorities, persons living in low or moderate-income areas. Subprime lending is often presented as a fair lending issue because of the disproportionate amount of such lending that occurs with minority populations. Recently, Indiana Legal Services and the Indiana Mortgage Bankers Association completed independent reviews of subprime lending activities and the State's foreclosure rate.

Legal Services analysis. The Indiana Legal Services report uses data from the Home Mortgage Disclosure Act (HMDA) to identify subprime lenders. The study focuses on subprime refinances as the strongest indicator that available from HMDA of possible predatory lending.

The Indiana Legal Services analysis estimated that predatory lending cost Indiana residents \$148.4 million in 2000.² The report also estimated that in 2002, subprime lenders made \$2 billion worth of loans in Indiana, up from \$1.3 billion in 2001. According to the report, subprime loans accounted for 7.3 percent of mortgage loans in the State overall, an increase from 5.5 percent in 2001, and 8 percent of all mortgage refinances, an increase from 6.3 percent in 2001.

According to 2002 HMDA data for Indiana presented in the report, African American borrowers were almost four times more likely than whites to receive a subprime loan and Hispanics/Latinos were 1.5 times more likely than whites to receive a subprime loan. As for mortgage refinances, African Americans who refinanced were almost four times more likely than Whites to receive a subprime loan, and Hispanic/Latinos who refinanced were 1.6 times more likely than Whites to receive a subprime loan.³

A study by the Center for Community Change in Washington DC reported there are significant racial disparities in subprime lending and that disparities actually increase as income increases nationwide.⁴ In their study, Indiana Legal Services found that upper income African Americans borrowers were more likely to receive a loan from a subprime lender (12 percent) than low income white borrowers (8 percent).

**Exhibit VI-16.
Percent of Loans that were Subprime by Race and Income Level, Indiana, 2002**

Race/Ethnicity	Low Income Subprime	Moderate Income Subprime	Upper Income Subprime	Total Subprime
African American	23%	18%	12%	18%
Latino	9%	7%	6%	8%
White	8%	5%	3%	5%
Total	12%	8%	4%	7%

Source: Bradley, Jeanette, *What is Predatory Lending?* Indiana Legal Services, Housing Law Center, December 2003.

² Bradley, Jeanette, *What is Predatory Lending?* Indiana Legal Services, Housing Law Center, December 2003.

³ Bradley, Jeanette, *What is Predatory Lending?* Indiana Legal Services, Housing Law Center, December 2003.

⁴ Bradford, Calvin, *Risk or Race? Racial Disparities and the Subprime Refinance Market*, a report for the Center for Community Change, May 2002.

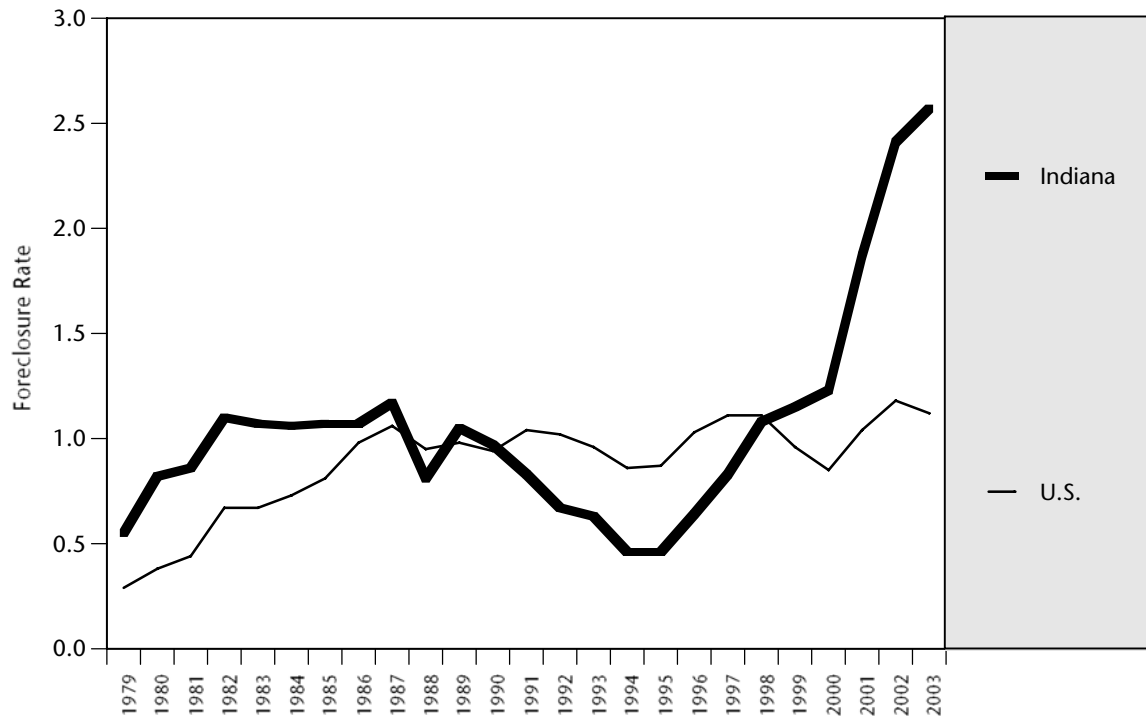
Indiana Legal Services also reported the Indiana counties in 2001 with the highest percentage of subprime mortgage loans and subprime refinances. According to the report, the highest percentage of loans made by subprime lenders occurred in Sullivan (19 percent), Union (18 percent), Switzerland (16 percent), Pike (16 percent) and Blackford (15 percent) Counties. The highest percentage of refinances made by subprime lenders occurred in Sullivan (23 percent), Union (21 percent), Pike (20 percent), Daviess (18 percent), Switzerland (18 percent), Blackford (18 percent), Henry (16 percent), and Greene (16 percent) Counties. (Interestingly, these are not counties in the State with the highest percentages of minority populations).

Indiana Mortgage Bankers Association. The Indiana Mortgage Bankers Association study examined the potential causes of the State's increase in foreclosure rate. The study was commissioned by five groups: the Metropolitan Indianapolis Board of REALTORS®, the Indiana Association of REALTORS®, the Indiana Builders Association, the Builders Association of Greater Indianapolis, and the Indianapolis Neighborhood Housing Partnership. It was conducted by the National Association of REALTORS® on behalf of all five groups and released in April 2003.⁵ An update to the original study was released in March 2004.

According to Mortgage Banker's Association, Indiana's foreclosure rate was more than double the nation's at the end of the third quarter in 2003. The national foreclosure rate was 1.12 percent compared to Indiana's rate of 2.6 percent. Indiana had the second highest foreclosure rate in the country. Indiana has not historically been a state with high delinquency rate. The Indiana Mortgage Bankers Association (IMBA) reported Indiana had a lower foreclosure rate than the national average through the 1990s. As shown in Exhibit VI-17, the State's foreclosure rate has been on an upward trend since the mid-1990s, with a dramatic increase in 2001.

⁵ *Rising Foreclosure Rates in Indiana: An Explanatory Analysis of Contributing Factors*, Study conducted by the National Association of REALTORS®, March 2003.

Exhibit VI-17.
Mortgage Foreclosure Rates for Indiana and the Nation, 1979 to 2003



Note: All loans in foreclosure are at the end of the 4th quarter for each year, except for 2003 was at the end of the 3rd quarter.

Source: Mortgage Bankers Association.

This study reported that the possible causes of foreclosures are related to the job market/economic conditions, first time homebuyers, government backed loans, high loan-to-value ratios, along with other factors. The study discounts the role of predatory lending in contributing to the State's increase in foreclosures, primarily because of the reportedly low proportion of total loans that are subprime. Instead, the study relates the foreclosures to the high proportion of homeowners in Indiana, the high percentage of government guaranteed loan products and high loan-to-values.

- **First Time Home Buyers.** According to the 2002 Census, 74.4 percent of Indiana residents were homeowners, which is much higher than the 68.3 percent of residents in the United States. This was one of the highest homeownership rates in the country. From 1990 to 2000, the national homeownership rate increased by 2.3 percent, while it increased by 4.4 percent in Indiana. Since Indiana outpaced the nation in homeownership, the report suggested that there may have been an excess of home buying. The report also suggested that anytime the homeownership rate is increased, it means there are new homeowners who had previously been closer to the margin of affordability. The lower mortgage rates allowed more people to be able to own homes.

- **Government Backed Loans.** From 1997 to 1999 Indiana's share of FHA loans were similar to national figures and in 2000, there was a noticeably higher number of FHA loans obtained in Indiana. In 2001, Indiana's share of FHA loans was 25 percent, which was higher than the national share (17 percent). In 2002, the national amount of FHA loans fell to 14 percent and to 21 percent in Indiana. The report concluded that more than half of the difference in foreclosure rates between Indiana and the U.S. could be attributed to the higher composition of higher risk loans, i.e., FHA loans. Furthermore, the sharp cut back in jobs was likely to have contributed greatly in changing the mix of FHA and conventional loans. According to the report, research has revealed that first-time homebuyers are more likely to default on mortgages than repeat homebuyers are. FHA loans have a higher concentration of first-time homebuyers who have a low down payment, and are in lower-income areas, compared to the conventional loan market. Mortgage Bankers data revealed that VA loans were more than three times as likely to foreclose than conventional loans and FHA loans were nearly five times as likely to foreclose than conventional loans.

- **High Loan-to-Value ratios and slow appreciation.** According to the Federal Housing Finance Board, the Indiana loan-to-value (LTV) ratio was 80.2 percent in 2003, which was higher than the national average of 73.6 percent. Almost one-third of the conventional loans in Indiana had an LTV greater than 90 percent, compared to only six states that had a higher percentage with LTVs greater than 90 percent. High LTVs may increase the likelihood of default because there is a greater chance the borrower will be in negative equity position early in the life of the loan. If home values appreciate quickly, LTV ratios are less of an issue when considering foreclosure. According to the fourth quarter 2003 price index created by the Office of Federal Housing Enterprise Oversight, Indiana ranked low in comparison to other states (45th) in one-year housing price growth and 49th in the previous year. Therefore, the continual low appreciation of home price in Indiana is one of the reasons for higher LTV loans and the resulting higher foreclosure rate.

UNC Study. A recent study by the Center for Community Capitalism at the University of North Carolina (UNC) at Chapel Hill linked predatory loan terms, specifically prepayment penalties and balloon payments, to increased mortgage foreclosures. The foreclosure rate in the subprime mortgage market was over 10 times higher than in the prime market. The study also provide supplemental tables that reported 31.2 percent of Indiana's subprime first-lien refinance mortgage loans had been in foreclosure at least once. This is the second highest rate of all states (South Dakota was the highest with 34.8 percent) and over 10 percentage points higher than the national rate of 20.7 percent.

Conclusions. A number of recent studies have analyzed the reasons for the increasing foreclosure rate in Indiana and subprime and predatory lending activities. Although a more comprehensive analysis of data over time is required to identify the particular causes of the State's foreclosures and the link to the subprime lending market, these studies point out a number of issues relevant to fair lending activities:

- Largely because of their loan terms, subprime loans have a higher probability of foreclosure than conventional loans.
- Subprime loans make a small, but growing proportion of mortgage lending in Indiana.
- Subprime lenders serve the State's minorities at disproportionate rates.
- Other factors – high homeownership rates, use of government guaranteed loans, high LTVs and low housing price appreciation – have likely contributed to the State's increase in foreclosures.

Indiana Legislation. On March 18, 2004, the Indiana Home Owner Protection Act (HB1229) and Property Tax Benefits and Study Commission (HB1005) were signed into law by Governor Kernan.

HB 1229: The Indiana Home Owner Protection Act. HB 1229 will protect homeowners from lenders who target homeowners with overpriced loans that strip away equity. It limits certain predatory practices, and provides penalties for lenders who violate the law. Specifically the act:

- Restricts certain lending acts and practices;
- Establishes the homeowner protection unit in the office of the attorney general;
- Provides enforcement procedures for deceptive mortgage acts;
- Establishes a \$3 mortgage recording fee;
- Requires the Indiana housing finance authority (now the Indiana Housing and Community Development Authority) to provide homeownership training programs;
- Provides that certain provisions do not apply to certain financial institutions;
- Makes changes to the definition of a high-cost home loan; and
- Prohibits certain lending practices.

The Coalition for Responsible Lending estimates that U.S. borrowers lose \$9.1 billion annually to predatory lending, and that predatory lending practices cost Indiana residents \$150 million a year. HB 1229 as passed is an approach negotiated by consumer groups including AARP and the Indiana Association for Community Economic Development, and industry groups including the Indiana Bankers Association, the Community Bankers Association, the Credit Union League, the Mortgage Bankers Association, the Consumer Finance Association, and the Indiana Mortgage Brokers.

The legislation identifies certain practices that are so inherently abusive that they are prohibited for all loans. In addition, the legislation limits certain additional practices when they are used in a "high-cost" home loan. This is because "high-cost" home loans with high fees or high interest rates have greater potential to be harmful to customers.

A high-cost home loan is defined in HB 1229 as a home mortgage loan that exceed either:

- The interest rate threshold established by federal law (8 points above the yield on Treasury bills with comparable term for first liens; 10 points above for subordinate liens); or
- Point and fees that exceed 5 percent of the total loans amount for loans \$40,000 and above, and 6 percent of the total loan amount for smaller loans.

Under the Act, the following acts and practices are prohibited for all home loans:

- Financed single-premium credit life insurance and debt cancellation agreements;
- Recommendation of default;
- Flipping a below-market rate loan (such as a Habitat loan) into a high-cost loan;
- Debt acceleration at the sole discretion of the creditor;
- Charging the consumer a fee to receive a balance due statement;
- Deceptive acts; and
- Discrimination on the basis of race, color, religion, national origin, sex, marital status or age.

Under the Act, the following acts and practices are prohibited for high-cost loans:

- Financing of fees or charges;
- Excessive prepayment penalties;
- Financing of life or health insurance;
- Loan flipping;
- Balloon payments;
- Negative amortization;
- Increased interest rate after default;
- Advance payments made from loan proceeds;
- Lending without a referral for homeownership counseling;
- Lending without due regard to repayment ability;
- Certain predatory home-improvement contracts;
- Modification or deferral fees;
- Lending without full disclosure of the risks of high-cost loans;
- Mandatory arbitration.

HB 1229 is similar to the federal Home Ownership and Equity Protection Act (HOEPA). Like HB 1229, HOEPA creates special requirements applicable to high-cost loans. However, the HOEPA thresholds for high-cost loans are too high to reach the bulk of high-cost loans. According to the data from the Office of Thrift Supervision, only one percent of high-cost loans were covered by HOEPA before October 1, 2002. It is not known how many more loans will be covered under recent changes

to HOEPA, but estimates were an additional 4 to 5 percent. The simple fact is that the vast majority of predatory loans being made today are perfectly legal under HOEPA guidelines.

HB 1005: Property Tax Benefits and Study Commission. HB1005 contained various property tax matters. Among its provisions is a requirement that at the closing of mortgage the closing agent is required to give the homeowner a state-prepared statement of available property tax credits that may be filed for. The required disclosure form will be prepared by the state and made available to lenders and title companies.

Home Mortgage Disclosure Act (HMDA) Data analysis. The National Fair Housing Alliance reported that in 2003, mortgage lending discrimination was the second largest form of discrimination reported to private fair housing groups throughout the United States.⁶ The best source of analysis of mortgage lending discrimination is HMDA data. HMDA data consist of information about mortgage loan applications for financial institutions, savings and loans, savings banks, credit unions and some mortgage companies.⁷ The data contain information about the location, dollar amount, and types of loans made, as well as racial and ethnic information, income, and credit characteristics of all loan applicants. The data are available for home purchases, loan refinances, and home improvement loans.

HMDA data can provide a picture of how different applicant types fare in the mortgage lending process. These data can be used to identify areas of potential concern that may warrant further investigations. For example, by comparing loan approval rates of minority applicants with non-minorities that have similar income and credit characteristics, areas of potential discrimination may be detected.

The Federal Reserve is the primary regulator of compliance with fair lending regulations. When federal regulators examine financial institutions, they use HMDA data to determine if applicants of a certain gender, race or ethnicity are rejected at statistically significant higher rates than applicants with other characteristics. The Federal Reserve uses a combination of sophisticated statistical modeling and loan file sampling and review to detect lending discrimination.

The HMDA data tables in this section present summary HMDA data for six of Indiana's smaller Metropolitan Statistical Areas (MSA). (HMDA data are not available for small areas in the State). The areas included are: Bloomington MSA, Elkhart-Goshen MSA, Kokomo MSA, Lafayette MSA, Muncie MSA and Terre Haute MSA. It should be noted that discriminatory practices cannot be definitively identified from a review of aggregate HMDA data. Lending discrimination tests require detailed statistical analyses and comparative tests of individual loan files. However, examinations of denial rates and general applicant characteristics can suggest areas for further examination.

⁶ *2004 Fair Housing Trends Report*, National Fair Housing Alliance, April 7, 2004.

⁷ Financial institutions are required to report HMDA data if they have assets of more than \$32 million, have a branch office in a metropolitan area, and originated at least one home purchase or refinance loan in the reporting calendar year. Mortgage companies are required to report HMDA if they are for-profit institutions, had home purchase loan originations exceeding 10 percent of all loan obligations in the past year, are located in an MSA (or originated five or more home purchase loans in an MSA) and either had more than \$10 million in assets or made at least 100 home purchase or refinance loans in the calendar year.

Loan applications and action taken. HMDA data available for the 2002 calendar year were used in this analysis. During 2002, there were 2,908 government guaranteed home mortgage loan applications made in the six MSAs and 13,588 conventional loan applications.

Eighty-one percent of the applications for government guaranteed loans were originated and 8 percent of these applications were denied. Conventional home purchase loans had an origination rate of 72 percent with 14 percent of the applications denied. (Higher origination rates for government guaranteed loans are typical, since these loans usually provide more flexible underwriting standards).

Approval rates by race and income. HMDA data are also available by race and income for the six small Indiana MSAs. Approval rates on government-backed and conventional mortgage loans are shown in Exhibits VI-18 and VI-19

As would be expected, approval rates tend to increase as incomes rise. Applicants who were Native American and where race was not available showed the lowest approval rates for low income categories and total applicants for conventional loans. Whites and Asians had the highest approval rates for conventional loans, and approval rates for African Americans and Hispanics tended to be lower than Whites across income categories. For government guaranteed loans, approval rates were similar for race and ethnic categories.

Exhibit VI-18

Government Guaranteed Home Mortgage Loan Origination Rates by Race/Ethnicity and Income, Indiana Small MSAs, 2002

Low Income Applicants (<80% of Median)														
Race/Ethnicity	Bloomington MSA		Elkhart-Goshen MSA		Kokomo MSA		Lafayette MSA		Muncie MSA		Terre Haute MSA		Total of Six MSAs	
	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received
American Indian/Alaskan Native	N/A	0	100%	1	N/A	0	N/A	0	N/A	0	N/A	0	100%	1
Asian/Pacific Islander	50%	2	N/A	0	100%	1	100%	5	100%	1	N/A	0	89%	9
African American	0%	1	82%	11	89%	9	72%	18	75%	8	100%	3	78%	50
Hispanic	100%	4	82%	114	100%	8	77%	66	100%	2	N/A	0	82%	194
White	68%	132	75%	293	83%	269	81%	406	85%	189	87%	180	80%	1,469
Other	N/A	0	N/A	0	100%	4	100%	1	N/A	0	N/A	0	100%	5
Joint	0%	2	83%	6	100%	2	90%	10	100%	1	N/A	0	81%	21
Not Available	33%	3	65%	20	71%	21	68%	34	69%	13	60%	10	66%	101
Total	67%	144	77%	445	83%	314	80%	540	84%	214	85%	193	80%	1,850

Moderate, Middle and Upper Income Applicants (80% of Median or Greater)														
Race/Ethnicity	Bloomington MSA		Elkhart-Goshen MSA		Kokomo MSA		Lafayette MSA		Muncie MSA		Terre Haute MSA		Total of Six MSAs	
	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received
American Indian/Alaskan Native	N/A	0	N/A	0	N/A	0	N/A	0	0%	1	100%	1	50%	2
Asian/Pacific Islander	N/A	0	100%	1	100%	1	75%	4	100%	2	N/A	0	88%	8
African American	67%	3	100%	1	80%	15	88%	8	78%	9	50%	4	78%	40
Hispanic	100%	2	100%	13	67%	3	88%	8	N/A	0	100%	2	93%	28
White	81%	113	83%	126	82%	136	84%	233	86%	144	89%	132	84%	884
Other	N/A	0	N/A	0	67%	3	50%	2	N/A	0	N/A	0	60%	5
Joint	100%	3	50%	4	100%	2	86%	7	50%	2	80%	5	78%	23
Not Available	82%	11	33%	2	67%	2	95%	21	38%	8	60%	10	69%	68
Total	82%	132	81%	154	80%	169	84%	283	83%	166	86%	154	83%	1,058

Total Applicants														
Race/Ethnicity	Bloomington MSA		Elkhart-Goshen MSA		Kokomo MSA		Lafayette MSA		Muncie MSA		Terre Haute MSA		Total of Six MSAs	
	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received
American Indian/Alaskan Native	N/A	0	100%	1	N/A	0	N/A	0	0%	1	100%	1	67%	3
Asian/Pacific Islander	50%	2	100%	1	100%	2	89%	9	100%	3	N/A	0	88%	17
African American	50%	4	83%	12	83%	24	77%	26	76%	17	71%	7	78%	90
Hispanic	100%	6	84%	127	91%	11	78%	74	100%	2	100%	2	83%	222
White	74%	245	78%	419	83%	405	82%	639	86%	333	88%	312	82%	2,353
Other	N/A	0	N/A	0	86%	7	67%	3	N/A	0	N/A	0	80%	10
Joint	60%	5	70%	10	100%	4	88%	17	67%	3	80%	5	80%	44
Not Available	71%	14	55%	22	70%	30	78%	55	57%	21	60%	20	67%	162
Total	74%	276	78%	599	82%	483	81%	823	83%	380	86%	347	81%	2,908

Note: N/A means no applications were received.

Median household income refers to the MSA's median household income.

Source: FFIEC HMDA Aggregate Reports, 2002, and BBC Research & Consulting.

Exhibit VI-19

Conventional Home Mortgage Loan Origination Rates by Race/Ethnicity and Income, Indiana Small MSAs, 2002

Low Income Applicants (<80% of Median)														
Race/Ethnicity	Bloomington MSA		Elkhart-Goshen MSA		Kokomo MSA		Lafayette MSA		Muncie MSA		Terre Haute MSA		Total of Six MSAs	
	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received
American Indian/Alaskan Native	0%	1	50%	2	50%	2	0%	4	20%	5	N/A	0	21%	14
Asian/Pacific Islander	56%	9	62%	21	0%	1	67%	9	50%	4	67%	6	60%	50
African American	67%	6	50%	26	45%	11	56%	9	43%	23	42%	19	48%	94
Hispanic	57%	7	61%	123	100%	4	59%	68	71%	7	67%	3	61%	212
White	68%	583	70%	1,177	69%	661	76%	837	70%	562	64%	791	70%	4,611
Other	71%	7	25%	4	40%	5	40%	5	75%	4	80%	5	57%	30
Joint	50%	2	50%	10	71%	7	60%	15	75%	4	50%	4	60%	42
Not Available	26%	96	25%	208	33%	89	25%	134	30%	92	27%	122	27%	746
Total	62%	711	63%	1,571	65%	780	68%	1,081	63%	706	59%	950	63%	5,799
Moderate, Middle and Upper Income Applicants (80% of Median or Greater)														
Race/Ethnicity	Bloomington MSA		Elkhart-Goshen MSA		Kokomo MSA		Lafayette MSA		Muncie MSA		Terre Haute MSA		Total of Six MSAs	
	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received
American Indian/Alaskan Native	100%	2	100%	1	N/A	0	100%	2	100%	1	0%	2	75%	8
Asian/Pacific Islander	80%	25	86%	14	100%	10	91%	35	88%	8	100%	9	89%	101
African American	56%	16	60%	25	82%	28	50%	10	73%	30	64%	22	67%	131
Hispanic	100%	4	66%	44	75%	4	59%	22	100%	1	50%	6	65%	81
White	77%	1,048	84%	1,262	83%	824	85%	1,356	80%	926	76%	1,150	81%	6,566
Other	82%	11	71%	7	50%	4	85%	13	71%	7	82%	11	77%	53
Joint	91%	34	94%	34	80%	5	79%	34	57%	14	86%	14	84%	135
Not Available	65%	111	46%	105	58%	93	63%	150	47%	92	44%	133	54%	684
Total	77%	1,251	80%	1,492	80%	968	82%	1,622	77%	1,079	73%	1,347	78%	7,759
Total Applicants														
Race/Ethnicity	Bloomington MSA		Elkhart-Goshen MSA		Kokomo MSA		Lafayette MSA		Muncie MSA		Terre Haute MSA		Total of Six MSAs	
	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received
American Indian/Alaskan Native	67%	3	67%	3	50%	2	33%	6	33%	6	0%	2	41%	22
Asian/Pacific Islander	74%	34	71%	35	91%	11	86%	44	75%	12	87%	15	79%	151
African American	59%	22	55%	51	72%	39	53%	19	60%	53	54%	41	59%	225
Hispanic	73%	11	62%	167	88%	8	59%	90	75%	8	56%	9	62%	293
White	74%	1,631	77%	2,439	77%	1,485	81%	2,193	76%	1,488	71%	1,941	76%	11,177
Other	78%	18	55%	11	44%	9	72%	18	73%	11	81%	16	70%	83
Joint	89%	36	84%	44	75%	12	73%	49	61%	18	78%	18	79%	177
Not Available	47%	202	32%	313	46%	182	45%	284	38%	189	36%	255	40%	1,430
Total	71%	1,962	71%	3,063	73%	1,748	76%	2,703	71%	1,785	67%	2,297	72%	13,558

Note: N/A means no applications were received.

Median household income refers to the MSA's median household income.

Source: FFIEC HMDA Aggregate Reports, 2002, and BBC Research & Consulting.

Denial rates by race and income. Exhibits VI-20 and VI-21 on the following pages present *denial* rates by race and ethnicity, categorized by income level and loan type for the six MSAs. It is important to note that the number of loan applications were relatively small for the following groups: American Indian/Alaskan Native, Asian/Pacific Islander, the “Other” category and the “Joint” category. As such, caution should be used in interpreting data about these racial and ethnic groups.

For government guaranteed home purchase loans, as shown in Exhibit VI-20, applicants where race was not available, applicants of joint race and African Americans had the highest denial rates of 12 to 15 percent. Among low-income applicants, applicants where race was not available had the highest denial rates (18 percent), followed by applicants with joint race (14 percent). African American applicants had the highest denial rate among higher income applicants (18 percent).

Exhibit VI-20.

Government Guaranteed Home Mortgage Loan Denial Rates by Race/Ethnicity and Income, Indiana Small MSAs, 2002

Low Income Applicants (<80% of Median)														
Race/Ethnicity	Bloomington MSA		Elkhart-Goshen MSA		Kokomo MSA		Lafayette MSA		Muncie MSA		Terre Haute MSA		Total of Six MSAs	
	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received
American Indian/Alaskan Native	N/A	0	0%	1	N/A	0	N/A	0	N/A	0	N/A	0	0%	1
Asian/Pacific Islander	50%	2	N/A	0	0%	1	0%	5	0%	1	N/A	0	11%	9
African American	100%	1	9%	11	0%	9	11%	18	0%	8	0%	3	8%	50
Hispanic	0%	4	10%	114	0%	8	14%	66	0%	2	N/A	0	10%	194
White	13%	132	8%	293	10%	269	11%	406	3%	189	7%	180	9%	1,469
Other	N/A	0	N/A	0	0%	4	0%	1	N/A	0	N/A	0	0%	5
Joint	100%	2	0%	6	0%	2	10%	10	0%	1	N/A	0	14%	21
Not Available	0%	3	20%	20	19%	21	24%	34	15%	13	0%	10	18%	101
Total	15%	144	9%	445	10%	314	12%	540	4%	214	6%	193	9%	1,850
Moderate, Middle and Upper Income Applicants (80% of Median or Greater)														
Race/Ethnicity	Bloomington MSA		Elkhart-Goshen MSA		Kokomo MSA		Lafayette MSA		Muncie MSA		Terre Haute MSA		Total of Six MSAs	
	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received
American Indian/Alaskan Native	N/A	0	N/A	0	N/A	0	N/A	0	0%	1	0%	1	0%	2
Asian/Pacific Islander	N/A	0	0%	1	0%	1	0%	4	0%	2	N/A	0	0%	8
African American	33%	3	0%	1	20%	15	13%	8	11%	9	25%	4	18%	40
Hispanic	0%	2	0%	13	33%	3	13%	8	N/A	0	0%	2	7%	28
White	5%	113	6%	126	7%	136	9%	233	5%	144	2%	132	6%	884
Other	N/A	0	N/A	0	0%	3	0%	2	N/A	0	N/A	0	0%	5
Joint	0%	3	25%	4	0%	2	0%	7	50%	2	20%	5	13%	23
Not Available	9%	11	33%	9	22%	9	0%	21	13%	8	10%	10	12%	68
Total	6%	132	7%	154	9%	169	8%	283	6%	166	3%	154	7%	1,058
Total Applicants														
Race/Ethnicity	Bloomington MSA		Elkhart-Goshen MSA		Kokomo MSA		Lafayette MSA		Muncie MSA		Terre Haute MSA		Total of Six MSAs	
	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received
American Indian/Alaskan Native	N/A	0	0%	1	N/A	0	N/A	0	0%	1	0%	1	0%	3
Asian/Pacific Islander	50%	2	0%	1	0%	2	0%	9	0%	3	N/A	0	6%	17
African American	50%	4	8%	12	13%	24	12%	26	6%	17	14%	7	12%	90
Hispanic	0%	6	9%	127	9%	11	14%	74	0%	2	0%	2	10%	222
White	9%	245	7%	419	9%	405	10%	639	4%	333	4%	312	8%	2,353
Other	N/A	0	N/A	0	0%	7	0%	3	N/A	0	N/A	0	0%	10
Joint	40%	5	10%	10	0%	4	6%	17	33%	3	20%	5	14%	44
Not Available	7%	14	24%	29	20%	30	15%	55	14%	21	5%	20	15%	169
Total	11%	276	8%	599	10%	483	10%	823	5%	380	5%	347	8%	2,908

Note: N/A means there were no applications received.

Median household income refers to the MSA's median household income.

Source: FFIEC HMDA Aggregate Reports, 2002, and BBC Research & Consulting.

Exhibit VI-21 shows conventional loan denial rates during 2002 for the six MSAs and perhaps portrays more accurate denial rates, as there are more applications for most racial and ethnic groups. Among low-income applicants for conventional loans, American Indians/Alaska Natives had high denial rates of 64 percent and applicants where race was not available had a 47 percent denial rate. Slightly lower denial rates were found for African Americans (38 percent) and Hispanic (27 percent) applicants. Among higher income applicants, Hispanic applicants and applicants where race was not available had the highest denial rates of 20 percent each followed by African Americans (15 percent).

Exhibit VI-21.

Conventional Home Mortgage Loan Denial Rates by Race/Ethnicity and Income, Indiana Small MSAs, 2002

Low Income Applicants (<80% of Median)														
Race/Ethnicity	Bloomington MSA		Elkhart-Goshen MSA		Kokomo MSA		Lafayette MSA		Muncie MSA		Terre Haute MSA		Total of Six MSAs	
	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received
American Indian/Alaskan Native	100%	1	50%	2	50%	2	100%	4	40%	5	N/A	0	64%	14
Asian/Pacific Islander	33%	9	14%	21	100%	1	11%	9	25%	4	17%	6	20%	50
African American	17%	6	35%	26	36%	11	44%	9	48%	23	37%	19	38%	94
Hispanic	0%	7	29%	123	0%	4	31%	68	14%	7	0%	3	27%	212
White	18%	583	16%	1,177	14%	661	14%	837	16%	562	20%	791	16%	4,611
Other	0%	7	50%	4	40%	5	0%	5	0%	4	0%	5	13%	30
Joint	50%	2	20%	10	29%	7	13%	15	0%	4	25%	4	19%	42
Not Available	46%	96	52%	208	42%	89	53%	134	43%	97	42%	122	47%	246
Total	22%	711	22%	1,571	18%	780	20%	1,081	21%	706	23%	950	21%	5,799
Moderate, Middle and Upper Income Applicants (80% of Median or Greater)														
Race/Ethnicity	Bloomington MSA		Elkhart-Goshen MSA		Kokomo MSA		Lafayette MSA		Muncie MSA		Terre Haute MSA		Total of Six MSAs	
	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received
American Indian/Alaskan Native	0%	2	0%	1	N/A	0	0%	2	0%	1	0%	2	0%	8
Asian/Pacific Islander	0%	25	0%	14	0%	10	0%	35	0%	8	0%	9	0%	101
African American	6%	16	36%	25	11%	28	10%	10	13%	30	9%	22	15%	131
Hispanic	0%	4	23%	44	25%	4	14%	22	0%	1	33%	6	20%	81
White	6%	1,048	6%	1,262	6%	824	5%	1,356	7%	926	9%	1,150	7%	6,566
Other	9%	11	14%	7	0%	4	8%	13	14%	7	18%	11	11%	53
Joint	0%	34	0%	34	20%	5	3%	34	21%	14	7%	14	4%	135
Not Available	9%	111	35%	105	14%	93	16%	150	22%	92	25%	133	20%	684
Total	6%	1,251	9%	1,492	7%	968	6%	1,622	9%	1,079	11%	1,347	8%	7,759
Total Applicants														
Race/Ethnicity	Bloomington MSA		Elkhart-Goshen MSA		Kokomo MSA		Lafayette MSA		Muncie MSA		Terre Haute MSA		Total of Six MSAs	
	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received
American Indian/Alaskan Native	33%	3	33%	3	50%	2	67%	6	33%	6	0%	2	41%	22
Asian/Pacific Islander	9%	34	9%	35	9%	11	2%	44	8%	12	7%	15	7%	151
African American	9%	22	35%	51	18%	39	26%	19	28%	53	22%	41	25%	225
Hispanic	0%	11	28%	167	13%	8	27%	90	13%	8	22%	9	25%	293
White	11%	1,631	11%	2,439	10%	1,485	8%	2,193	11%	1,488	14%	1,941	11%	11,177
Other	6%	18	27%	11	22%	9	6%	18	9%	11	13%	16	12%	83
Joint	3%	36	5%	44	25%	12	6%	49	17%	18	11%	18	8%	177
Not Available	26%	202	46%	313	27%	182	33%	284	33%	182	33%	255	34%	1,430
Total	12%	1,962	16%	3,063	12%	1,748	12%	2,703	14%	1,785	16%	2,297	14%	13,558

Note: N/A means there were no applications received.

Median household income refers to the MSA's median household income.

Source: FFIEC HMDA Aggregate Reports, 2002, and BBC Research & Consulting.

Reasons for denial. HMDA data also contain summary information on the reasons for denial by type of loan and applicant characteristics, which can help explain some of the variation in approval rates among applicants. Exhibits VI-22 and VI-23 show the reasons for denials of 2002 loan applications for government insured and conventional home purchase loans. The numbers in boldface type represent the most common reason for denial for each group of applicants.

**Exhibit VI-22.
Government Guaranteed Loans Reasons for Denial, Indiana Small MSAs, 2002**

MSA	Bloomington MSA	Elkhart- Goshen MSA	Kokomo MSA	Lafayette MSA	Muncie MSA	Terre Haute MSA
Debt-to-Income Ratio	13%	27%	26%	20%	24%	24%
Employment History	4%	4%	3%	3%	0%	12%
Credit History	40%	32%	47%	45%	52%	36%
Collateral	4%	4%	1%	2%	0%	12%
Insufficient Cash	7%	0%	9%	6%	8%	8%
Unverifiable Information	2%	5%	1%	1%	4%	0%
Credit Application Incomplete	13%	7%	7%	13%	8%	0%
Mortgage Insurance Denied	0%	0%	0%	0%	0%	0%
Other	<u>16%</u>	<u>21%</u>	<u>6%</u>	<u>9%</u>	<u>4%</u>	<u>8%</u>
Total ⁽¹⁾	45	56	70	95	25	25

Note: ⁽¹⁾ Institutions are not required to report reasons for loan denials. "Total" includes cases where multiple reasons were reported.
Source: FFIEC HMDA Aggregate Reports, 2002, and BBC Research & Consulting.

**Exhibit VI-23.
Conventional Loans Reasons for Denial, Indiana Small MSAs, 2002**

MSA	Bloomington MSA	Elkhart- Goshen MSA	Kokomo MSA	Lafayette MSA	Muncie MSA	Terre Haute MSA
Debt-to-Income Ratio	25%	22%	27%	20%	24%	19%
Employment History	4%	4%	4%	4%	4%	4%
Credit History	31%	37%	31%	31%	31%	40%
Collateral	7%	5%	4%	8%	8%	11%
Insufficient Cash	3%	5%	4%	6%	11%	4%
Unverifiable Information	4%	3%	1%	4%	2%	3%
Credit Application Incomplete	4%	4%	10%	9%	2%	1%
Mortgage Insurance Denied	0%	0%	0%	0%	1%	0%
Other	<u>21%</u>	<u>19%</u>	<u>19%</u>	<u>18%</u>	<u>18%</u>	<u>18%</u>
Total ⁽¹⁾	204	450	191	263	225	314

Note: ⁽¹⁾ Institutions are not required to report reasons for loan denials. "Total" includes cases where multiple reasons were reported.
Source: FFIEC HMDA Aggregate Reports, 2002, and BBC Research & Consulting.

As demonstrated in the exhibits, poor credit history is the major reason for application denials across the six MSAs. High debt-to-income ratios are another primary factor for government guaranteed loans and for conventional home purchase loans.

What do the data suggest? There are many reasons that loan approval rates may vary for applicants in the same income brackets – credit ratings, net worth, and income to debt ratios play a large role in the decision to deny or approve a loan. Without individual data about the applications analyzed previously, it is difficult to assess the presence of discrimination by race, ethnicity, or gender. Disparities in approval rates between racial and ethnic groups or genders are not definitive proof of housing discrimination; rather, the presence of disparities suggests the need for further inquiry. The data are also useful in determining what government sponsored programs might be needed to fill the gaps between what the private market is willing to provide and what is needed.

The HMDA data highlight areas where county and city governments can work to improve access to credit for citizens. As shown in Exhibits VI-22 and VI-23, high debt-to-income ratios and poor credit histories are the top reasons that credit is denied to citizens in the six MSAs. The data also show that most minority populations have higher denial rates than Whites for conventional loans. The denial rates for government guaranteed loans are more similar. Assuming the statistics for citizens in nonentitlement areas are similar (data are not available at this geographic level), the State should invest in credit and homebuyer counseling programs to improve citizens' understanding of how to manage personal debt. The State should also work to ensure that minority populations are aware of government-guaranteed loan programs, which appear to better serve these populations than conventional loan programs.

Barriers to Affordable Housing

The State of Indiana traditionally has followed the philosophy that local leaders should have control over local issues. As such, most of the laws affecting housing and zoning have been created at the urging of local jurisdictions and implemented at local discretion. Indiana is a "home rule" State, meaning that local jurisdictions may enact ordinances that are not expressly prohibited by or reserved to the State.

Tax policies. In Indiana, property taxes are based on a formula that assesses replacement value of the structure within its use classification. Single family homes are assessed as residential; multi family property is assessed as commercial. Condition, depreciation and neighborhood are factored in to the tax assessment. Commercial rates are higher than residential rates; however, real estate taxes are a deductible business expense.

The state government also collects a very small part of the property tax, at a rate of one cent per \$100 assessed value. The property tax is administered on the state level by the Indiana Department of Local Government Finance, and on the local level by the county and township assessors, the county auditor and the county treasurer.

In response to the belief that property taxes have a negative impact on lower income homeowners, Indiana has the Indiana Code Chapter 12: Assessed Value Deductions and Deductions Procedures and the Homestead Credit contained in Chapter 20.9 in 2002. These provide a number of

exemptions from property taxes including benefits for the elderly, veterans, and spouses. The State also provides benefits to owners who rehabilitate property. Most of these benefits are income targeted and have other limitations as well.

Zoning ordinances and land use controls. There is no State level land use planning in Indiana. State enabling legislation allows jurisdictions to control land use on a local level. Cities or counties must first establish a planning commission and adopt a comprehensive plan before enacting a zoning ordinance. A recent study completed by the Indiana Chapter of the American Planning Association identified that roughly 200 cities and counties have planning commissions in place.

In 1999, the Indiana Land Resources Council was established to provide information, advice and education and technical assistance to governmental units concerning land use strategies and issues. In March 2001, Governor O'Bannon established the Indiana Land Use Forum to develop recommendations on how state government works together with local government and the private sector to develop a coordinated and balanced land use policy. The Council also reported on their website that within Indiana there are 40 advisory plan commissions, which serve cities, towns and counties; 35 area plan commissions, which are a cooperative effort between county governments and at least one municipality within the county; and 2 metropolitan plan commission, which serve counties and at least the largest municipality within their boundaries. Fifteen counties in Indiana do not have any planning or zoning commissions or ordinances. In January 2005, the newly elected administration suspended the Indiana Land Resources Council.

In addition to local land use controls, certain federal and State environmental mandates exist. For instance, residential units may not be constructed in a designated flood plain. The Indiana Department of Environmental Management directs most of the Environmental Protection Agency regulations for the State.

Certain neighborhoods have been designated historic districts by local communities. In these areas, exterior appearance is usually controlled by a board of review, which is largely made up of area residents. As with zoning, there is an appeals process for review of adverse decisions. These types of land use controls should not preclude development of low income housing; they simply regulate the development so that it does not adversely affect the existing neighborhood.

Some developments impose their own site design controls. Such controls are limited to a specific geographic area, enforced through deed covenants, and designed to maintain property value and quality of life. For example, apartment complexes may be required to provide sufficient "green space" to allow for children's play areas.

Many local zoning codes require an exception or variance for the placement of manufactured housing. This could make it more difficult to utilize manufactured housing as an affordable housing alternative.

The Indiana Code (IC 36-7-4-1326) provides local governments the ability to remove a possible barrier to affordable housing. The code states that an impact fee ordinance may provide for a reduction in an impact fee for housing development that provides sale or rental housing, or both, at a price that is affordable to an individual earning less than 80 percent of the median income for the county in which the housing development is located.

Subdivision standards. The State of Indiana authorizes jurisdictions to develop local subdivision control ordinances. Legislation describes the types of features local governments can regulate and provides a framework for local subdivision review and approval. Subdivision ordinances can drive up the costs of housing depending on the subdivision regulations. For example, large lot development, extensive infrastructure improvements such as sidewalks or tree lawns can add to development costs and force up housing prices. The State encourages local communities to review local subdivision requirements to be sure they do not impede the development of affordable housing.

Building codes. The State has adopted a Statewide uniform building code based on a recognized national code. These minimum building construction standards are designed solely to protect the health and welfare of the community and the occupants. Planners point out that it is not uncommon for builders to exceed the minimum building code.

The recently updated State building code includes a provision aimed at ensuring compliance with the accessibility standards established under the federal Americans with Disabilities Act (ADA).

Permits and fees. Local building permits, filing and recording fees, fees for debris removal, and fees for weed removal are the most common fees and charges applicable to housing development. All appear to be nominal amounts and not sufficient to deter construction or rehabilitation of low- and moderate-income housing. Some exceptions may apply to the provision of manufactured housing.

Growth limits. Few communities within Indiana are facing insurmountable growth pressures. Some communities have been forced to slow growth so that municipal services and infrastructure can be expanded to support new growth areas. However, these measures address temporary gaps in service and do not reflect long-term policies.

Excessive exclusionary, discriminatory or duplicative policies. In developing this housing strategy, the State has not been able to identify any excessive exclusionary, discriminatory or duplicative local policies that are permitted by State laws and policies.

Ameliorating negative effects of policies, rules or regulations. Over the next five years, Indiana expects to see further consolidation of housing programs at the State level and concurrently, maturation of the associated programs and policies, as well as further decentralization of service provision. Interviews and survey results did not surface many concerns regarding State and local policies as deterrent to the production of affordable housing.

Summary of Impediments to Fair Housing Choice

This section has examined fair housing impediments to residents in the State of Indiana, focusing on the State's nonentitlement areas. The section examined data from a variety of sources including two citizen surveys; a key person/organization survey; a public housing authority survey; a public forum; key person interviews; and reviews and analyses of data on fair housing complaints, legal cases, and mortgage lending and foreclosure data, as well as State barriers to affordable housing.

The following barriers to fair housing were identified through this research:

- Between 4 and 6 percent of residents in Indiana believe they have experienced some type of discrimination related to housing. According to a citizen survey and ICRC complaint data, the most common types of housing discrimination in the State are based on race/national origin, disability and familial status.
- The majority of Indiana residents who believe they have been victims of discrimination did not do anything about the incidence. About one-fifth of Hoosiers are unsure of how they would obtain information about their fair housing rights. Some complaints are apparently received by housing and social service organizations, but these organizations do not have the authority to investigate them and do not track complaints.
- Lending issues – predatory lending, appropriate use of subprime loans and lack of credit/poor credit histories – appear to be the fastest growing fair housing issues in the State. There are little data about how prevalent predatory lending practices are or how significant they are in creating fair housing barriers, although most studies suggest that elderly and minorities are disproportionately likely to be victims.

SECTION VII.
Strategies and Actions

SECTION VII.

Strategies and Actions

Pursuant to Section 91.315 of the Consolidated Plan regulations, this section contains the following:

- A reiteration of the State’s philosophy of addressing housing and community development issues;
- A discussion of the general obstacles the State faces in housing and community development;
- How the State intends to address the identified housing and community development needs;
- How the State determined priority needs and fund allocations; and
- The State’s FY2006 One Year Action Plan.

This section also fulfills the requirements of Section 91.320 of the Consolidated Plan regulations. The additional information concerning Section 91.320—a discussion of funding activities and allocation plans, geographic distribution of assistance, and program specific requirements—are found in Appendix F, 2006 Allocation Plans. Required State certifications are located in Appendix A.

Approach and Methodology

Planning principles. The State determined and followed the following guiding principles during its FY2005-2009 strategic planning process: These principles were retained for the FY2006 Action Plan process.

- Focus on the findings from citizen participation efforts (key person interviews, consultation with housing and social service providers, community surveys, public comments);
- Allocate program dollars to their best use, with the recognition that nonprofits and communities vary in their capacities and that some organizations will require more assistance and resources;
- Recognize that the private market is a viable resource to assist the State in achieving its housing and community development goals;
- Emphasize flexibility in funding allocations, and de-emphasizing geographic targeting;
- Maintain local decision making and allow communities to tailor programs to best fit their needs;
- Leverage and recycle resources, wherever possible; and,

- Understand the broader context within which housing and community development actions are taken, particularly in deciding where to make housing and community development investments.

Geographical allocation of funds. In the past, the responsibility for deciding how to allocate funds geographically has been at the agency level. The State has maintained this approach, with the understanding that the program administrators are the most knowledgeable about where the greatest needs for the funds are located. Furthermore, the State understands that since housing and community development needs are not equally distributed, a broad geographic allocation could result in funds being directed away from their best use.

Specific information on the geographic allocation of funds for each of the four HUD programs is located in the program allocation plans in Appendix F.

2006 funding levels. Exhibit VII-1 provides the estimated 2006 program year funding levels for each of the four HUD programs. These resources will be allocated to address the identified housing and community development strategies and actions. Please see Appendix F for methods of distribution for each program.

**Exhibit VII-1.
2006 Consolidated Plan Funding, by Program and State Agency**

Program	FY 2006 Funding Allocations
CDBG (Indiana Office of Community and Rural Affairs)	\$31,543,515
HOME (Indiana Housing and Community Development Authority)	\$15,482,872
ADDI (Indiana Housing and Community Development Authority)	\$335,426
ESG (Indiana Housing and Community Development Authority)	\$1,892,729
HOPWA (Indiana Housing and Community Development Authority)	\$818,000
Total	\$50,072,542

Source: State of Indiana and HUD, 2006.

Five Year Strategic Goals

Four goals were established to guide funding during the FY2005-2009 Consolidated Planning period:

- **Goal 1. Expand and preserve affordable housing opportunities throughout the housing continuum.**
- **Goal 2. Reduce homelessness and increase housing stability for special needs populations.**
- **Goal 3. Promote livable communities and community revitalization through addressing unmet community development needs.**

■ **Goal 4. Promote activities that enhance local economic development efforts.**

The goals are not ranked in order of importance, since it is the desire of the State to allow each region and locality to determine and address the most pressing needs it faces.

The following section outlines the FY2005-2009 Strategic Plan and FY2006 Action Plan in detail.

Strategic Plan and Action Plan

Strategic Goal 1. Expand and preserve affordable housing opportunities throughout the housing continuum.

HOME and ADDI Program Activities

HOME funds will be allocated by the Indiana Housing and Community Development Authority (IHCDA) via the following funding programs:

- HOME application
- HOME portion of the Qualified Allocation Plan
- HOME Owner-Occupied Rehabilitation
- CHDO Works

ADDI funds are allocated via IHCDA's First HOME program.

To achieve the desired outcomes related to Goal 1, these programs make available funding for the following activities for applicants utilizing HOME funds:

- Transitional Housing - Rehabilitation/New Construction/Refinance
- Permanent Supportive Housing - Rehabilitation/New Construction/Refinance
- Rental Housing - Rehabilitation/New Construction/Refinance
- Homebuyer - Rehabilitation/New Construction
- Down payment Assistance
- CHDO Operating Support
- CHDO Predevelopment Loans
- CHDO Seed Money Loans

Down payment assistance is another activity that is used to achieve Goal 1; however, IHCDA uses both ADDI and HOME funding via the First Home program to fund this initiative.

A detailed description of each of the programs, and how funding may be obtained for each of these eligible activities, is located in Appendix F, 2006 Allocation Plan.

HOME and ADDI 2006 Expected Accomplishments

IHCDA will use the indicators listed below to determine their ability to achieve the desired outcomes associated with Goal 1.

Indicators:	Indicators:
Via the Housing from HOME application, HOME portion of the Qualified Allocation Plan, and HOME Owner-Occupied Rehabilitation Programs <ul style="list-style-type: none"> ■ Match ■ Number of units ■ Income level of units by AMI ■ Number of assisted counties assisted (primary development county) ■ Current racial/ethnic and special needs categories 	Via the First Home Program <ul style="list-style-type: none"> ■ Match ■ Number of units ■ Income level of units by AMI ■ Number of assisted counties assisted ■ Current racial/ethnic and special needs categories

Using these indicators, a numeric goal was determined for the FY2006 HOME and ADDI allocations. Exhibit VII-2 identifies the numeric indicators associated with HOME for the Housing from Shelters to Homeownership, HOME portion of the Qualified Allocation Plan, and the HOME Owner-Occupied Rehabilitation programs. Exhibit VII-3 represents HOME and ADDI via the First Home program.

**Exhibit VII-2.
HOME and ADDI 2006
Goals for Shelters, QAP,
HOME, OOR Indicators**

Source:
Indiana Housing and Community
Development Authority.

	FY 2006 Goal
Anticipated Match	\$3,000,000
Anticipated Number of Units	362
Anticipated Number Units by AMI:	
Below 30% AMI	65
30.1 - 40% AMI	50
40.1 - 50% AMI	97
50.1 - 60% AMI	69
60.1 - 80% AMI	81
Anticipated Number of Counties Assisted	48
Anticipated Number Assisted by Race/Ethnicity:	
White	312
Black/African American	35
Asian	0
American Indian/Alaskan Native	0
Native Hawaiian/Other Pacific Islander	0
American Indian/Alaskan Native and White	0
Asian and White	0
Black/African American & White	0
American Indian/Alaskan Native & Black/African American	0
Other Multi-Racial	15
Anticipated Number Assisted by Special Needs Category:	
Disabled	55
Elderly	100
Female-Headed Household	70

**Exhibit VII-3.
HOME and ADDI 2006
Goals for First Home
Indicators**

Source:
Indiana Housing and Community
Development Authority.

	FY 2006 Goal
Anticipated Match	\$417,000
Anticipated Number of Units	700
Anticipated Number Units by AMI:	
Below 30% AMI	15
30.1 - 50% AMI	125
50.1 - 60% AMI	175
60.1 - 80% AMI	385
Anticipated Number of Counties Assisted	65
Anticipated Number Assisted by Race/Ethnicity:	
White	540
Black/African American	85
Asian	30
American Indian/Alaskan Native	0
Native Hawaiian/Other Pacific Islander	0
American Indian/Alaskan Native and White	0
Asian and White	0
Black/African American & White	0
American Indian/Alaskan Native & Black/African American	0
Other Multi-Racial	45
Anticipated Number Assisted by Special Needs Category:	
Elderly	3

CDBG Program Activities (Housing)

CDBG funds allocated by both IHCDA and the Office of Community and Rural Affairs (OCRA) may be used to work to achieve Goal 1. IHCDA allocates CDBG funds via the following programs:

- Housing from Shelters to Homeownership
- Foundations

To achieve the desired outcomes related to Goal 1, the following activities will be available to applicants using CDBG funds from IHCDA's programs:

- Emergency Shelter - Rehabilitation/New Construction
- Youth Shelter - Rehabilitation/New Construction
- Migrant/Seasonal Farm Worker - Rehabilitation/New Construction
- Transitional Housing - Rehabilitation
- Permanent Supportive Housing - Rehabilitation
- Rental Housing – Rehabilitation
- Owner-Occupied Rehabilitation
- Voluntary Acquisition/Demolition
- Feasibility Studies

CDBG (Housing) 2006 Expected Accomplishments

IHCDA will use the indicators to determine their ability to achieve the desired outcomes associated with Goal 1, as shown in the table to the right:

Indicators:	
IHCDA	
■	Leverage
■	Number of units
■	Income level of units by AMI
■	Number of assisted counties assisted (primary development county)
■	Current racial/ethnic and special needs categories

Using these indicators, a numeric goal has been determined associated with the FY2006 CDBG allocation for housing activities.

Exhibit VII-4. CDBG (Housing) 2006 Goals

Source: Indiana Housing and Community Development Authority.

	FY 2006 Goal
Anticipated Leverage	\$400,000
Anticipated Number of Units	184
Anticipated Number Units by AMI:	
Below 30% AMI	85
30.1 - 40% AMI	20
40.1 - 50% AMI	34
50.1 - 60% AMI	25
60.1 - 80% AMI	20
Anticipated Number of Counties Assisted	170
Anticipated Number Assisted by Race/Ethnicity:	
White	170
Black/African American	14
Anticipated Number Assisted by Special Needs Category:	
Disabled	20
Elderly	70
Female Headed Household	35

Other Activities

- Work to reduce the environmental hazards in housing, including lead based paint risks. Also, participate in meetings of the Lead-Safe Indiana Task Force, which convenes stakeholders quarterly to discuss current issues.
- Promote homeownership to the State’s minority populations, specifically African American and Hispanic homebuyers, those living in manufactured housing and residents of public housing.
- Promote housing solutions that meet the growing desire of Hoosiers to age in place.

Goal 2. Reduce homelessness and increase housing stability for special needs populations.

HOME Program Activities

Via the HOME funds allocated by IHCDA through the Housing from Shelters to Homeownership and HOME portion of the Qualified Allocation Plan programs, IHCDA is able to provide funding for activities that assist those that are at risk of being homeless or who would otherwise be homeless.

These activities include:

- Transitional Housing – rehabilitation/new construction/refinance
- Permanent Supportive Housing - rehabilitation/new construction/refinance

With special needs populations these beneficiaries have activities available to them via the Housing from Shelters to Homeownership, HOME portion of the Qualified Allocation Plan, First Home and the HOME OOR programs for the following types of activities:

- Transitional Housing – rehabilitation/new construction/refinance
- Permanent Supportive Housing – rehabilitation/new construction /refinance
- Tenant based rental assistance – targeted special needs populations
- Rental Housing – rehabilitation/new construction/refinance
- Homebuyer – rehabilitation/new construction
- Down Payment Assistance
- Owner-Occupied Rehabilitation

For both the homeless population and those with special needs, IHCDA's programs often gives preference or requires applicants to target these type of beneficiaries. The Indiana Interagency Council on the Homeless' 10 Year State Plan to End Chronic Homelessness identifies the linkage of rental assistance and integrated case management and supportive services programs as a key action item in addressing the housing needs of special needs populations. IHCDA will utilize tenant based rental assistance on a limited basis to serve targeted populations.

CDBG Program Activities (Housing)

Via the CDBG funds allocated by IHCDA through the Housing from Shelters to Homeownership, IHCDA is able to provide funding for activities that assist those that are at risk of being homeless or who would otherwise be homeless.

These activities include:

- Emergency Shelter – rehabilitation/new construction
- Youth Shelter – rehabilitation/new construction
- Migrant/Seasonal Farm Worker – rehabilitation/new construction
- Transitional Housing – rehabilitation
- Permanent Supportive Housing - rehabilitation

With special needs populations these beneficiaries have activities available to them via the Housing from Shelters to Homeownership, program for the following types of activities:

- Emergency Shelter – rehabilitation/new construction
- Youth Shelter – rehabilitation/new construction
- Migrant/Seasonal Farm Worker – rehabilitation/new construction
- Transitional Housing – rehabilitation
- Permanent Supportive Housing – rehabilitation
- Rental Housing – rehabilitation
- Owner-Occupied Rehabilitation
- Voluntary Acquisition/Demolition

For both the homeless population and those with special needs, IHCD's programs often gives preference or requires applicants to target these type of beneficiaries.

CDBG Program Activities and 2006 Expected Accomplishments (Community Focus Fund)

Through the Community Focus Fund, provide funds for the development of health care facilities, public social service organizations that work with special needs populations, and shelter workshop facilities, in addition to modifications to make facilities accessible to persons with disabilities.

- Goals for types of activities: Construction of three new facilities (Projected Allocation: \$1,101,000)
- Anticipated match: \$220,000

ESG Activities and 2006 Expected Accomplishments

Through the ESG program, provide operating support to shelters, homeless prevention activities and case management to persons who are homeless and at-risk of homelessness.

Goals for activities:

- Operating support – 92 shelters receiving support, \$1,324,910 allocated in 2006
- Homeless prevention activities – 37 shelters provided with homeless prevention activity funding, \$113,566 allocated in 2006
- Essential services – 56 shelters provided with funding for essential services, \$302,836 allocated in 2006
- Rehabilitation funding – 3 shelters provided with funding to increase the accessibility of their shelters, \$56,781 allocated in 2006.
- Anticipated match: Shelters match 100 percent of their rewards
- Anticipated number of counties assisted: 91
- Anticipated number of clients served: 34,250 (unduplicated count)

Overall ESG outcomes: Increase the availability and access to services, mainstream resources, case management and financial assistance, employment assistance, counseling for drug/alcohol abuse, mental illness, domestic violence, veterans and youth pregnancy. By utilizing these activities, individuals will increase their ability to access permanent housing and decrease the likelihood of repeated homelessness.

Outcomes are measured through indicators that grant recipients/shelters choose. These performance indicators are organized around Essential Services/Case Management, Operations and Homeless Prevention Activities. It is anticipated that the shelters will achieve 89 percent of the goals (under each of these three activities) that they establish for their grant performance periods. The performance indicators the shelters use appear in Appendix F.

HOPWA Activities

Through the HOPWA program, IHCD provides recipients that assist persons with HIV/AIDS with funding for rental assistance, housing information and resource identification, short-term rental, mortgage and utility assistance and supportive services.

HOPWA funds are used to support Goals 1 and 2 via the following activities:

- Housing Information, \$31,654 allocated in 2006
- Operating Costs, \$8,820 allocated in 2006
- Rental Assistance, \$396,900 allocated in 2006
- Project Sponsor Information, \$61,740 allocated in 2006
- Acquisition, Rehabilitation and Conversion, \$44,100 allocated in 2006
- Short-Term Rent, Mortgage and Utility Assistance, \$194,040 allocated in 2006
- Supportive Services, \$120,206 allocated in 2006

A detailed description of each of the program, and how funding may be obtained, is located in Appendix F.

IHCDA uses the following indicators to determine their ability to achieve the desired outcomes

Indicators:
Via the HOPWA Program Application
■ Rental Assistance Households/Units
■ Short-term Rent, Mortgage and Utility Assistance Households/Units
■ Supportive Services Households
■ Housing Information Households
■ Operating Cost - number of units

Using these indicators, a numeric goal has been determined associated with the FY2006 HOPWA allocation. The exhibit below identifies the numeric indicators.

**Exhibit VII-5.
HOPWA 2006 Goals**

Source:
Indiana Housing and Community
Development Authority.

	FY 2006 Goal
Rental Assistance Households/Units	137
Short-term Rent, Mortgage and Utility Assistance Households/Units	420
Supportive Services Households	264
Housing Information Households	32
Operating Cost - number of units	5

Other Activities

- Encourage the use of the Homeless Management Information System (HMIS). This will be accomplished by funding only entities that agree to participate in HMIS with emergency shelter, youth shelter, transitional housing, and permanent supportive housing activities.
- Implement a fully connected Homeless Management Information System.
- Provide Indiana Civil Rights Commission contact information to concerned beneficiaries.
- Continue to submit an annual SuperNOFA application to fund continuum of care activities. The State will be responsible for ensuring that the State Continuum of Care application is submitted to HUD annually.
- Maintain regional continuum of care consortia to coordinate continuum of care activities and provide guidance on specific needs.

Goal 3. Promote livable communities and community revitalization through addressing unmet community development needs.

CDBG Program Activities (Community Focus Fund)

Continue funding the OCRA's Community Focus Fund (CFF), which uses CDBG dollars for community development projects ranging from environmental infrastructure improvements to development of community and senior centers.

2006 Expected Accomplishments, Community Focus Fund

- *Downtown/neighborhood revitalization*, two projects. Projected allocation: \$650,000
- *Construction of four fire stations*. Projected allocation: \$1,640,000
- *Purchase of five new fire trucks*. Projected allocation: \$730,000
- *Historic preservation*, two projects. Projected allocation: \$750,000
- *Construction/rehabilitation of fourteen wastewater collection and treatment systems*. Projected allocation: \$6,109,130

- **Construction/rehabilitation of eight water distribution and treatment systems.** Projected allocation: \$3,870,000
- **Construction of three stormwater collection systems.** Projected allocation: \$1,540,000
- **Fifteen other miscellaneous community development projects (e.g. libraries, community centers, social service facilities, youth centers, etc.).** Projected allocation: \$6,540,000
- Anticipated match, above activities: \$4,365,826

Continue the use of the planning and community development components that are part of the Planning Grants and Foundations programs funded by CDBG and HOME dollars. These programs provide planning grants to units of local governments and CHDOs to conduct market feasibility studies and needs assessments, as well as (for CHDOs only) predevelopment loan funding.

2006 Expected Accomplishments, Planning Grants and Foundations Program

Planning grants:

- Thirty-four planning grants
- Projected allocation: \$1,441,539
- Anticipated match: \$144,000

Foundations grants:

- Projected allocation: \$100,000

Goal 4. Promote activities that enhance local economic development efforts

Continue the use of the OCRA' Community Economic Development Fund (CEDF), which funds job training and infrastructure improvements in support of job creation for low- to moderate-income persons.

Priority Needs

The Consolidated Plan identifies the areas of greatest need for the State (and nonentitlement areas) in general, and this information is used to guide the funding priorities for each program year. However, the Plan is unable to quantify specific needs on the local level. For local needs, the State relies on the information presented in the funding applications. Exhibits VII-6 and VII-7 show the prioritization of housing and community development activities for FY2006.

**Exhibit VII-6.
Community
Development Needs,
Priorities for FY2006**

Source:
Indiana Office of Community and Rural
Affairs.

Priority Community Development Needs	Need Level
Public Facility Needs	
Neighborhood Facilities	Medium
Parks and/or Recreation Facilities	Medium
Health Facilities	Medium
Parking Facilities	Low
Solid Waste Disposal Improvements	Medium
Asbestos Removal	Medium
Non-Residential Historic Preservation	Low
Other	Medium
Infrastructure	
Water/Sewer Improvements	High
Street Improvements	Medium
Sidewalks	High
Sewer Improvements	High
Flood Drain Improvements	High
Other Infrastructure Needs	Medium
Public Service Needs	
Handicapped Services	High
Transportation Services	Medium
Substance Abuse Services	Low
Employment Training	High
Health Services	Medium
Other Public Service Needs	Medium
Anti-Crime Programs	
Crime Awareness	Low
Other Anti-Crime Programs	Low
Youth Programs	
Youth Centers	Medium
Child Care Centers	Medium
Youth Services	Low
Child Care Services	Low
Other Youth Programs	Medium
Senior Programs	
Senior Centers	High
Senior Services	Medium
Other Senior Programs	Medium
Economic Development	
Rehab of Publicly or Privately-Owned Commercial/Industrial	Medium
CI Infrastructure Development	High
Other Commercial/Industrial Improvements	Medium
Micro-Enterprise Assistance	Low
ED Technical Assistance	High
Other Economic Development	Medium
Planning	
Planning	High

**Exhibit VII-7.
Housing Needs,
Priorities for FY2006**

Source:
Indiana Housing and Community
Development Authority.

Priority Housing Needs	Priority Need Level	
	Percentage	Need Level
Renter		
Small and Large Related	0-30%	High
	31-50%	High
	51-80%	Medium
Elderly	0-30%	High
	31-50%	High
	51-80%	Medium
All Other	0-30%	High
	31-50%	High
	51-80%	Medium
Owner		
Owner Occupied	0-30%	High
	31-50%	High
	51-80%	Medium
Homebuyer	0-30%	Low
	31-50%	Medium
	51-80%	High
Special Populations	0-80%	High

During the program planning period (FY2006), the State will monitor housing conditions and, through its scoring criteria used to evaluation award applications, adjust funding allocations as appropriate to address changes in housing market conditions.

ADDI Funds

IHCDA will implement the following activities in conjunction with administration of the ADDI grant.

Targeted outreach. IHCDA will make the Indiana Manufactured Housing Association and the Indiana State National Association of Housing and Redevelopment Officials (NAHRO) aware of the ADDI program and how members of their respective organizations can obtain additional information to educate their clients on IHCDA programs and how to join the IHCDA List-Serve.

In addition, IHCDA will require recipients of homeownership counseling funds to conduct targeted outreach to residents and tenants of public and manufactured housing and other families assisted by public housing agencies. As part of their agreement with IHCDA, recipients must agree to complete these marketing initiatives. To ensure compliance with this requirement, IHCDA will include this activity in compliance monitoring.

Homeownership stability. To ensure that families receiving ADDI funds are suitable to undertake and maintain homeownership, clients receiving ADDI funding will be required to successfully complete a homeownership training program. It is strongly recommended that clients participated in a face-to-face or classroom course given by a HUD approved counselor.

Institutional Structure and Coordination

Many firms, individuals, agencies and other organizations are involved in the provision of housing and community development in the State. Some of the key organizations within the public, private and not-for-profit sector are discussed below.

Public sector. Federal, state and local governments are all active in housing policy. At the federal level, two primary agencies exist in Indiana to provide housing: the U.S. Department of Housing and Urban Development (HUD) and Rural Economic Community Development (RECD) through the Department of Agriculture. HUD provides funds statewide for a variety of housing programs. RECD operates mostly in non-metropolitan areas and provides a variety of direct and guaranteed loan and grant programs for housing and community development purposes.

In addition to these entities, other federal agencies with human service components also help assist with housing, although housing delivery may not be their primary purpose. For example, both the Department of Health and Human Services and the Department of Energy provide funds for the weatherization of homes. Components of the McKinney program for homeless assistance are administered by agencies other than HUD.

At the State level, the Indiana Housing and Community Development Authority (IHCDA) is the lead agency for housing in the State. It coordinates the Mortgage Revenue Bond (MRB) and the Mortgage Credit Certificates (MCC) first time homebuyer programs through its First Home program, administers the State's allocation of Rental Housing Tax Credits and is responsible for the non-entitlement CDBG dollars dedicated to housing, the Indiana Low Income Housing Trust Fund, and non participating jurisdiction HOME monies. IHCDA is also the grant administrator for HOPWA. Finally, IHCDA is currently a HUD designated Participating Administrative Entity for expiring use contracts and an approved contract administrator of certain project-based Section 8 contracts. IHCDA also administers the ESG program.

The Indiana Family Social Services Administration (FSSA) coordinates the State's tenant-based Section 8 program through a contract with community action agencies. It also administers the Medicaid CHOICE program, the childcare voucher program, and other social service initiatives, and is the lead agency overseeing State institutions and other licensed residential facilities. FSSA is the focal point for policies that integrate housing with the provision of social services.

The newly created Indiana Office of Community and Rural Affairs (OCRA) will be the State's main agency involved in community and economic development and related programs. It administers the State's CDBG program, a portion of which has been designated for affordable housing purposes since 1989.

The Indiana State Department of Health (ISDH) coordinates many of the State's programs relating to persons living with HIV/AIDS and also administers the State's blood screening program for lead levels in children.

Communities throughout Indiana are involved in housing to greater or lesser degrees. Entitlement cities and participating jurisdictions are generally among the most active as they have direct resources and oversight of for housing and community development.

Private sector. A number of private sector organizations are involved in housing policy. On an association level, the Indiana Realtors Association, Indiana Homebuilders Association, Indiana Mortgage Bankers Association and other organizations provide input into housing and lending policies. Private lending institutions are primarily involved in providing mortgage lending and other real estate financing to the housing industry. Several banks are also active participants in IHCDA's First Home program.

Fannie Mae funds programs such as HomeChoice, which provides flexible underwriting criteria on conventional mortgages to persons with disabilities. The Federal Home Loan Bank (FHLB) and its member banks in Indiana provide mortgage lending as well as participate in FHLB's Affordable Housing Program.

The private sector is largely able to satisfy the demands for market rate housing throughout the State.

Not-for-profit sector. Many not-for-profit organizations or quasi-governmental agencies are putting together affordable housing developments and gaining valuable experience in addressing housing needs on a local level. The State now has 50 organizations certified as Community Housing Development Organization (CHDOs). Community action agencies administer the Section 8 program under contract to FSSA. There are currently 24 community action agencies in the State administering weatherization and energy assistance programs; 22 agencies administer Section 8.

The State has an active network of community development corporations, many of which have become increasingly focused on housing issues. These organizations are engaged in a variety of projects to meet their communities' needs, from small scale rehabilitation programs to main street revitalization. The projects undertaken by community development corporations are often riskier and more challenging than traditional development projects.

Public housing authorities exist in the major metropolitan areas and in small to medium sized communities throughout the State.

The State also has several organizations that advocate for state policies and organize housing and community development activities at the state level. The Indiana Association for Community Economic Development (IACED) is a membership organization for the State's housing and community development nonprofits and provides top level policy coordination, as well as training and technical assistance. The Indiana Coalition on Housing and Homeless Issues (ICHHI) is instrumental in development and implementation of the State's policies for persons who are homeless. Rural Opportunities, Incorporated (ROI) is an advocacy organization that focuses on the housing and social service issues of the State's migrant farmworker population.

Many not-for-profit organizations have become more actively engaged in delivering social services. Community mental health centers, religious and fraternal organizations and others provide support in the form of counseling, food pantries, clothing, emergency assistance, and other activities. The State's 16 Area Agencies on Aging have also become more involved in housing issues for seniors.

Overcoming gaps in delivery systems. Several gaps exist in the above housing and community development delivery system, especially for meeting the need for affordable housing. The primary gaps include:

- **Lack of coordination and communication.** Many social service providers, local business leaders and citizens continually express frustration about not knowing what programs were available and how to access those programs. Without full knowledge of available programs, it is difficult for some communities to know where to start to address their housing needs. The State continues to address this gap through distribution of information about resources through regional agency networks and at public events.
- **Lack of capacity for not-for-profits to accomplish community needs.** In many communities, the nonprofits are the primary institutions responsible the delivery of housing and community development programs. These organizations function with limited resources, and seldom receive funding designated for administrative activities. The State continues to include planning and capacity building grants as eligible activities for CDBG and HOME.

Barriers to affordable housing. See the Housing Market Analysis section of the report for a discussion of barriers to affordable housing.

Lead-based paint hazards. See the Housing Market Analysis section of the report for a discussion of lead based paint hazards and related programs and policies.

Anti-Poverty Strategy

The State of Indiana does not have a formally adopted, statewide anti-poverty strategy. In a holistic sense, the entirety of Indiana's Consolidated Plan Strategy and Action Plan is anti-poverty related because a stable living environment is also a service delivery platform. However, many of the strategies developed for the Five-Year Plan directly assist individuals who are living in poverty.

Indiana has a history of aggressively pursuing job creation through economic development efforts at the state and local levels. This emphasis on creating employment opportunities is central to a strategy to reduce poverty by providing households below the poverty level with a means of gaining sustainable employment.

Other efforts are also needed to combat poverty. Many of the strategies outlined in the Consolidated Plan are directed at providing services and shelter to those in need. Once a person has some stability in a housing situation it becomes easier to address related issues of poverty and provide resources such as childcare, transportation and job training to enable individuals to enter the workforce. Indiana's community action agencies are frontline anti-poverty service providers. They work in close cooperation with State agencies to administer a variety of State and federal programs.

Education and skill development is an important aspect of reducing poverty. Investment in workforce development programs and facilities is an important step to break the cycle of poverty. Finally, there continue to be social and cultural barriers that keep people in poverty. Efforts to eliminate discrimination in all settings are important. In some cases, subsidized housing programs are vital to ensure that citizens have a safe and secure place to live.

Obstacles to Meeting Needs

The State faces a number of obstacles in meeting the needs outlined in the FY2006 Consolidated Plan Update:

- The housing and community needs are difficult to measure and quantify on a statewide level. The Consolidated Plan uses both qualitative and quantitative data to assess statewide needs. However, it is difficult to reach all areas of the State in one year, and the most recent data measures in some cases are a few years old. Although the State makes a concerted effort to receive as much input and retrieve the best data as possible, it is difficult to quantify needs on the local level. Therefore, the State must also rely on the number and types of applications as a measure of housing and community needs.
- The ability of certain program dollars to reach citizens is limited by the requirement that applications for funding must come from units of local government or nonprofit entities. Thus, if these entities do not perceive a significant need in their communities they may not apply for funding.
- Finally, limitations on financial resources and internal capacities at all levels can make it difficult for the State to fulfill the housing and community development needs of its communities.

Action Plan Matrices

A matrix that outlines the Consolidated Plan Strategies and Action Items for the FY2006 program year follows.

**Exhibit VII-8.
Strategies and Action Matrix, 2006 Action Plan**

Goals	Funds	Activities	Funding Goals	Assistance Goals	
1. Expand and preserve affordable housing opportunities throughout the housing continuum.	HOME and ADDI	Transitional Housing - Rehabilitation and New Construction	\$10,100,000	For Housing from Shelters to Homeownership, QAP, HOME OOR = 362 units, For First Home = 700 units	
		Permanent Supportive Housing - Rehabilitation and New Construction			
		Rental Housing - Rehabilitation and New Construction			
		Homebuyer - Rehabilitation and New Construction			
		CHDO Operating Support			\$700,000
	CHDO Predevelopment and Seed Money Loans	\$400,000			
			Downpayment Assistance	\$3,070,011	
	CDBG	Emergency shelters	\$4,507,568	For all CDBG (Housing) = 184 units	
		Youth shelters			
		Transitional housing			
Migrant/seasonal farmworker housing					
Permanent supportive housing					
		Rental housing			
		Owner-occupied units			
		Voluntary acquisition/demolition			
		Feasibility studies			
2. Reduce homelessness and increase housing stability for special needs populations.	HOME	See special needs housing activities in Goal 1.			
	CDBG	See special needs housing activities in Goal 1.			
	ESG	Operating support	\$1,324,910	92 shelters	
		Homeless prevention	\$113,566	37 shelters	
		Essential services	\$302,836	56 shelters	
		Accessibility Rehab	\$56,781	3 shelters	
				For all activities = 34,250 unduplicated clients served	
	HOPWA	Rental assistance	\$396,900	137 households/units	
		Short-term rent, mortgage, utility assistance	\$194,040	420 households/units	
		Supportive services	\$120,206	264 households	
		Housing information	\$31,654	32 households	
		Project sponsor information	\$61,740		
		Acquisition, Rehabilitation and Conversion	\$44,100		
Operating costs		\$8,820	5 units		

Source: Indiana Office of Community and Rural Affairs and Indiana Housing and Community Development Authority.

Exhibit VII-8. (continued)
Strategies and Action Matrix, 2006 Action Plan

Goals	Funds	Activities	Funding Goals	Assistance Goals
3. Promote livable communities and community revitalization through addressing unmet community development needs.	CDBG, Community Focus Fund	Downtown/neighborhood revitalization	\$650,000	2 projects
		Construction of fire stations	\$1,640,000	4 fire stations
		Fire truck purchases	\$730,000	5 fire trucks
		Historic preservation	\$750,000	2 projects
		Construction/rehabilitation of wastewater collection and treatment systems	\$6,109,130	14 systems
		Construction/rehabilitation of water distribution and treatment systems	\$3,870,000	8 systems
		Construction of stormwater collection systems	\$1,540,000	3 systems
		Community development projects	\$6,540,000	15 facilities/projects
	CDBG	Planning grants	\$1,441,539	34 planning grants
		Foundations	\$100,000	
4. Promote activities that enhance local economic development efforts.	CDBG	Community Economic Development Fund See community and economic development activities in Goal 3.	\$1,794,826	

Source: Indiana Office of Community and Rural Affairs and Indiana Housing and Community Development Authority.

APPENDIX A.
Consolidated Plan Certifications

APPENDIX A.

Consolidated Plan Certifications

This appendix contains the Consolidated Plan certifications and the Form SF-424, Application for Federal Assistance. Each certification and form has been signed by a representative of the agency responsible for administering the funding. The Indiana Office of Rural Affairs administers CDBG funds and ESG funds; and the Indiana Housing and Community Development Authority administers HOME funds and HOPWA funds.

Certifications are available upon request:

State of Indiana
Office of Rural Affairs
One North Capitol Avenue, Suite 600
Indianapolis, IN 46204

Certifications will be added to the final Consolidated Plan

APPENDIX B.
Citizen Participation Plan

APPENDIX B.

Citizen Participation Plan

The Citizen Participation Plan (CPP) described below is the evolution and actualization of many years of thoughtful broad base and targeted planning. The CPP was developed around a central concept that acknowledges residents as stakeholders and their input as key to any improvements in the quality of life for the residents who live in the community.

The purpose of the CPP is to provide citizens of the State of Indiana maximum involvement in the development of issues and program initiative priorities. Every year, the Plan is designed to provide citizens equal access to become involved in the planning process regardless of age, gender, race, ethnicity, disability and economic level. A special effort is made each year to enhance the participation efforts of the previous year and to reach sub-populations who are marginalized in most active participation processes. For example, for the FY2005-2009 Consolidated Plan, a telephone survey was conducted of residents in the State's nonentitlement areas to obtain broad input into the Consolidated Planning process. Through this survey, 300 residents were able to participate in the process from the convenience of their homes. In addition, a similar citizen survey was distributed to the State's housing and social service organizations, including public housing authorities, to maximize input from the State's low-income citizens and citizens with special needs.

From the onset of the first community forum to the distribution of the surveys and writing of the Plan, the needs of the Indiana residents, government officials, nonprofit organizations, special needs populations and others and have been carefully considered and reflected in the drafting of the document.

The participation process was developed and monitored by a Consolidated Planning Coordinating Committee consisting of representatives from the Indiana Office of Community and Rural Affairs (OCRA) and the Indiana Housing and Community Development Authority (IHCDA).

The committee also includes representatives from the Indiana Family and Social Services Administration (FSSA), Indiana Coalition on Housing and Homeless Issues (ICHHI), the Indiana Association for Community and Economic Development (IACED), the Indiana Civil Rights Commission (ICRC), Rural Opportunities Inc. (ROI), the Economic Development District & Regional Planning Commission, the Indiana Association of Cities and Towns, and The Indiana Institute on Disability and Community. In addition, the State representative from the U.S. Department of Housing and Urban Development served as an advisor to the committee. The purpose of the committee was to monitor the drafting of the plan from initiation to submission.

The participation process. The participation process included four phases and took nine months to complete. There were multiple approaches used to inform residents of the process and then gather community opinions. Citizens throughout the State were actively sought out to participate and provide input for the process.

Phase I. Citizen Participation Plan Development. The citizen participation plan (CPP) was crafted by the administering agencies and Consolidated Plan Coordinating Committee in late 2005. The CPP was modified with an eye toward obtaining broader public input and facilitating more direct input from low-income individuals and persons with special needs.

Phase II. Survey Preparation and Implementation. Three survey instruments were prepared for the Consolidated Plan CPP: a key person survey to capture stakeholder input; a citizen survey targeted to special needs and low-income individuals, including persons who are currently or who had been homeless; and a survey of public housing authorities. Drafts of the survey instruments were reviewed with the Coordinating Committee. The Committee assisted in developing the list of organizations that should receive the mail/email citizen survey, which was passed onto clients. The Committee also assisted in spreading the word about the citizen survey and its importance to the Consolidated Plan. The Indiana Housing and Community Development Authority included an announcement about the citizen survey to their email subscribers and encouraged public participation. They also posted a downloadable version of the survey on their Web site.

Phase III. Strategic Action and Allocation Plan Development. After the Consolidated Plan Update research was completed, the administering agencies reviewed and discussed the FY2005-2009 Strategic Plan Strategies and Actions to develop a new One Year Action Plan.

Phase IV. Public hearing. Citizens and agency representatives were notified of the publication of the Draft Consolidated Plan during the surveys and by public notification in newspapers throughout the State. The draft report was posted on the Indiana Housing and Community Development Authority Web site.

On April 24 and 27, 2006, public hearings were held in Ferdinand and Logansport, beginning at 1:30 p.m. During the session, executive summaries of the Plan were distributed and instructions on how to submit comments were given. In addition, participants were given an opportunity to provide feedback or comment on the Draft Plan.

Phase VI. Comment period. The 30 day comment period began on April 14 and continued through May 14, 2006. During the comment period, copies of the Draft Plan were provided on agency websites; and Executive Summaries were also distributed to the public. Residents were provided with information about how to submit comments and suggestions on the Plan.

The State responded to the public comments received at the end of the 30-day comment period. Copies of the public comments and the State's response are included in Appendix G.

NOTICE OF PUBLIC HEARING FY 2006 CONSOLIDATED PLAN FOR FUNDING

INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY

Pursuant to 24 CFR part 91.115(a)(2), the State of Indiana wishes to encourage citizens to participate in the development of the State of Indiana Consolidated Plan for 2006. In accordance with this regulation, the State is providing the opportunity for citizens to comment on the 2006 Consolidated Plan Update draft report, which will be submitted to the US Department of Housing and Urban Development (HUD) on or before May 15, 2006. The Consolidated Plan defines the funding sources for the State of Indiana's four (4) major HUD-funded programs and provides communities a framework for defining comprehensive development planning. The FY 2006 Consolidated Plan will set forth the method of distribution of funding for the following HUD-funded programs:

**State Community Development Block Grant (CDBG) Program
Home Investment Partnership Program
Emergency Shelter Grant Program
Housing Opportunities for Persons With AIDS Program**

These public hearings will be conducted as follows:

**Indiana 15 Regional Planning Commission
221 E. First Street
Ferdinand, IN 47532
April 24, 2006
1:30 p.m. (Local Time – Central Time)**

**Area Five Senior Center
1801 Smith Street
Logansport, IN 46947
April 27, 2006
1:30 p.m. (Local Time)**

If you are unable to attend the public hearings, written comments are invited April 14, 2006 through May 14, 2006, at the following address:

**Indiana Office of Community and Rural Affairs
One North Capitol – Suite 600
Indianapolis, IN 46204-2288**

Persons with disabilities will be provided with assistance respective to the contents of the Consolidated Plan. Interested citizens and parties who wish to receive a free copy of the Executive Summary of the FY 2006 Consolidated Plan or have any other questions may contact the Indiana Office of Community and Rural Affairs at its toll free number 800.824.2476, or 317.232.8911, during normal business hours or via electronic mail at bdawson@lg.in.gov.

APPENDIX C.
List of Key Participants

APPENDIX C.

List of Key Participants

Indiana’s 2006 Consolidated Plan Update was a collaborative project. The Indiana Office of Community and Rural Affairs and the Indiana Housing and Community Development Authority were responsible for overseeing the coordination and development of the plan.

The Consolidated Plan Coordinating Committee included representatives from the organizations listed above as well as individuals from the Indiana Family and Social Services Administration (FSSA), Indiana Coalition on Housing and Homeless Issues (ICHHI), the Indiana Association for Community and Economic Development (IACED), the Indiana Civil Rights Commission (ICRC), Rural Opportunities Inc. (ROI), the Economic Development District & Regional Planning Commission, the Indiana Association of Cities and Towns, The Indiana Institute on Disability and Community, and the U.S. Department of Housing and Urban Development (HUD). A list of the key people involved in the development of the plan follows.

Lisa Coffman	Amy Murphy-Nugen
Lori Dimick	Paul Neumann
John Dorgan	DaMica O’Bryant
Laura Gibbons	Annette Phillips
Christie Gillespie	Annie Poole
Julia Holloway	Jill Saegesser
David Kaufmann	Jacop Sipe
Dave Koenig	Tommy Tabor
Maria Larson	Patrick Taylor
Dr. Anil Mangla	Patrick Taylor
Debra McCarty	Betty Walton

In addition to these key players in development of the Plan, citizens and stakeholders participated in the planning process by responding to community surveys, being part of key person interviews, or submitting written comments to the Consolidated Plan Coordinating Committee. A list of participants in the key person interviews follows; public comments are located in Appendix G. Their input was very welcome and their thoughts much appreciated.

Key Person Interviewees, Indiana 2005 and 2006 Consolidated Plan

Adsit, Bob Center on Aging and Community (CICOA)	Lindenlaub, Mark Housing Partnerships, Inc.
Arevalo, Rocio La Casa Goshen	Madill, Melissa Indianapolis Resource Center for Independent Living
Baize, Tony Kentucky Fair Housing Council, Inc.	Mager, Teresa Wabash Independent Living and Learning Center
Beckley, Craig Heart House	Mains, Diane Indiana Department of Corrections
Bedwell, Deb Anchor House	Meadows, Jennifer Family Crisis Shelter
Bennett, Emas The Ruben Center	Myers, Deb Ohio Valley Opportunities Inc
Bohannon, Roderick Indiana Legal Services	Nordstrom, Carol Christian Community Action
Carpenter, Anita Indiana Coalition Against Sexual Assault	Parrett, Lisa Texas Migrant Council, Inc.
Clark, Richard Human Services	Priore, John NAMI Indiana
Cline, Joan Community Action Program Inc of Western Indiana	Quarles, Beth Future Choices, Inc.
Cooney, Tom Independent Living Center of Eastern Indiana	Reemy, Mary The Caring Place
Craig, Paula Blue River Services	St. John, Mark Lambda Consulting Incorporated
Cunningham, Mike USDA Rural Development	Scime, Mike The Dayspring Center
Dillman, Connie Independent Res. Living of Central Indiana	Schultz, Mary Beth The Caring Place
Eckert, Gina Indiana Division of Mental Health and Addiction	Shade, Rusty Transition Resources Corporation
Fleck, Kay Whitely Crossings	Stafford, Phil Center on Aging and Community
Gautsche, Larry LaCasa of Goshen	Stewart, Patricia Assistive Technology Training and Information Center
Gentrup, Paula Rising Sun Ohio County Senior Citizens Housing	Tolbert, Al Southern Indiana Center for Independent Living
Flora, Jennifer Mental Health Association in Tippecanoe County, Inc.	Torres, Teresa Everybody Counts Center for Independent Living
Jones, Forest HUD Indianapolis Office	Walker, Fred Blackford County
Koenig, Dave Region III-A, Economic Development District & Regional Planning Commission	Young, David Elkhart Housing Partnership, Inc
Knight, Ginger Hoosier Uplands	Ziglar, Deb A-Way Home

APPENDIX D.
Survey Instruments

APPENDIX D.

Survey Instruments

The Citizen Participation Plan for the 2006 Consolidated Plan Update focused on survey research and consisted of a large key person mail survey, a citizen survey distributed by email and at public meetings, and a Public Housing Authority mail survey.

Key Person Survey

In October 2004, approximately 1,600 mail surveys were distributed to local government officials, community leaders, housing providers, economic development professionals, social service organizations, and others. The survey asked respondents a number of questions about housing and community development needs, including fair housing accessibility, in their communities. A total of 214 surveys were returned, for a response rate of about 14 percent.

Surveys were received from 75 of the 92 counties in Indiana. About 26 percent of the survey respondents represented local governments in the State, 14 percent were housing providers, 12 percent were social service providers, and the remaining respondents represented other types of organizations (e.g., advocacy, health care providers). The survey results are discussed in Section III of the Consolidated Plan.

A copy of the survey is attached to this section.

2006 Citizen Survey

In February and March 2006, the Consolidated Plan Coordinating Committee and housing and community development stakeholders distributed a survey to citizens to collect information about their housing needs, and the housing and community development needs in their communities. A total of 802 surveys were received from citizens in nonentitlement areas.

A copy of the survey is attached to this section.

2005 Citizen Survey

As part of the 2005 Consolidated Plan, a statistically significant telephone survey was conducted of citizens in nonentitlement areas in the State. An identical survey was conducted of special needs populations through the Internet and via mail. The data from these surveys are included in the Consolidated Plan Update for 2006, since the data are still recent, do not duplicate the work completed in the 2006 Update, and the surveys provide a comprehensive look at housing and community development needs. The survey results are discussed in Section III of this report.

A copy of the survey is attached to this section.

Public Housing Authority Survey

To better understand the demand for rental assistance, a mail survey of Public Housing Authorities (PHAs) in nonentitlement areas in the State was conducted as part of the 2005 Consolidated Plan process. The survey collected information on Section 8 Housing Choice voucher usage between January and September 2004, by individual PHA. Forty-three surveys were mailed, and 28 responses were received, for a response rate of 65 percent. The conclusions from the survey can be found in Section IV of this report.

A copy of the survey is attached to this section.



3773 Cherry Creek North Drive
Suite 850
Denver, Colorado 80209-3827
303.321.2547 fax 303.399.0448
www.bbcresearch.com bbc@bbcresearch.com

NOTICE

To: All interested parties

Re: **State of Indiana Housing & Community Development Needs Survey**

Date: January 31, 2006

The State of Indiana is currently preparing its first annual update to the Five Year (2005-2009) Consolidated Plan, a report required by the U.S. Department of Housing and Urban Development (HUD). This report is necessary for the State to receive housing and community development block grant funding. In FY2006, the State could receive approximately **\$50 million** in Federal housing and community development assistance.

In the past, these dollars have funded homeownership and rental assistance programs, construction of homeless and domestic violence shelters, economic development efforts, water and sewer infrastructure improvements, and programs that assist people with special needs. The funds are distributed by the State of Indiana to local governments and nonprofit housing and community development organizations throughout the state.

BBC Research & Consulting (BBC) is assisting the State with the preparation of its Five Year Consolidated Plan Update. We are working in association with the Indiana Office of Rural Affairs (ORA) and the Indiana Housing and Community Development Authority (IHCDA).

We are writing to ask for your assistance in identifying housing and community needs in your area.

Survey. Please take a few minutes to fill out the enclosed survey, and return it to us in the enclosed postage prepaid envelope by March 1, 2006. **Your input is very valuable to this process and is greatly appreciated.** This same survey has been sent to approximately 2,000 other Indiana local officials, advocates, housing and community development providers, and community leaders. We realize that not all of the survey questions will apply to you specifically; please skip questions you are unable to answer.

Draft Consolidated Plan and public hearings. Beginning on April 15, 2006, the Draft Five Year Consolidated Plan Update will be released for public comment.

The Plan will be available electronically on the Indiana Housing and Community Development Authority's website at <http://www.indianahousing.org>, and the Indiana Office of Rural Affairs' website at <http://www.in.gov/ora/service.html>. Hard copies will be available at the Office of Rural Affairs. The State will be holding two public hearings between April 15 and May 15 to receive comments about the draft plan. The date and locations of the hearings will be announced on the above websites.

You may also comment on the plan in writing by sending a letter to:

Consolidated Plan, Office of Lt. Governor Rebecca S. Skillman
Grants Services
One North Capitol Avenue, Suite 600
Indianapolis, Indiana 46204-2248
1-800-246-7064

We look forward to hearing from you! Thank you for your participation in this very important process.

The Indiana Office of Rural Affairs

The Indiana Housing and Community Development Authority

2006 Indiana Consolidated Plan Survey

Please answer each question to the best of your ability. If a particular question does not apply to you, or if you do not have knowledge of the subject matter, skip the question. This survey should take you about 15 minutes to complete.

Respondent Information

Name/Organization (optional) _____ City, County _____

1. Which of the following service categories best describes you or your organization?

- | | |
|--|--|
| <input type="checkbox"/> Advocacy/education | <input type="checkbox"/> Health care provider |
| <input type="checkbox"/> Affordable housing provider | <input type="checkbox"/> Homeless shelter |
| <input type="checkbox"/> Citizen | <input type="checkbox"/> Legal assistance |
| <input type="checkbox"/> Day care (adult and child) | <input type="checkbox"/> Local government |
| <input type="checkbox"/> Economic or community development | <input type="checkbox"/> Property manager |
| <input type="checkbox"/> Employment/training provider | <input type="checkbox"/> Senior center |
| <input type="checkbox"/> Financial institution/lender | <input type="checkbox"/> Senior housing provider |
| <input type="checkbox"/> Group home | <input type="checkbox"/> Social service provider |
| | <input type="checkbox"/> Other _____ |

2. What is your organization's service area?

1. City (_____) 2. County (_____) 3. Regional 4. National
please specify please specify

Housing

Inventory/Quality

For statements 3 through 8, please indicate whether you: **1**...Strongly Agree; **2**...Agree; **3**...Neither Agree nor Disagree; **4**...Disagree; or **5**...Strongly Disagree.

3. "There is enough housing in this community to meet the demand."

- 1 2 3 4 5

4. "The housing stock in this community is in good condition."

- 1 2 3 4 5

5. "My community needs to focus on adding housing through new construction."

- 1 2 3 4 5

6. "My community needs to focus on improving housing through rehabilitation of existing structures."

- 1 2 3 4 5

7. "Homeowners in this community can generally afford to make minor housing repairs."
 1 2 3 4 5
8. "Renters in this community can get landlords to make needed repairs."
 1 2 3 4 5
9. On a scale of 1-5, how would you rate the quality of single family housing stock in this community (with 1 being Very Good and 5 being Very Poor)?
 1 2 3 4 5
10. On a scale of 1-5, how would you rate the quality of multifamily housing stock in this community (with 1 being Very Good and 5 being Very Poor)?
 1 2 3 4 5

Affordability

For statements 11 and 12, please indicate whether you: **1**...Strongly Agree; **2**...Agree; **3**...Neither Agree nor Disagree; **4**...Disagree; or **5**...Strongly Disagree.

11. "There is enough affordable single family housing in this community."
 1 2 3 4 5
12. "There is enough affordable rental housing in this community."
 1 2 3 4 5

13. In your opinion, which of the following housing types are needed most in your area?

	<u>Purchase price</u>	<u>Rent</u>
<input type="checkbox"/> Multifamily apts.		\$ _____
<input type="checkbox"/> Single family housing	\$ _____	\$ _____
<input type="checkbox"/> Transitional housing		\$ _____
<input type="checkbox"/> Emergency shelters		
<input type="checkbox"/> Subsidized housing	\$ _____	\$ _____
<input type="checkbox"/> Other (please specify)	\$ _____	\$ _____

14. What is the greatest impediment to owning a home in your community?
- | | |
|--|---|
| <input type="checkbox"/> Coming up with a down payment | <input type="checkbox"/> Affordability/cost too high |
| <input type="checkbox"/> Location of affordable housing | <input type="checkbox"/> Inability to get financing or finance costs too high |
| <input type="checkbox"/> Condition of affordable housing | <input type="checkbox"/> Lack of income stability, cyclical income |
| <input type="checkbox"/> Poor or inadequate credit history | |

Special Needs Housing

For statements 15 through 21, please indicate whether you:

1...Strongly Agree; **2**...Agree; **3**...Neither Agree nor Disagree; **4**...Disagree; or **5**...Strongly Disagree.

15. "The housing and related needs of people who are homeless are adequately served in this community."

1 2 3 4 5

16. "The housing and related needs of people with physical disabilities are adequately served in this community."

1 2 3 4 5

17. "The housing and related needs of people with developmental disabilities are adequately served in this community."

1 2 3 4 5

18. "The housing and related needs of people with severe and persistent mental illnesses are adequately served in this community."

1 2 3 4 5

19. "The housing and related needs of the elderly are adequately served in this community."

1 2 3 4 5

20. "The housing and related needs of people with HIV/AIDS are adequately served in this community."

1 2 3 4 5

21. "The housing and related needs of victims of domestic violence are adequately served in this community."

1 2 3 4 5

22. "The housing and related needs of seasonal farm workers are adequately served in this community."

1 2 3 4 5

23. For the special needs groups listed in the questions above, how can the housing and related needs be better met? Please be specific.

Lead Based Paint Hazards

24. Is there adequate private and rental lead-safe housing in your community for families with small children?

Yes No

25. Are there adequate funds to address lead-based paint hazards in housing in your community

Yes No

26. Is there a need in your community for programs to address lead-based paint in housing where poisoned children live?

Yes No

27. Are you aware of the HUD requirement that health departments and housing agencies that receive HUD funding must share data on dwellings associated with lead-poisoned children?
- Yes No
28. Are you aware that interim controls of lead hazards with periodic clearance testing can be done to make a home lead safe at a lower cost of providing affordable housing?
- Yes No
29. On a scale of 1 to 5 (with 1 being the least and 5 being the most) how much does lead abatement procedures increase the cost of providing affordable housing?
- 1 2 3 4 5

Fair Housing

30. Is discrimination in housing a problem in this community based on (check those that apply):
- | | |
|---|---|
| <input type="checkbox"/> Race/ethnicity | <input type="checkbox"/> Family size or type |
| <input type="checkbox"/> Sex | <input type="checkbox"/> Religion |
| <input type="checkbox"/> National origin | <input type="checkbox"/> Disability (e.g., physical, mental and HIV/AIDS) |
| <input type="checkbox"/> Other (please identify)_____ | |
31. Are the following barriers to housing choice in your community? Check those that apply.
- | | |
|--|---|
| <input type="checkbox"/> Cost of housing | <input type="checkbox"/> Age-restricted housing
(e.g., elderly only) |
| <input type="checkbox"/> Distance to employment | <input type="checkbox"/> Lack of knowledge about
fair housing rights among residents |
| <input type="checkbox"/> Lack of accessibility requirements
for physically disabled | <input type="checkbox"/> Lack of knowledge of fair housing
regulations among landlords |
| <input type="checkbox"/> Housing discrimination | |
| <input type="checkbox"/> Public transportation | |
| <input type="checkbox"/> Lack of employment opportunities | |
32. Are there zoning or land use laws in your community that create barriers to fair housing choice or encourage housing segregation?
- Yes No
- If yes, what types of laws?
-
33. Are the following lending activities a problem in your community?
- | | |
|--|---|
| <input type="checkbox"/> Lenders charging excessively high
rates for mortgages, refinancing and
mobile home loans | <input type="checkbox"/> Lenders linking unnecessary products
(e.g., credit life insurance) to loans |
| <input type="checkbox"/> Lenders repeatedly inducing borrowers
to refinance loans and charging high
transaction fees | <input type="checkbox"/> Lenders charging prepayment penalties |
| | <input type="checkbox"/> Lenders selling sub-prime products
to prime borrowers |

For statements 31 through 38, please indicate whether you: **1**...Strongly Agree; **2**...Agree; **3**...Neither Agree nor Disagree; **4**...Disagree; or **5**...Strongly Disagree.

34. "Minorities can obtain desirable housing in any area of my community."

1 2 3 4 5

35. "Large families can obtain desirable housing in any area of my community."

1 2 3 4 5

36. "The elderly can obtain desirable housing in any area of my community."

1 2 3 4 5

37. "Persons with disabilities can obtain desirable housing in any area of my community."

1 2 3 4 5

38. "The people in my community are able to access mortgages and refinance their homes at competitive interest rates."

1 2 3 4 5

39. "The people in my community know that discrimination is prohibited in the sale and rental of housing, mortgage lending and advertising."

1 2 3 4 5

40. "The people in my community know whom to contact when facing housing discrimination."

1 2 3 4 5

41. "The housing enforcement agency in my community has sufficient resources to handle the amount of discrimination that may occur."

1 2 3 4 5

Fair Housing Policy

42. Do you have the following in this community?

Fair Housing Resolution/Ordinance Yes No

Affirmative Action Plan Yes No

Equal Opportunity Ordinance Yes No

43. Has the Resolution/Ordinance been approved by the State?

Yes No

44. Has the community joined forces with any other group agency or organization to promote fair housing?

Yes No

45. Does this community have or have access to a Civil Rights Commission/Office?

Yes No

46. Have there been housing complaints filed against your organization in the past five years?

- Yes No

If yes, how many? Please describe the nature of the complaint(s).

Most Important Housing Needs

47. In your opinion, what are the three most important housing issues in your service area or community?

Top Housing Issues

1.

2.

3.

48. If you could change elements of existing housing policy, or a single housing program, what would you change, and why? Please be specific.

1.

2.

3.

49. To your knowledge, which groups of people in this community have the greatest unmet housing needs, and why? (Groups can be categorized by age, income, ethnicity, geography, disability status, etc.)

1.

2.

3.

50. Are there housing policies or programs in other communities that could benefit this community? Please provide examples.

1.

2.

3.

Community Development

51. Rank the following community development needs in order of how much they are needed in your community (with 1 being the least needed and 5 being the most needed).

	1	2	3	4	5
Water and sewer systems improvements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Child and adult care facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Facilities and shelter for special needs populations <input type="checkbox"/> (e.g., persons with disabilities, persons who are homeless)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Downtown business environment revitalization	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Emergency services (e.g., fire stations and equipment)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Community centers	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jobs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

52. Rank the following *barriers* to community and economic development in order of magnitude in your community (with 1 being a small barrier and 5 being a large barrier).

	1	2	3	4	5
Job growth	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jobs that pay livable wages	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Educated work force	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of affordable housing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Poor quality public infrastructure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of quality commercial and retail space	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of available funds to make improvements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of mixed income housing developments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of accessible housing for individuals or families	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lack of investment/deteriorating conditions downtown	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

53. To your knowledge, has the number of jobs in this community increased or decreased over the past 5 years?

- Increased Decreased Do not know

54. Has the perception of this community gotten better or worse over the last 5 years? Why?

55. In your opinion, what are the three most important community development needs in your service area or community?

Most Important Community Development Needs

Housing and Community Development Programs

56. Have you heard of the Community Development Block Grant (CDBG) program?

- Yes No

57. Do you know how to access CDBG funding (e.g., agency to contact, process of applying for funding, etc.)?

- Yes No

58. Do you have any suggestions on how ORA can better implement the CDBG program?

59. Have you heard of the Home Investment Partnerships Program (HOME) program?

- Yes No

60. Do you know how to access HOME funding (e.g., agency to contact, process of applying for funding, etc.)?

- Yes No

61. Do you have any suggestions on how IHEDA can better implement the HOME program?

62. Have you heard of the Housing Opportunities for People with AIDS (HOPWA) program?

- Yes No

63. Do you know how to access HOPWA funding (e.g., agency to contact, process of applying for funding, etc.)?

- Yes No

64. What is most needed in your community to meet the needs of persons with HIV/AIDS? (Check all that apply.)

- | | |
|---|--|
| <input type="checkbox"/> Housing information | <input type="checkbox"/> Rental housing |
| <input type="checkbox"/> Single family housing | <input type="checkbox"/> Assistance with utilities |
| <input type="checkbox"/> Assistance with rental/mortgage payments | <input type="checkbox"/> Supportive services |
| <input type="checkbox"/> Operating subsidies for HIV/AIDS housing | <input type="checkbox"/> Other _____ |

65. Do you have suggestions for how IHCD can better implement the HOPWA program?

66. Have you heard of the Emergency Shelter Grant (ESG) program?

- Yes No

67. Do you know how to access ESG funding (e.g., agency to contact, process of applying for funding, etc.)?

- Yes No

68. What is most needed in your community to meet the needs of persons who are homeless?

- | | |
|---|---|
| <input type="checkbox"/> Housing information | <input type="checkbox"/> Emergency shelters |
| <input type="checkbox"/> Transitional housing | <input type="checkbox"/> Supportive services |
| <input type="checkbox"/> Operating subsidies for shelters | <input type="checkbox"/> Homeless prevention activities |
| | <input type="checkbox"/> Other _____ |

69. Do you have suggestions for how the state can better implement the ESG program?

Suggestions for improvement:



3773 Cherry Creek North Drive
Suite 850
Denver, Colorado 80209-3827
303.321.2547 fax 303.399.0448
www.bbcresearch.com bbc@bbcresearch.com

NOTICE

To: All interested parties

Re: State of Indiana Housing & Community Development Needs Surveys

Date: January 31, 2006

The State of Indiana is currently preparing its first annual update to the Five Year (2005-2009) Consolidated Plan, a report required by the U.S. Department of Housing and Urban Development (HUD). This report is necessary for the State to receive housing and community development block grant funding. In FY2006, the State could receive approximately **\$50 million** in Federal housing and community development assistance.

In the past, these dollars have funded homeownership and rental assistance programs, construction of homeless and domestic violence shelters, economic development efforts, water and sewer infrastructure improvements, and programs that assist people with special needs. The funds are distributed by the State of Indiana to local governments and nonprofit housing and community development organizations throughout the state.

BBC Research & Consulting (BBC) is assisting the State with the preparation of its Five Year Consolidated Plan Update. We are working in association with the Indiana Office of Rural Affairs (ORA) and the Indiana Housing and Community Development Authority (IHCDA).

We are writing to ask for your assistance in identifying housing and community needs in your area.

Attached is a copy of a Citizen Survey. We invite you to distribute this survey to your clients. If your clients would like to complete the survey, please reproduce the survey, have your clients fill out the survey, collect the surveys and return them to BBC, attention of Heidi Aggeler, 303.399.0448 (fax) or (by mail) 3773 Cherry Creek Drive North, Suite 850, Denver, Colorado 80209. Please return the surveys by March 1, 2006.

Draft Consolidated Plan and public hearings. Beginning on April 15, 2006, the Draft Five Year Consolidated Plan Update will be released for public comment. The Plan will be available electronically on the Indiana Housing and Community Development Authority's website at <http://www.indianahousing.org>, and the Indiana Office of Rural Affairs' website at <http://www.in.gov/ora/service.html>. Hard copies will be available at the Office of Rural Affairs. The

State will be holding two public hearings between April 15 and May 15 to receive comments about the draft plan. The date and locations of the hearings will be announced on the above websites.

You may also comment on the plan in writing by sending a letter to:

Consolidated Plan, Office of Lt. Governor Rebecca S. Skillman
Grants Services
One North Capitol Avenue, Suite 600
Indianapolis, Indiana 46204-2248
1-800-246-7064

We look forward to hearing from you! Thank you for your participation in this very important process.

The Indiana Office of Rural Affairs

The Indiana Housing and Community Development Authority

2006 Indiana Consolidated Plan Citizen Survey

Thank you for completing this survey!

Please answer each question to the best of your ability. If a particular question does not apply to you, or if you do not want to share your opinion, feel free to skip the question. This survey is being distributed as part of the State of Indiana Consolidated Planning process. The survey data will be reported confidentially and only in combination with all survey responses.

Respondent Information

1. Are you a resident of the State of Indiana? Yes No
2. In which city/town do you live? _____
3. How did you receive this survey instrument?
 - Public meeting for Consolidated Plan
 - Housing Authority
 - Email
 - From an organization/group (please specify): _____

Housing

4. Indicate how satisfied you are with each of the following aspects of housing in your community. (1...Very Satisfied; 2...Satisfied; 3...Neither Satisfied or Dissatisfied; 4...Dissatisfied; or 5...Very Dissatisfied.)
 - a. Housing cost (affordability) 1 2 3 4 5
 - b. Housing quality (condition) 1 2 3 4 5
 - c. Housing for persons with disabilities 1 2 3 4 5
 - d. Availability of emergency shelters 1 2 3 4 5
5. What type of housing do you currently live in?
 - Single family home
 - Condo/townhome
 - Apartment
 - Mobile home
 - Transitional housing
 - Other (please specify): _____
6. Do you own or rent the home you are current living in?
 - Own
 - Rent
 - Do not own and do not pay rent
 - Live with my parents/family/friends
7. Do you receive housing assistance from the government to help you pay your mortgage or rent?
 - Yes
 - No

8. In general, how satisfied are you with your current home or apartment?

- Very satisfied (Please skip to Question 10)
- Satisfied (Please skip to Question 10)
- Dissatisfied
- Very Dissatisfied

9. Please select the top **three** reasons why you are not satisfied with your current home or apartment:

- | | |
|---|--|
| <input type="checkbox"/> Rent/mortgage is too expensive | <input type="checkbox"/> My commute to work is too long |
| <input type="checkbox"/> Too small | <input type="checkbox"/> Limited amenities |
| <input type="checkbox"/> Too many people/too few rooms | <input type="checkbox"/> Needs fixing up (specify need - new paint, new roof, etc.): _____ |
| <input type="checkbox"/> Too expensive to maintain | _____ |
| <input type="checkbox"/> Not in desired location | <input type="checkbox"/> Other (please describe): _____ |
| <input type="checkbox"/> Location is not safe | _____ |
| <input type="checkbox"/> Dissatisfied with nearby schools | |
| <input type="checkbox"/> Location is not convenient | |

10. In your opinion, which of the following housing types are most needed in your city/town/area of residence?
(Please just choose **one**)

- Single family homes
- Accessible housing for disabled persons/elderly
- Apartments (1 or 2 bedroom)
- Apartments (3 or 4 bedroom)
- Homeless shelters
- Transitional housing
- Assisted living for seniors
- Other (please specify): _____

11. Have you ever been homeless before? Yes No (Skip to Question 12)

11a. What was the reason you were homeless? _____

Community Services

12. Indicate how satisfied you are with each of the following aspects of your community.
(1...Very Satisfied; 2...Satisfied; 3...Neither Satisfied or Dissatisfied; 4...Dissatisfied; or 5...Very Dissatisfied.)

- | | | | | | |
|--------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| a. Public Transportation | <input type="checkbox"/> 1 | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 | <input type="checkbox"/> 4 | <input type="checkbox"/> 5 |
| b. Senior Services | <input type="checkbox"/> 1 | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 | <input type="checkbox"/> 4 | <input type="checkbox"/> 5 |
| c. Basic Medical Care Services | <input type="checkbox"/> 1 | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 | <input type="checkbox"/> 4 | <input type="checkbox"/> 5 |
| d. Mental Health Services | <input type="checkbox"/> 1 | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 | <input type="checkbox"/> 4 | <input type="checkbox"/> 5 |
| e. Crime Control/Law Enforcement | <input type="checkbox"/> 1 | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 | <input type="checkbox"/> 4 | <input type="checkbox"/> 5 |
| f. Maintenance of Sidewalks | <input type="checkbox"/> 1 | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 | <input type="checkbox"/> 4 | <input type="checkbox"/> 5 |
| g. Maintenance of Public Areas | <input type="checkbox"/> 1 | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 | <input type="checkbox"/> 4 | <input type="checkbox"/> 5 |
| h. Trash/Garbage Disposal | <input type="checkbox"/> 1 | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 | <input type="checkbox"/> 4 | <input type="checkbox"/> 5 |
| i. Sewage Disposal/Stormwater Runoff | <input type="checkbox"/> 1 | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 | <input type="checkbox"/> 4 | <input type="checkbox"/> 5 |
| j. Availability of Jobs | <input type="checkbox"/> 1 | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 | <input type="checkbox"/> 4 | <input type="checkbox"/> 5 |
| k. Daycare Services | <input type="checkbox"/> 1 | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 | <input type="checkbox"/> 4 | <input type="checkbox"/> 5 |
| l. Grocery/Retail Shopping | <input type="checkbox"/> 1 | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 | <input type="checkbox"/> 4 | <input type="checkbox"/> 5 |

13. Suppose you had \$1 million you could use to improve your community. From the following list of 10 things you could do with that money, which **three** items would you select?

- | | |
|--|--|
| <input type="checkbox"/> Build more single family affordable housing | <input type="checkbox"/> Improve my neighborhood
How? _____ |
| <input type="checkbox"/> Build more affordable rental housing | <input type="checkbox"/> Fund a public bus system |
| <input type="checkbox"/> Build more homeless shelters | <input type="checkbox"/> Improve health care services |
| <input type="checkbox"/> Build housing for persons who are disabled and/or seniors | <input type="checkbox"/> Improve maintenance in my community |
| <input type="checkbox"/> Build community/senior centers | <input type="checkbox"/> Reduce crime |
| <input type="checkbox"/> Build child care centers | <input type="checkbox"/> Other (please specify): _____ |
| <input type="checkbox"/> Help my city improve public safety | _____ |
| <input type="checkbox"/> Help bring jobs to my city/town | _____ |

14a. To your knowledge, have you ever experienced housing discrimination?

- Yes
 No (Please skip to Question 15)
 Don't know

14b. In what city were you living when you experienced the discrimination? _____

14c. What was the reason you were discriminated against? (Check all that apply)

- | | |
|--|---|
| <input type="checkbox"/> Race | <input type="checkbox"/> I have a low income |
| <input type="checkbox"/> I'm a student | <input type="checkbox"/> I have bad credit/bankruptcy/debts |
| <input type="checkbox"/> My gender/sex | <input type="checkbox"/> I'm not a United States citizen |
| <input type="checkbox"/> I have children | <input type="checkbox"/> I'm gay/lesbian/bisexual/transgendered |
| <input type="checkbox"/> My religion | <input type="checkbox"/> I'm on Section 8/receive government assistance for housing |
| <input type="checkbox"/> I'm a farm worker/ranch hand/migrant worker | <input type="checkbox"/> Other (please specify): _____ |
| <input type="checkbox"/> I'm physically disabled | _____ |
| <input type="checkbox"/> My partner and I are not married | |
| <input type="checkbox"/> I'm mentally/developmentally disabled | |

14d. What did you do about the discrimination?

- | | |
|--|--|
| <input type="checkbox"/> Don't know/can't remember | <input type="checkbox"/> Called local government office |
| <input type="checkbox"/> Nothing | <input type="checkbox"/> Called a housing authority |
| <input type="checkbox"/> Tried to get information and couldn't | <input type="checkbox"/> Called a community organization |
| <input type="checkbox"/> Talked to a lawyer/Legal Aid/ACLU/Attorney General's office | <input type="checkbox"/> Filed a complaint |
| <input type="checkbox"/> Called the Indiana Civil Rights Office | <input type="checkbox"/> Other (please specify): _____ |
| <input type="checkbox"/> Called HUD | _____ |

Lead-based Paint

15. Do you know if your house or apartment has been treated for lead contamination?

- Yes No Don't know

16. If you have made repairs to your house or apartment, did you use lead-safe work practices?

- Yes No Don't know

17. If you rent, did your landlord provide you with a disclosure form and the pamphlet "Keep Your Family Safe from Lead in Your Home" before the repairs were performed?

- Yes No Don't know

18. Have you or any member of your family been tested for lead?

- Yes No Don't know

19. Have you or any member of your family been lead-poisoned?

- Yes No Don't know

2005 Indiana Consolidated Plan Citizen Survey

Please answer each question to the best of your ability. If a particular question does not apply to you, or if you do not have knowledge of the subject matter, skip the question. This survey should take you about 15 minutes to complete.

Respondent Information

1. Are you a resident of the State of Indiana? Yes No
2. In which city/town do you live? _____
3. List the organization you received this survey from (*Required*): _____

Housing

1. Do you have a permanent place in which you live?
 Yes. Please go to Question 2 on page 2. No. Please answer Questions 1a – 1c below.
 - 1a. If you answered NO to Question 1, are you currently homeless?
 Yes No. Please go to Question 2 on page 2.
 - 1b. What are the reasons you became homeless? (Check all that apply)

<input type="checkbox"/> Couldn't afford the place I was in	<input type="checkbox"/> Became sick and couldn't work
<input type="checkbox"/> Couldn't find a place I could afford	<input type="checkbox"/> Became sick and couldn't afford health care costs
<input type="checkbox"/> Bad credit	<input type="checkbox"/> Moved to seek work
<input type="checkbox"/> Evicted/foreclosed on	<input type="checkbox"/> Released from jail or prison
<input type="checkbox"/> Quit my job	<input type="checkbox"/> I left my spouse or parents because of abuse
<input type="checkbox"/> Got fired	<input type="checkbox"/> I got divorced
<input type="checkbox"/> Lost my government assistance for housing	<input type="checkbox"/> Other (please specify): _____ _____
 - 1c. What would you have needed to avoid becoming homeless? (Check all that apply)

<input type="checkbox"/> An apartment that was affordable	<input type="checkbox"/> Childcare for my children
<input type="checkbox"/> To find a job right way	<input type="checkbox"/> Counseling/mental health services
<input type="checkbox"/> Training or education needed to get a job	<input type="checkbox"/> Health care
<input type="checkbox"/> A job that pays enough to afford housing	<input type="checkbox"/> Other (please describe): _____ _____
<input type="checkbox"/> A temporary place to live	

IF YOU ARE CURRENTLY HOMELESS PLEASE SKIP TO QUESTION 12 ON PAGE 5.

- 2. What type of housing do you currently live in?
 - Single family home
 - Condo/townhome
 - Apartment
 - Mobile home
 - Transitional housing
 - Other (please specify): _____

- 3. Do you own or rent the home you are current living in?
 - Own
 - Rent
 - Do not own and do not pay rent
 - Live with my parents/family/friends

- 4. Do you receive housing assistance from the government to help you pay your mortgage or rent?
 - Yes
 - No

- 5. Can you afford to pay what you do for your housing?
 - Yes (Please skip to Question 6)
 - No

- 5a. If you can't afford you housing, what things do you do to make sure you pay your mortgage/rent?
 - Don't go out much
 - Don't have a car
 - Don't make needed housing repairs
 - Work more than one job/work overtime
 - Skip meals
 - Don't get needed health care

- 6. In general, how satisfied are you with your current home or apartment?
 - Very satisfied (Please skip to Question 8a)
 - Satisfied (Please skip to Question 8a)
 - Dissatisfied
 - Very Dissatisfied

- 7. Please select the top **three** reasons why you are not satisfied with your current home or apartment:
 - Rent/mortgage is too expensive
 - Too small
 - Too many people/too few rooms
 - Too expensive to maintain
 - Not in desired location
 - Location is not safe
 - Dissatisfied with nearby schools
 - Location is not convenient
 - My commute to work is too long
 - Limited amenities
 - Poor condition
 - Other (please describe): _____

IF YOU ARE A RENTER, PLEASE SKIP TO QUESTION 9a BELOW.

8a. Are there repairs/improvements that you have not made to your house?

- Yes
- No (Please skip to Question 11)

8b. Why haven't you made the needed repairs/improvements?

- Cannot afford them
- Cannot find a contractor to use
- Have other priorities
- Other (please specify): _____
- Can't find the time
- _____

8c. What repairs/improvements do you need to make the most?

- Painting
- Insulation
- Appliances
- Foundation
- Electric
- Accessibility modifications (please specify): _____
- Plumbing
- Flooring
- Heating
- Other (please specify): _____
- Roofing
- _____
- Siding
- _____
- Windows/doors

IF YOU ARE AN OWNER, PLEASE SKIP TO QUESTION 11 ON PAGE 4.

9a. Does your landlord make repairs promptly when needed?

- Yes (Please skip to Question 10a)
- No

9b. If your rental is in need of repair, what repairs are needed? (Check all that apply)

- Rental is not in need of repairs
- Windows/doors
- Painting
- Insulation
- Appliances
- Foundation
- Electric
- Accessibility modifications (please specify): _____
- Plumbing
- Flooring
- Heating
- Other (please specify): _____
- Roofing
- _____
- Siding
- _____

10a. Would you prefer to continue renting or to own a house, condominium or townhome?

- I would prefer to own a house
- I would prefer to own a condo/townhome
- I would prefer to own a mobile home
- I would prefer to rent (Please skip to Question 11)

10b. What are some of your current barriers to owning a home, condo/townhome or mobile home?

- Do not have enough money for a down payment
- Cannot afford monthly mortgage payments
- Cannot qualify for a mortgage
- Unfamiliar with/intimidated by the process of buying a home
- Desired housing type not available (single family home, mobile home, condo/townhome)
- Desired housing location not available
- No houses in my price range for sale
- Uncertain future or may leave area
- Other (please specify): _____

10c. Have you tried to get a loan for a home or condo/townhome and couldn't?

- Yes
- No (Please skip to Question 11)

10d. What was the reason you couldn't get a loan?

- | | |
|---|--|
| <input type="checkbox"/> Poor credit/not enough credit | <input type="checkbox"/> I don't know |
| <input type="checkbox"/> Debt to income ratio was too high | <input type="checkbox"/> Other (please specify): _____ |
| <input type="checkbox"/> Didn't want to pay the interest rate they offered me | _____ |
| | _____ |

11. Have you ever been homeless?

- Yes
- No (Please skip to Question 12 on page 5)

11a. What was the longest period that you were homeless (for example - 3 months)?

11b. What are the reasons you became homeless? (Check all that apply)

- | | |
|--|--|
| <input type="checkbox"/> Couldn't afford the place I was in | <input type="checkbox"/> Became sick and couldn't work |
| <input type="checkbox"/> Couldn't find a place I could afford | <input type="checkbox"/> Became sick and couldn't afford health care costs |
| <input type="checkbox"/> Bad credit | <input type="checkbox"/> Moved to seek work |
| <input type="checkbox"/> Evicted/foreclosed on | <input type="checkbox"/> Released from jail or prison |
| <input type="checkbox"/> Quit my job | <input type="checkbox"/> I left my spouse or parents because of abuse |
| <input type="checkbox"/> Got fired | <input type="checkbox"/> I got divorced |
| <input type="checkbox"/> Lost my government assistance for housing | <input type="checkbox"/> Other (please specify): _____ |
-

11c. What would you have needed to avoid becoming homeless? (Check all that apply)

- | | |
|--|--|
| <input type="checkbox"/> An apartment that was affordable | <input type="checkbox"/> Childcare for my children |
| <input type="checkbox"/> To find a job right way | <input type="checkbox"/> Counseling/mental health services |
| <input type="checkbox"/> Training or education needed to get a job | <input type="checkbox"/> Health care |
| <input type="checkbox"/> A job that pays enough to afford housing | <input type="checkbox"/> Other (please specify): _____ |
| <input type="checkbox"/> A temporary place to live | _____ |

12. What type of housing would you like to be living in 5 years from now?

- The house I currently live in
- Single family house
- Apartment
- Less/more expensive house or apartment
- Bigger/smaller house or apartment
- Patio home/townhome/condominium
- Assisted living facility
- Mobile home
- Other (please specify): _____

13. In your opinion, which of the following housing types are most needed in your city/town/area of residence? (Please just choose **one**)

- Single family homes
- Accessible housing for disabled persons/elderly
- Apartments (1 or 2 bedroom)
- Apartments (3 or 4 bedroom)
- Homeless shelters
- Transitional housing
- Assisted living for seniors
- Other (please specify): _____

14. Suppose you had \$1 million you could use to improve your community. From the following list of 10 things you could do with that money, which **two** items would you select?

- Build more single family affordable housing
- Build more affordable rental housing
- Build more homeless shelters
- Build housing for persons who are disabled and/or seniors
- Build community/senior centers
- Build child care centers
- Help my city improve public safety
- Help bring jobs to my city/town
- Improve my neighborhood
How? _____
- Fund a public bus system
- Other (please specify): _____

Housing Discrimination

15a. To your knowledge, have you ever experienced housing discrimination?

- Yes
- No (Please skip to Question 16 on page 7)
- Don't know

15b. In what city were you living when you experienced the discrimination? _____

15c. What was the reason you were discriminated against? (Check all that apply)

- Race
- I'm a student
- My gender/sex
- I have children
- My religion
- I'm a farm worker/ranch hand/migrant worker
- I'm physically disabled
- My partner and I are not married
- I'm mentally/developmentally disabled
- I have a low income
- I have bad credit/bankruptcy/debts
- I'm not a United States citizen
- I'm gay/lesbian/bisexual/transgendered
- I'm on Section 8/receive government assistance for housing
- Other (please specify): _____

15d. What did you do about the discrimination?

- Don't know/can't remember
- Nothing
- Tried to get information and couldn't
- Talked to a lawyer/Legal Aid/ACLU/Attorney General's office
- Called the Indiana Civil Rights Office
- Called HUD
- Called local government office
- Called a housing authority
- Called a community organization
- Filed a complaint
- Other (please specify): _____

15e. If you filed a complaint, was your complaint resolved?

- Yes
- No (Please skip to Question 15h below)
- Didn't file a complaint (Please skip to Question 16 below)
- Don't know (Please skip to Question 16 below)

15f. Were you satisfied with the resolution?

- Yes
- No (Please skip to Question 15h)
- Don't know (Please skip to Question 16)

15g. Why? (specify) _____ (Please skip to Question 15i below)

15h. Why not? (specify) _____ (Please skip to Question 16 below)

15i. Were you satisfied with the time it took to resolve the complaint?

- Yes
- No
- Don't know

16. If you wanted to know more about your fair housing rights, how would you get information?

- | | |
|---|---|
| <input type="checkbox"/> HUD website | <input type="checkbox"/> Call the Indiana Civil Rights office |
| <input type="checkbox"/> Internet search | <input type="checkbox"/> TV |
| <input type="checkbox"/> Public housing authority | <input type="checkbox"/> Radio |
| <input type="checkbox"/> Local government information source/officials | <input type="checkbox"/> Library |
| <input type="checkbox"/> Call a lawyer/ACLU/Legal Aid/Attorney General's office | <input type="checkbox"/> Don't know |
| | <input type="checkbox"/> Other (please specify): _____ |

Demographic Information

17. How many members are there in your household? _____
18. Do you or any members of your household have a disability?
- Yes
- No
19. Do you or any members of your household have HIV or AIDS?
- Yes
- No
20. In what year were you born? _____
21. What is the highest level of education you have had the opportunity to complete?
- Some high school or less
- High school graduate/GED
- Trade/vocational school or some college
- College graduate
- Post-graduate work or degree
22. Which ethnic or cultural group are you a member of? (Please only choose one)
- Anglo/White
- Hispanic/Chicano/Latino
- African American
- American Indian/Native American
- Asian/Oriental/Pacific Islander
- Multi-racial
- Other: _____
23. Just for classification purposes, into what category does your total household income fall?
- Less than \$10,000
- \$10,000 to less than \$35,000
- \$35,000 to less than \$50,000
- \$50,000 to less than \$75,000
- \$75,000 to less than \$100,000
- \$100,000 to less than \$150,000
- \$150,000 or more
24. What is your zip code? _____

Information Available On the Internet

For Internet survey

If you would you like to know more about how to be involved in the Consolidated Plan process please follow the links below.

To see a copy of past Consolidated Plans and locate the link for the Five Year Consolidated Plan (available for public comment on March 1, 2005): www.indianahousing.org.

To find out more information about your fair housing rights, including how to file a complaint if you think you have been discriminated against, www.icrc.org.

To find a Community Housing Development Organization in your county that can answer questions about applying for funding in your community, go to <http://www.in.gov/ihfa/county/comdev/downloads/CHDOCounty.pdf>.



3773 Cherry Creek North Drive
Suite 850
Denver, Colorado 80209-3827
303.321.2547 fax 303.399.0448
www.bbcresearch.com bbc@bbcresearch.com

NOTICE

To: Public Housing Authority Executive Directors

Re: **State of Indiana Housing & Community Development Needs Surveys**

Date: January 31, 2006

The State of Indiana is currently preparing its first annual update to the Five Year (2005-2009) Consolidated Plan, a report required by the U.S. Department of Housing and Urban Development (HUD). This report is necessary for the State to receive housing and community development block grant funding. In FY2006, the State could receive approximately **\$50 million** in Federal housing and community development assistance.

In the past, these dollars have funded homeownership and rental assistance programs, construction of homeless and domestic violence shelters, economic development efforts, water and sewer infrastructure improvements, and programs that assist people with special needs. The funds are distributed by the State of Indiana to local governments and nonprofit housing and community development organizations throughout the state.

BBC Research & Consulting (BBC) is assisting the State with the preparation of its Five Year Consolidated Plan Update. We are working in association with the Indiana Office of Rural Affairs (ORA) and the Indiana Housing and Community Development Authority (IHCDA).

We are writing to ask for your assistance in identifying housing and community needs in your area.

Enclosed you will find two different surveys: a PHA Survey and a Citizen Survey. Please help the State by completing the PHA survey and *distributing* the Citizen Survey. Instructions for each survey follow.

PHA Survey. This survey instrument has been sent to all public housing authorities located in non-metropolitan areas in the State. The survey collects information about the demand and need for tenant-based rental vouchers and affordable rental units in the State. **Your input is very valuable to this process and is greatly appreciated.** Please return the survey in the enclosed prepaid envelope by March 1, 2006.

Citizen Survey. You have also received a copy of a Citizen Survey. We invite you to distribute this survey to your clients. If your clients would like to complete the survey, please reproduce the survey, have your clients fill out the survey, collect the surveys and return them to BBC in the enclosed prepaid envelope. Please have your clients complete and/or return the surveys by March 1, 2006.

Draft Consolidated Plan and public hearings. Beginning on April 15, 2006, the Draft Five Year Consolidated Plan Update will be released for public comment. The Plan will be available electronically on the Indiana Housing and Community Development Authority's website at <http://www.indianahousing.org>, and the Indiana Office of Rural Affairs' website at <http://www.in.gov/ora/service.html>. Hard copies will be available at the Office of Rural Affairs. The State will be holding two public hearings between April 15 and May 15 to receive comments about the draft plan. The date and locations of the hearings will be announced on the above websites.

You may also comment on the plan in writing by sending a letter to:

Consolidated Plan, Office of Lt. Governor Rebecca S. Skillman Grants Services One North Capitol Avenue, Suite 600 Indianapolis, Indiana 46204-2248 1-800-246-7064

We look forward to hearing from you! Thank you for your participation in this very important process.

The Indiana Office of Rural Affairs

The Indiana Housing and Community Development Authority

2006 Indiana Consolidated Plan PHA Survey

The State of Indiana Office of Rural Affairs and the Indiana Housing & Community Development Authority are currently preparing the first update to the State's Five Year Consolidated Plan for the U.S. Department of Housing and Urban Development. This plan will include a housing market analysis, which will examine the need for affordable rental units and vouchers in the State. To aid in this effort, please fill out this brief survey and return by March 1, 2006. We appreciate your assistance.

1. As of January 1, 2006, how many Housing Choice vouchers did your Housing Authority administer? _____
2. As of January 1, 2006, what was the utilization rate of your Housing Choice vouchers? _____
3. As of January 1, 2006, how many households were on your waiting list for Housing Choice vouchers by unit size? On average, how long does it take a household to reach the top of the waiting list? Please complete the chart below:

Unit Size	Length of Waiting List (Number of Households)	Time to Reach Top of Waiting List (months)
Studio/Efficiency		
1 bedroom		
2 bedroom		
3 bedroom		
4 bedroom		
More than 4 bedrooms		

4. So far in 2006, what is the average number of households on your waiting list for Housing Choice vouchers? _____
5. Has your Housing Authority's Housing Choice voucher utilization rate ever fallen below 95 percent?
 Yes No
 - 5a. If so, during what year? _____
 - 5b. If so, what was the primary reason for the low utilization rate? _____

6. Has your Housing Authority ever had to return part of its voucher funding to HUD because of low utilization?
 - 6a. If yes, what year did this occur? _____

- 6b. If yes, how much funding was recaptured (by year)? _____
- 6c. If yes, please explain the reason for the recapture. _____

- 7a. By percent, roughly how many households on your current waiting list for vouchers earn 30 percent of median income or less, between 31 and 50 percent of median income, and between 51 and 80 percent of median income?

Earn 30 percent of area median income (AMI) or less	_____ %
Earn between 31 and 50 percent of AMI	_____ %
Earn between 51 and 80 percent of AMI	_____ %
Other (specify)	_____ %
Total	100%

- 7b. What is the average household income of your voucher holders? \$ _____; of households on your waiting list? \$ _____ (please estimate if not known)
8. By percent, roughly how many households on your waiting list for vouchers are families with children, elderly or people with disabilities?

Families with children	_____ % of total households
Elderly (without disabilities)	_____ % of total households
Elderly (with disabilities)	_____ % of total households
Non-elderly with disabilities	_____ % of total households
9. What is the greater need in your community—tenant based rental assistance (e.g., rental vouchers) or additional affordable rental units? Please explain. _____

2006 Indiana Consolidated Plan PHA Survey

10. How easy is it for the average applicant to find a unit in your community that accepts vouchers?

- Very easy Difficult
 Easy Very Difficult

11. Is it particularly difficult for individuals or households with certain characteristics to find a unit that accepts vouchers? If so, please list those characteristics. _____

12. How many accessible public housing units does your Housing Authority administer, by bedroom size?

Number of Bedrooms	Number of Accessible Units
Studio/Efficiency	
1 bedroom	
2 bedroom	
3 bedroom	
4 bedroom	
More than 4 bedrooms	

13. Does your Housing Authority provide funds for adaptive modifications of Section 8 funded units in the Housing Choice Voucher program?

- Yes No

14. Has your Housing Authority ever applied for vouchers designated for persons for disabilities?

- Yes No

14a. If yes, were these vouchers well utilized? Why or why not? _____

15. Do you permit applicants to reject public housing units and remain on your waiting lists?

- Yes No

16. Do you have a policy of evicting tenants the first time they violate resident rules?

- Yes No

17. Is there anything else you would like to add about your clients' needs?

Contact Information (Optional)

PHA Name: _____

Address: _____

Contact Person: _____

Phone/e-mail: _____

Would you like to receive a copy of the State Consolidated Plan Executive Summary?

- Yes No

Would you like to receive information about the State Consolidated Planning process?

- Yes No

For Further Questions and Information, Please Contact:

Heidi Aggeler
 BBC Research & Consulting
 3773 Cherry Creek North Drive, Suite 850
 Denver, Colorado 80209
 phone: 800.748.3222, ext 256
 fax: 303.399.0448
 e-mail: aggeler@bbcresearch.com

Thank You for Your Assistance!

APPENDIX E.
County Housing Market Data

APPENDIX E.

County Housing Market Data

To be added to final Consolidated Plan.

APPENDIX F.
2006 Allocation Plans

APPENDIX F.

2006 Allocation Plans

This appendix presents the FY2006 allocation plans for the Indiana Office of Community and Rural Affairs—administrator of the CDBG grant program; the Indiana Housing and Community Development Authority—administrator of HOME funding, HOPWA funding and the ESG program.

COMMUNITY FOCUS FUND

APPLICATION PACKAGE

Community Development Block Grant Program
U.S. Department of Housing and Urban Development

January 2006

Indiana Office of Community and Rural Affairs
Community Development Block Grant Program
One North Capitol, Suite 600
Indianapolis, Indiana 46204
(317) 232-1703, (800) 824-2476

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COMMUNITY FOCUS FUND INFORMATION, PROPOSAL, AND APPLICATION INSTRUCTIONS

OVERVIEW OF THE CFF PROGRAM

The goal of the Community Focus Fund (CFF) program is to encourage communities with eligible populations to focus on long-term community development. To be competitive, projects must demonstrate the following:

- The area to be served has a substantial low- and moderate-income population (51% or greater) or is designated a slum or blighted area by local resolution;
- The particular project addresses the long-term planning and development efforts of the community;
- The funds granted will have a significant impact on the overall project;
- The community has demonstrated a strong commitment to the project; and
- The project is ready to proceed upon grant award and will be completed within 18 months after grant award.

MINIMUM REQUIREMENTS

To be eligible for CFF assistance, projects must meet the following minimum requirements:

- The lead applicant must be a non-entitlement city, county or incorporated town that possesses the legal capacity to carry out the proposed program.
- The lead applicant may apply on behalf of a 501c3 not-for-profit organization for an eligible project, provided that the organization can document its not-for-profit status with the U.S. Internal Revenue Service, the Indiana Department of Revenue, and the Indiana Secretary of State.
- The proposed project must meet a national objective and be an eligible activity under the federal Community Development Block Grant (CDBG) Act. In general, the project must either:
 - benefit an area or clientele whose population is at least 51% low- and moderate-income, or
 - aid in the prevention or elimination of slums or blight.
- If the applicant has previously received CFF or CDBG Planning Grant funds, the applicant must not have:
 - any unresolved monitoring/audit findings;
 - any overdue grant reports or close-out documents;
 - for cities and incorporated towns, more than one (1) open CFF or Planning Grant at the time of application; and
 - **for counties, more than two (2) open CFFs and/or Planning Grants at the time of application.**
- If a community has an open CFF grant, the community must have an executed construction contract and be under construction before the community may apply for another CFF grant;
- At least 10% of the **total project budget** must be provided by the applicant. This local match must be in the form of cash or debt provided by the applicant or a third party. Other state or federal grant funds will not be considered as a part of the local match.

MINIMUM REQUIREMENTS (Continued)

- No more than 5% of the total project budget, up to a maximum of \$25,000, may be provided by in-kind sources. All requests to use in-kind match must be approved in advance, in writing, by the Indiana Office of Community and Rural Affairs's Community Development Block Grant Division. **Written requests and documentation must be submitted to the Director of the CDBG Program at least four weeks prior to the application deadline.** The following are considered to be eligible sources of in-kind match:
 - The fair market value of donated land. Land donations by developers, organizations or individuals with financial or ownership interest in the project are ineligible as in-kind match;
 - **Volunteer labor calculated at a standard wage rate for the type of skilled construction work to be performed.** Donated professional services will not count as an in-kind match;
 - Donated goods and materials valued at a reasonable market value; and
 - Waived building permit fees, inspection fees, and utility hookup fees, which are established by municipal ordinance or resolution.

Written requests must include:

- A letter from the chief elected town or city official;
- Supporting documentation, including a commitment letter from the donor regarding what is being donated and the value; and
- In the case of land donation, a copy of the fee appraisal (a review appraisal is not required).

Please contact the Office of Community Development for more information regarding the in-kind match policy.

- For those applicants who have open Planning Grants, the community must have a final plan approved prior to submission of a CFF application for the project. **The plan must be submitted at least 120 days prior to the application due date.** All issues must be resolved prior to submission of the application.
- Any CDBG program income accumulated from a previous CDBG grant that has not been identified for an approved use by the Indiana Office of Community and Rural Affairs must be spent before another CFF grant will be approved. Any available program income must be used as part of the local match for a CFF project.
- All applicants with local CDBG program income revolving loan funds approved by the state may not have more than \$50,000 in the local loan fund at the time of application.
- The cost/beneficiary ratio for the proposed project cannot exceed \$5,000, except for housing and day care projects, which may have up to a \$10,000 cost/beneficiary ratio.
- For Fire Protection projects, the Assessed Valuation of the service area must be \$100 million or less.
- A single-sided original and four copies of the complete application must be received by the Office of Community and Rural Affairs, Community Development Block Grant Program, by 5 p.m. EST on the due date. Late applications will not be accepted.

ELIGIBLE ACTIVITIES

This list identifies the general types of activities that are eligible for CFF funding. It is not meant to include or exclude any particular project.

Property Acquisition and Disposition

- Surveying and appraisal costs
- Legal costs

Clearance

- Demolition and/or clearance
- Moving of structures

Administration

- Reasonable and eligible costs associated with the administrative requirements of the CDBG portion of the proposed project

Environmental Review

- Costs associated with obtaining necessary review of the proposed project

Public Facilities

- Infrastructure in support of downtown revitalization
- Water lines
- Water treatment facilities
- Sewer lines
- Sewer treatment facilities
- Senior centers
- Day care centers
- Facilities for the adults with severe disabilities
- Community centers
 - Fire stations
- Fire fighting vehicles

MEETING A GOAL OF THE FEDERAL ACT

Title I of the Housing and Community Development Act of 1974, as amended, identifies the national objectives of the CDBG program. CFF projects must meet one of the following national objectives and meet the requirements set out for that objective:

- Benefit at least 51% low- and moderate-income persons;
 - On an area basis and
 - Of a limited clientele group.
- Aid in the prevention or elimination of slums or blight on either an area or spot basis.

The community will need to demonstrate that it meets each objective by providing all required documentation and answering all relevant questions.

Benefit to Low- and Moderate-Income Persons – Area Basis

To show that a project benefits an area of low and moderate income people, the following questions must be clearly answered in the application on the National Objective Identification page:

1. What are the boundaries of the service area?
2. How do the boundaries correspond to the project's intended beneficiaries?
3. Using HUD Census data or a certified income survey, what percentage of persons in the service area is of low- to moderate-income?
4. How were the income characteristics of the target population determined?
5. Is the proposed facility available to all service area residents?

Income surveys are good for two years from the date of the certification letter. The survey may be re-certified one time for an additional two years. The four-year period during which the income survey may be used is calculated from the date of the first certification letter. The project area must be certified as a single area; two separate previously certified income surveys comprising the total project area will not be accepted.

The following documentation **MUST** be provided in the application:

1. Map(s) showing location and boundaries of service area.
2. If applicable, certification of income survey results by a qualified professional. The methodology of the income survey **must** also be included.

Benefit to Low- and Moderate-Income Persons – Limited Clientele Basis

There are eight groups of people that are presumed by federal regulations to be of low and moderate income. Those groups are as follows:

- Senior citizens (people who are 62 years of age or older);
- Migrant farm workers;
- Abused children;
- Battered spouses;
- Severely handicapped adults;
- Homeless persons;
- Illiterate adults; and
- Persons with AIDS.

For limited clientele projects serving other persons, benefit to low to moderate income persons must be documented and the census track provided.

For a limited clientele project, these questions will need to be clearly answered in the application on the National Objective Identification page:

1. Who will use the proposed facility? Are the beneficiaries in a group that is presumed to be low- and moderate-income, or will beneficiaries be qualified based on income?
2. Will any other groups or the general public also use the facility? If so, to what extent?
3. If the facility is to be used on an income-eligible basis, how will income and family size information of users be documented? If less than 100% of users are to be of low- to moderate-income, how was the percentage of low- to moderate-income users determined or estimated?

The following documentation will also have to be provided for a limited clientele application:

1. For mixed-use facilities: floor plan showing areas devoted to limited clientele activities.
2. If appropriate, income sliding scale and/or information concerning specific federal and state subsidized programs for the identified limited clientele group.

Prevention or Elimination of Slums or Blight – Area Basis

The following questions must be answered in the application on the National Objective Identification page:

1. What are the boundaries of the area?
2. What are the conditions that cause the area to be considered blighted?
3. What percentages of buildings in the area are deteriorated? How are they deteriorated?
4. What public facilities in the area are deteriorated? Describe this deterioration.
5. How will the proposed project remedy one or more of the blighted conditions described above?

The following documentation to the application must be attached with a slum and blight, area basis application:

1. Municipal resolution passed by governing body that describes boundaries of the specific blighted conditions within the area, and officially designates an area as blighted.
2. Map of area showing location of project activities.

Prevention or Elimination of Slums or Blight – Spot Basis

The following issues must be addressed on the National Objective Identification page:

1. Show the specific blighted or deteriorating **structure** that will be affected by the proposed project.
2. Provide a detailed description of conditions to be remedied by the proposed project, accompanied by a detailed statement of activities to address those conditions.

The following documentation to the application must be attached with a slum and blight, spot basis application:

1. Municipal resolution passed by governing body that describes the blighted or deteriorating structure, including a legal description, and officially designates **the structure as blighted under a spot basis**.

Spot basis slum/blight projects are limited to five project activities: acquisition, relocation, clearance, historic preservation and limited rehabilitation to correct specific conditions detrimental to public health and safety. *Please note a spot basis blight project must not be located within a designated blight area.*

INELIGIBLE PROJECTS

This list is not meant to be all-inclusive; questions about a specific project should be directed to the Community Development Division. The following is a list of **some** of the projects that are not eligible for CFF funding:

- The acquisition, construction or rehabilitation of buildings for the general conduct of government;
- Real property acquisition for ineligible activities;
- General equipment purchase;
- Operation and maintenance expenses associated with public facilities or services;
- General government expenses;
- Political activities of any nature;
- Project contingency fees; or
- The direct construction of new housing.

PROJECTS COMBINING ELIGIBLE AND INELIGIBLE ACTIVITIES

Depending on a community's needs, it may be appropriate for a project to combine CDBG eligible and ineligible activities. Such a project may still be eligible for CFF funds, provided that the budget clearly delineates the costs of the eligible and ineligible activities, that CFF funds do not pay for any ineligible activities, and that local funds comprise at least 10% of the cost of the eligible portion of the project. Please consult Community Development for further guidance.

AMOUNT OF GRANT REQUEST

The Indiana Office of Community and Rural Affairs (IOCRA) has established a maximum grant award of **up to \$500,000** for a Community Focus Fund application. Funding for fire trucks is capped at \$150,000. **The maximum award is not intended to serve as a target figure for requests for grant assistance.** IOCRA will review the level of grant assistance requested and will consider the appropriateness of the project's scope, the level of demonstrated need and the financial resources of the applicant. **If IOCRA determines that a lesser amount is appropriate, it may be necessary to revise the project before it is submitted in final form.**

CONSULTANTS & GRANT ADMINISTRATION

All consultants to be paid with CDBG dollars, such as engineers, architects, and grant administrators, must be procured using the Qualifications Based Selection (QBS) or Request for Proposal (RFP) process.

All grant administrators involved in CDBG projects must have successfully completed, or successfully tested out of, the CDBG Grant Administrator Training Course. This certification must be current at the time of application. A list of such grant administrators can be provided upon request by going to <http://www.in.gov/ocra>.

PUBLIC HEARINGS

Two public hearings must be held at different stages of project development. One public hearing must be held prior to submission of the proposal and the second must be held prior to the submission of the full application.

State law describes how the public must be notified of public hearings. The advertisements of the public hearings must:

- Be placed in one newspaper of general circulation in the area where the project is to be implemented, **AND**
- Be published at least 10 calendar days before the date of the public hearing.

A sample public hearing notice, which shows all of the legally required information to be included, is provided on page 53.

Applicants should be aware of local newspaper deadlines for submitting advertisements. Some smaller newspapers are published weekly, and will require that the advertisement is placed well in advance of the public hearing.

Other methods of advertising the public hearing are also encouraged. All public hearings must be accessible to handicapped persons. Public hearings should also be made convenient to the low- and moderate-income residents who will benefit from the project.

Copies of the public hearing notice and the publisher's affidavit documenting the publication must be attached to the proposal. The public hearing notice and the **original publisher's affidavit** documenting publication dates for each public hearing must be attached to the application. The affidavits are the **only** application document accepted after the application due date. **The affidavits must be received within 14 days of the application due date.**

Minutes of the public hearing, including a dated sign-in sheet of people who attended the hearing, **must** be included with the proposal and application. **Minutes must be signed and dated by the party that recorded them.** If a third party, such as a grant administrator, takes the minutes of the meeting, the applicant **must** include a document stating that the third party is acting as its representative. It is recommended that an audio tape of the public hearing be recorded and kept until the grant is closed out. IOCRA may request transcripts of the public hearings.

APPLICATION PROCESS

There are two steps to the application process: the proposal stage and the application stage. The proposal stage allows the IOCRA to conduct a site visit with the community and also ensures that the applicant can correct any problems in the application before it is submitted.

Between the proposal and application stages, there is a CFF Workshop for all grant administrators who intend to assist a community with submission of an application. **It is highly suggested that all grant administrators attend. In the future this will be a REQUIRED workshop for grant administrators.**

Applicants should be aware that preparation of a full application is a complex procedure requiring a substantial investment of time and resources. Generally, many more applications are received in a grant cycle than can be funded. Applicants are strongly urged to take advantage of the assistance of the IOCRA CDBG Division so the best possible application may be submitted.

PROPOSAL AND APPLICATION SUBMISSION

One original proposal/application and four (4) copies must be received in the CDBG office by 5:00 p.m. EST on the proposal/application due date. The original must bear the original signature of the chief elected official of the lead applicant and must be single-sided. **Late submissions or faxed proposals and applications will not be accepted.** Each copy of the application must be complete, including all forms and attachments. No full-size architectural drawings or blueprints will be accepted. Please reduce necessary attachments to no larger than 8 1/2 X 11.

Proposals/Applications should be sent or delivered to:

Indiana Office of Community and Rural Affairs
Community Development Block Grant Division
One North Capitol, Suite 600
Indianapolis, IN 46204
(317) 232-1703
1-800-824-2476

HOW TO COMPLETE THE FORMS

PROJECT NARRATIVE

There are four narrative sections of the application:

- Project Description;
- Project Need;
- Financial Impact; and
- Local Effort.

Documentation that supports the narrative must be provided in the appendices. Please be sure to reference the location of each piece of documentation. **Attachments that are neither discussed nor referenced in the narrative should not be included.**

Please answer the questions in each section completely. Also, refer to the documents in the final section of this application package titled “CFF Project Development Issues” for guidance on what IOCRA is looking for when reviewing applications for different project types. Addressing the issues identified for a specific project type will improve the competitiveness of the application.

When filling out the rate information for infrastructure projects, in the “Rate information with CFF funds” box, please provide a realistic picture of what the rates actually will be with the proposed CFF project. Communities are encouraged to utilize professional rate consultants to help them determine a rate structure that will allow them to fund and maintain their systems into the future. Then, use the gap calculation worksheet to determine how much further the rates would need to be increased if the applicant would have to finance the grant amount. This is the “gap”. It is important to use our standard assumptions and our worksheet (Page 31) when calculating the gap.

PROJECT COMPLETION TIMETABLE

In chronological order, what are the critical accomplishments that must occur for the project to be completed? When will property be acquired? When will design work be finished? When will necessary permits be obtained? When will any required project financing be finalized? When will construction be started? Completed? (See sample timetable, page 51.)

PROJECT BUDGET

The Project Budget table on page 25 must be completed, with a more detailed, itemized project budget immediately following. **The itemized project budget MUST provide as much specific information on project expenditures, from all funding sources, as is available. A sample Itemized Project Budget page is included (page 52). The level of detail shown in the sample is representative of what is expected.**

When the sources of local match are requested, it is unacceptable to identify funding as “local” or “private”; specific funding sources must be identified: “General Fund,” “Revenue Bond Issue,” “XYZ Foundation Grant,” etc. It is also not permissible to identify an activity as being funded by “CFF and Local.” Specific dollar amounts for each line item must be attributed to each specific funding source.

NATIONAL OBJECTIVES IDENTIFICATION

The National Objectives Identification Form is included to ensure that the project meets an objective of the federal CDBG program. On this page, all applicants **must check one** of the national objectives, indicate the low- and moderate-income percentage of the area to be served by the project, and provide information regarding how the project meets the selected national objective.

The questions that must be answered to demonstrate how the project meets the national objective begin on page 3, under “Meeting a Goal of the Federal Act.” Slum/Blight projects must also complete page 27. The applicant must also list the census tract number(s) for the census tract(s) covered by the project area. This information can be found at either of the following web-sites: www.census.gov or www.stats.indiana.edu .

BENEFICIARIES FORM

The Beneficiaries Form is included to provide information on the demographic make-up of the people who will benefit from the project. This information is used by the Indiana Office of Community and Rural Affairs for reporting purposes.

This information is available from published U.S. Census reports available at many libraries or on the web at www.stats.indiana.edu. In those instances where the target population does not correspond to the population of a county, city or town, much of the requested information will have to be extrapolated from these U.S. Census reports. This is done by applying the percentages for county populations to the target population to derive numbers under each category. The number and percentage of low- and moderate-income persons should be taken either from HUD low- and moderate-income level data or from income survey results.

The Beneficiaries Form reflects the categories and format that HUD now expects to be reported. A special web page is available at www.stats.indiana.edu that can assist grant administrators in filling out this page. Please contact Grant Services for further information.

Please make certain to provide information about persons, not families. Only in instances where different project activities have different beneficiaries (example: a project consisting of a water line extension and a new water tower for the entire system) does information need to be reported under more than one "activity description." In such instances, the numbers reported under each column should correspond to the groups benefiting from the respective activities.

In the event a community conducts an income survey, the number represented on the Beneficiaries Form should correspond to the results of the survey.

CITIZEN PARTICIPATION REPORT

The Citizen Participation Report requests a summary of the methods used to solicit public participation in the development of the proposed project. Specific information regarding what is required on this page is listed under “Public Hearings” on page 7.

Other methods of soliciting public participation, such as letters to affected residents, fliers, public posting of notices, electronic and print media coverage, etc., are also recommended. These other methods should take into consideration the needs and circumstances of low- and moderate-income persons. Describe such methods used in item #2 of the Citizen Participation Report. Any comments or complaints received, and the actions taken and responses made to such comments or complaints, must be recorded in item #3.

READINESS TO PROCEED CERTIFICATION

All applications for CFF funds must include a certification of readiness to proceed. The certification must be executed where applicable by the applicant’s chief elected official, environmental review specialist, project architect, project engineer and legal counsel. The Readiness To Proceed Certification is provided on pages 34-37.

DISPLACEMENT ASSESSMENT AND DISPLACEMENT PLAN

All applicants are required to complete the Displacement Assessment Form and a Displacement Plan even if no displacement will occur as a result of the proposed project. Where no displacement is anticipated, the Displacement Assessment Form (page 38) is completed by simply checking the “N/A – No displacement will occur” line at the top of the form. Where displacement is expected as a result of the project, items 1-4 must be completed. It is important to realize that the standards for benefits that must be provided to displaced persons are determined by federal legislation, are rigorous, and apply to all CDBG-assisted projects. These requirements may apply even if the displacement occurred prior to the application for CDBG assistance.

A Displacement Plan must be developed even if no displacement is expected. The sample Local Displacement Plan included on page 57 may be used as a guide; it addresses the minimum requirements established. **When displacement is anticipated to occur, the applicant should seek the advice and technical assistance of Grant Services.** More detailed provisions of displacement benefits that must be provided are available on request.

ASSURANCES AND CERTIFICATIONS

Immediately preceding the space for the signature of the chief elected official is a list of assurances and certifications. By affixing his or her signature to the application, the chief elected official is committing the applicant to comply with these assurances if grant assistance is approved. The assurances and certifications must be signed and dated by the chief elected official of the lead applicant. For cities, the chief elected official is the mayor; for towns, it is the president of the town council; for counties, it is the president of the county commissioners.

At a minimum, the chief elected official and/or the corporate counsel should read the assurances and understand the provisions to which the applicant is agreeing. Questions concerning the provisions of any of the assurances and certifications may be directed to Community Development.

CIVIL RIGHTS CERTIFICATION

In addition to the Assurances and Certifications section, the Civil Rights Certification has been included to certify that the local unit of government shall follow all necessary federal civil rights requirements.

FEDERAL DISCLOSURE REQUIREMENTS OF APPLICATIONS

Applicants who have received or expect to receive \$200,000 or more in Community Development Block Grant funds will be required to disclose certain information periodically.

All applications for CDBG assistance must include the following information:

- Assistance from other government sources in connection with the project;
- The financial interest of persons in the project;
- The sources of funds to be made available for the project;
- The uses of all project funds; and
- Applications received from units of local government will be made available for public inspection for a period of five years, beginning not less than 30 days after award of assistance.

Proposal Completion Checklist

While helpful, appendices are not required at the proposal stage. **With the exception of the income survey information, only the requested information will be reviewed by the CDBG staff.** If supplemental information is submitted, please follow the organizational outline in the Application Checklist.

Please place the information in the proposal in the following order so that the CDBG Staff can review the information efficiently.

- | | |
|---|---|
| <input type="checkbox"/> Cover Sheet | <input type="checkbox"/> IS THIS THE VERY FIRST PAGE OF THE PROPOSAL |
| | <input type="checkbox"/> All blanks completed |
| | <input type="checkbox"/> Line 7 is at least 10% of line 10 |
| <input type="checkbox"/> Application Narrative | <input type="checkbox"/> Project Description page |
| | <input type="checkbox"/> Project Need page |
| | <input type="checkbox"/> Financial Impact page |
| | <input type="checkbox"/> Local Effort page |
| <input type="checkbox"/> Proposed Budget Page | <input type="checkbox"/> All sections completed |
| | <input type="checkbox"/> All numbers add up |
| <input type="checkbox"/> National Objective Form | <input type="checkbox"/> Appropriate national objective indicated |
| | <input type="checkbox"/> Answered all questions related to the selected national objective, as listed on pages 3-4 of the application package |
| | <input type="checkbox"/> Slum/Blight Project page included, as appropriate |
| <input type="checkbox"/> Beneficiaries Page | <input type="checkbox"/> Do the numbers add up? |
| | <input type="checkbox"/> If applicable, do numbers correspond to survey results? |
| | <input type="checkbox"/> The CFF request divided by the total number of beneficiaries does not exceed \$5,000 (\$10,000 for housing and daycare projects) |
| | <input type="checkbox"/> If survey not yet complete/certified, provide status |
| <input type="checkbox"/> Readiness Status | <input type="checkbox"/> Status information provided for each category |
| <input type="checkbox"/> Citizens Participation | <input type="checkbox"/> Copy of publisher's affidavit |
| | <input type="checkbox"/> Was ad at least 10 days prior? |
| | <input type="checkbox"/> Attach verbatim minutes of public hearing |
| | <input type="checkbox"/> Attach list of attendees |
| <input type="checkbox"/> CHIEF ELECTED OFFICIAL'S ORIGINAL SIGNATURE AT THE BOTTOM OF THE CITIZENS PARTICIPATION PAGE | |

Application Completion Checklist

Please ensure that all the following information is included with the application.

Please place the information in the application in the following order so that the Community Development Staff can review the information efficiently. Use tabs or some other mechanism (tabs are preferred) to separate appendices and number pages for easy referencing.

- | | |
|--|--|
| <input type="checkbox"/> Cover Sheet | <input type="checkbox"/> IS THE VERY FIRST PAGE OF THE APPLICATION |
| | <input type="checkbox"/> All blanks completed |
| | <input type="checkbox"/> Line 7 is at least 10% of line 10 |
| <input type="checkbox"/> Table of Contents for Application | |
| <input type="checkbox"/> Application Narrative | <input type="checkbox"/> Project Description page |
| | <input type="checkbox"/> Project Need page |
| | <input type="checkbox"/> Financial Impact page |
| | <input type="checkbox"/> Infrastructure page |
| | <input type="checkbox"/> Local Effort page |
| <input type="checkbox"/> Project Completion Timetable | <input type="checkbox"/> Corresponds to sample |
| | <input type="checkbox"/> Is less than 18 months |
| <input type="checkbox"/> Project Budget | <input type="checkbox"/> Numbers add up |
| | <input type="checkbox"/> All budgets in agreement |
| | <input type="checkbox"/> Corresponds to cover page and narrative |
| <input type="checkbox"/> National Objective Form | <input type="checkbox"/> Appropriate national objective indicated |
| | <input type="checkbox"/> Answered all questions related to the selected national objective |
| | <input type="checkbox"/> Slum-Blight Projects page included, as appropriate |
| <input type="checkbox"/> Beneficiaries Form | <input type="checkbox"/> Do the numbers add up? |
| | <input type="checkbox"/> If applicable, do numbers correspond to survey results? |
| | <input type="checkbox"/> The CFF request divided by the total number of beneficiaries does not exceed \$5,000 (\$10,000 for housing and day care projects) |
| <input type="checkbox"/> Citizens Participation | <input type="checkbox"/> Original publisher's affidavits for both public meetings |
| | <input type="checkbox"/> Was ad at least 10 days prior? |
| | <input type="checkbox"/> Attach minutes of both public hearings |
| | <input type="checkbox"/> Attach list of attendees for both hearings |
| | <input type="checkbox"/> Documentation of third party authorization |
| <input type="checkbox"/> APPENDIX A: Applicant Information | <input type="checkbox"/> Subrecipient/Interlocal agreement |
| <input type="checkbox"/> APPENDIX B: Project Description Documentation | <input type="checkbox"/> Pre-engineering report excerpts, drawings, maps, as appropriate |
| | <input type="checkbox"/> Flood plain map, if located in 100-year flood plain |
| | <input type="checkbox"/> Draft sub-recipient agreement, if applicable |
| | <input type="checkbox"/> Sub-recipient not-for-profit status documentation, including Federal designation from the IRS, Indiana Dept. of Revenue certification, and certificate of good standing from the Secretary of State |
| <input type="checkbox"/> APPENDIX C: Project Need Documentation | <input type="checkbox"/> <u>Color copies of any pictures provided for all copies of the application</u> |
| <input type="checkbox"/> APPENDIX D: Financial Impact Documentation | <input type="checkbox"/> Copies of rate structure |
| | <input type="checkbox"/> History of recent rate increases |
| | <input type="checkbox"/> Rate study or rate worksheet |
| | <input type="checkbox"/> Ending fund balances for lead applicant as well as sub-recipient. |

DO NOT INCLUDE ALL BUDGET PAGES.

- Budget of sub-recipient, if any
- Five-year project pro-forma, if applicable
- County advertised tax sheet

APPENDIX E: Infrastructure

APPENDIX F: Local Effort Documentation

APPENDIX G: Project Completion Timetable

APPENDIX H and I: National Objective Info

- Maps
 - Boundaries of jurisdiction shown
 - Project area shown as well as service area
 - Service area corresponds to survey area
- Income Survey information
 - Description of survey methodology
 - Copy of sample survey form
 - Copies of written survey material (instructions, etc.)
 - Map of survey area
 - Survey results analysis form
 - Certification letter
- Slum and Blight Declaratory Resolution (if applicable)

APPENDIX I: Readiness information

- Readiness to proceed certification, signed in all appropriate places
- Financing information/local match documentation
- Municipal Resolution authorized by governing body committing local match
- Environmental Review information (include a completed Form 5 from the CDBG Grantee Implementation Manual)
- Permit information
- Site Control information
- In-Kind Documentation

APPENDIX J: Legal information

- Displacement Assessment
- Displacement Plan (see sample)
- Assurances and Certifications
 - Original signature of Chief Elected Official
- Civil Rights Certification
 - Original signature of Chief Elected Official
- Cooperation Agreements (if applicable)
- Multi-jurisdictional (if applicable)
 - Assurances and Certifications for each jurisdiction
 - Citizen participation for each jurisdiction
 - Two (2) hearings held for each jurisdiction
 - Displacement Plans and Assessments for each jurisdiction
 - Legal opinions for each jurisdiction affirming inter-local cooperation agreement
- Resolution for each jurisdiction
- Disclosure Report

**APPLICANT INFORMATION
(APPENDIX A)**

LEAD (LEGAL) APPLICANT:
 CHIEF ELECTED OFFICIAL (NAME & TITLE):
 MAILING ADDRESS:
 CITY: COUNTY: **CDBG County Code:**
 ZIP: PHONE: FAX:
 E-MAIL:
 CHIEF FINANCIAL OFFICER (NAME & TITLE):
 PHONE: EMAIL:
 FEDERAL I.D. /TAX NUMBER:

SUBRECIPIENT (if applicable):
 CHIEF EXECUTIVE OFFICER:
 MAILING ADDRESS:
 CITY:
 ZIP: PHONE: FAX:
 E-MAIL:
 FEDERAL I.D. /TAX NUMBER:
 Attach and reference appropriate subrecipient and interlocal agreements (Appendix A-1).

GRANT ADMINSTRATOR:
 ORGANIZATION:
 ADDRESS:
 CITY:
 ZIP: PHONE: FAX:
 E-MAIL:
 DATE OF MOST RECENT CERTIFICATION FROM IOCRA

PROJECT TITLE:

PROJECT ABSTRACT:

PROJECT FUNDING SOURCES

	<u>Amount</u>
1. Community Focus Fund Request	
2. Lead and/or Joint Applicants	
3. Private and or Local Grants	
4. Loans	
5. In-Kind Match (5% of total max.)	
6. CDBG Program Income	
7. TOTAL MATCH (add lines 2-6)	
8. Other Government Grants	
List sources:	
9. Other Grants	
10. TOTAL PROJECT COST (add lines 1 & 7-9)	

**APPLICANT INFORMATION
CONTINUED**

LIST GRANT ADMINISTRATOR:

METHOD OF PROCUREMENT (check one): RFP Local Funds Not Yet Procured NA

LIST ARCHITECT/ENGINEER:

METHOD OF PROCUREMENT (check one): QBS RFP Local Funds Not Yet Procured

FAIR HOUSING ORDINANCE (check one): **On file with IOCRA**
Attached (Appendix A-2) None

DRUG FREE WORK-PLACE POLICY (check one): **On file with IOCRA**
Attached (Appendix A-3) None

MBE PROGRAM PARTICIPATION PLANNED? (check one): Yes No

Did the Community receive a CDBG Planning Grant pertaining to this project?
Yes No

If yes, what is the grant number for that plan?

In what Indiana Senate District is this project?
State Senator representing this district:

In what Indiana House of Representatives District is this project?
State Representative representing this district:

Is the project site within a certified "Clean City" by IDEM?

PROJECT DESCRIPTION

(APPENDIX B)

- 1) Describe the proposed project. Attach (Appendix B-1) and reference a summary or abstract of preliminary engineering reports, building plans, scaled drawings and dimensions, cost estimates, feasibility studies, etc.

- 2) Explain plans for the ongoing maintenance and repair of the completed project (sewer/water system, building, vehicle, etc.). What entity will be responsible and how will work be funded? How much will be set aside each year for this purpose and in what type of fund?

- 3) Upon completion of this project what measure will be used to determine the effectiveness of the project (e.g. removal from sewer connection ban, improvement in ISO rating, etc.)?

- 4) If applicable, please identify the roles and responsibilities of the applicant and the sub-recipient. Also, attach (Appendix B-4) documentation for the 501 (c) designation in Appendix One.

- 5) Is the project located within a 100-year flood plain? Yes No

- 6) **Has this project been submitted in a prior round?** Yes No

- 7) If yes, please describe everything that has changed in the project description since the most recent submission.

PROJECT NEED

(APPENDIX C)

1) **How do the proposed improvements address the needs of the community and proposed projects? Please be as specific as possible providing dates and other details as appropriate (e.g. IDEM documentation, photos, letters from knowledgeable authorities, government agency documentation, testing results, etc.). (Appendix C-1)**

2) **Why is this project the highest priority for the community? Explain how this priority was determined.**

3) **Describe the short and long-term benefits this project will have on the community.**

4) **FOR FIRE PROTECTION PROJECTS ONLY -- What is the ISO rating of the community? Include the average number of runs for the last three years and a list of volunteer firepersons and their training levels. Attach and reference documentation (Appendix C-4).**

5) **FOR WATER, SEWER, STORM WATER PROJECTS ONLY -- Is your community under an enforcement action by another government agency?**
Yes No

If yes, please summarize how this impacts the project. Attach and reference documentation (Appendix C-5).

6) **Has this project been submitted in a prior round?**
Yes No

7) **If yes, please describe everything that has changed in the project need since the most recent submission.**

FINANCIAL IMPACT

(APPENDIX D)

- 1) **Annual operating budget of the lead applicant: \$**
- 2) **Total indebtedness of the lead applicant: \$**
- 3) **Total property tax rate (in dollars):**
Attach and reference the county advertised tax sheet (Appendix D-3).
- 4) **Annual operating budget of the sub-recipient, if applicable: \$**
- 5) **Total indebtedness of the sub-recipient, if applicable: \$**
- 6) **FOR FIRE PROTECTION PROJECTS ONLY: What is the Assessed Valuation for the Fire Protection Area:**

Attach map of service area and auditors letter for Assessed Valuation. (Appendix D-6)

- 7) **Describe the funding package put together for this project. Identify the sources and amounts of match, as well as any requirements associated with the funding sources. For any loans, indicate the source of collateral, if any, and the repayment plan.**
- 8) **Describe why this funding package is the best choice for the project, as opposed to other funding options. Identify all other resources investigated and why those resources were not utilized.**
- 9) **Explain any ending fund balances in the applicant's and sub recipient's budget.**
- 10) **Explain the financial condition of the applicant and if necessary the subrecipient and why they cannot afford the project without grant assistance.**

FINANCIAL IMPACT (CONTINUED)

11) Describe other issues, unrelated to this project, that have demanded the community's resources over the past 3-5 years, as well as any known projects scheduled for the next year. Please quantify the community's investment of time or finances.

12) Describe past and current efforts to address the problem locally. Quantify any investment, of time and finances, which the community has already made to address the issue.

13) **Has this project been previously submitted in a prior round?**

Yes No

14) If yes, please describe everything that has changed in the financial impact section since the most recent submission.

Attach (Appendix D-14) and reference the last annual budget of the lead applicant, and if necessary the subrecipient, showing the ending fund balances.

Also include (Appendix D-15) the five year project pro forma for all public facilities.

INFRASTRUCTURE

(APPENDIX E)

Answer the following questions for water, wastewater, and storm drainage projects ONLY.

Rate information:

	CURRENT RATES	WITH CFF FUNDS	GAP WITHOUT CFF FUNDS
Water rate for 4,000 gallons			
Sewer rate for 4,000 gallons			
Stormwater fee/assessment			
Combined rate for 4,000 gallons			

- 1) **Total number of users on the system:**

- 2) **The gap for this project is \$. The gap must be calculated using the IOCRA rate calculation worksheet.**

	Year current ordinance was passed	Year previous ordinance was passed	Change in rates (in dollars)
Water Ordinance			
Sewer Ordinance			

Attach and reference the most recent water and sewer rate ordinances.

- 3) **Describe your rate history and what impacts this project will have on current rates.**

INFRASTRUCTURE

(CONTINUED)

Provide the following information on the *existing* system for which the application is being submitted:

	Age	Capacity	Ave. Daily Flow/Usage	Max. Daily Flow/Usage	Date and type of most recent improvement
Sewer					
Water					

4) If new sewer or water lines are being installed as part of the project, describe the plans that are in place for undeveloped land around new lines.

LOCAL EFFORT

(APPENDIX F)

1) What type of formal, long-range planning has this community completed? Explain how this project fits in with this planning.

2) Was a regional approach to addressing this issue used? Please explain.

3) Describe the public participation during the development of this project. Reference and include information (e.g. meeting minutes, sign-in sheets, summaries, etc.) from any public hearings, meetings, surveys, etc. (Appendix F-3)

4) Excluding this project, what other projects, programs or amenities does the community offer that address the community's quality of life (e.g. civic programs, organizations, general community activities, parks, recreation, etc.)?

5) **Has this project been submitted in a prior round?**

Yes No

6) If yes, please describe everything that has changed in the local effort section since the most recent submission.

PROJECT COMPLETION TIMETABLE

Beginning with the application submission date, outline below a reasonable timetable for project completion. Include all significant milestones, emphasizing those related to plans, permits, bids, contracts, financing, acquisition of property, construction, and completion.

PROJECT BUDGET

Please complete the table below. Also, immediately following this page, attach itemized cost estimates for each line item.* For assistance, see the Sample Itemized Project Budget on page 50 of the CFF Application Package.

TOTAL SOURCE OF FUNDS

ACTIVITY	CFF	LOCAL	IN-KIND/ INELIGIBLE	TOTAL
Construction Costs				
Professional Fees				
Labor Standards (\$5,000 max)				
Land Acquisition (if any)				
Environmental Review				
Administration (Max 8% of CFF)				
TOTAL				

* **Do not** include any miscellaneous, contingency, general costs, etc. in budget.

List sources of local match and leveraged funds:

(Documentation of financial commitments from all sources is required)

Source	Amount
TOTAL LOCAL LEVERAGE	

1) Source(s) of local match:

NATIONAL OBJECTIVE IDENTIFICATION

(APPENDIX H)

CHECK ONLY ONE OF THE NATIONAL OBJECTIVES BELOW. ALL PROJECTS MUST PROVIDE ALL INFORMATION REQUESTED ON THIS PAGE.

Benefit to Low- and Moderate-Income Persons

Area Benefit Limited Clientele Housing Jobs

Prevention or Elimination of Slums or Blight

Area Basis Spot Basis

1) List percentage of population of low- and moderate-income persons served by this project: %

2) Source: 2000 Census Data or Income Survey (attach and reference Appendix I-2) income survey)

3) Date of first income survey certification letter

4) Date of second income survey certification letter, if appropriate

5) List the census tract number(s) that are included in the project area:

6) List the census tract block group(s) that is included in the project area

7) Below, explain your selection of the above H.U.D. National Objective. REFER TO PAGES 3-4 OF THE INSTRUCTIONS FOR QUESTIONS TO BE ADDRESSED REGARDING THE NATIONAL OBJECTIVE SELECTED.

NATIONAL OBJECTIVE IDENTIFICATION: SLUM/BLIGHT PROJECTS (APPENDIX I)

Please check the statements that are appropriate for your project. Attach documentation in the National Objective Appendix (Appendix J) supporting your selections.

- Slum/Blight Area or Spot designated by resolution of the local unit of government (50 points)
- The applicant is an Indiana Main Street Community, and the project relates to downtown revitalization (5 points)
- The project site is a Brownfield* (5 points)
- The project is located in a designated redevelopment area under IC 36-7-14 (5 points)
- The building or district is listed on the Indiana or National Register of Historic Places (10 points)
- The building or district is eligible for listing on the Indiana or National Register of Historic Places (5 points)
- The building or district is on the Historic Landmarks Foundation of Indiana's "10 Most Endangered List" (15 points)

* The State of Indiana defines a Brownfield as a parcel of real estate that is abandoned or inactive; or may not be operated at its appropriate use; and on which expansion, redevelopment, or reuse is complicated because of the presence or potential presence of a hazardous substance, a contaminant, petroleum, or a petroleum product that poses a risk to human health and the environment.

BENEFICIARIES

Items 11-20 MUST add up to the number of people as well as low/moderate and non-low/moderate columns!

Project Title:

Total Beneficiaries (all activities):

		Total	Of the total population in the service area how many are Hispanic?	Activity Description
Number of People				
S I N G L E R A C E	11 Number of Whites			
	Percent			
	12 Number of Blacks / African Americans			
	Percent			
	13 Number of Asian			
	Percent			
	14 Number of American Indian / Alaskan Native			
	Percent			
	15 Number of Native Hawaiian / Other Pacific Islander			
	Percent			
M U L T I R A C E	16 American Indian / Alaskan Native & White			
	Percent			
	17 Asian & White			
	Percent			
R A C E	18 Black / African American & White			
	Percent			
R A C E	19 American Indian / Alaskan Native & Black / African American			
	Percent			
	20 Balance / Other			
	Percent			
	Number of Handicapped			
	Percent			
	Number of Elderly People			
	Percent			
	Number of Female-headed Households			
	Percent			
	Number of Low/Moderate-Income People			
	Percent			
Number of Non-Low/Moderate People				
Percent				

BENEFICIARIES

Number of households receiving new assistance:	
Number of households receiving improved access or service:	
Number of households that will no longer have substandard service upon completion of the project:	

READINESS STATUS

THIS PAGE IS ONLY FOR PROPOSALS

Please discuss the current status of your project in meeting each of the following readiness criteria. For activities not yet complete, outline the remaining steps. Refer to the “Readiness to Proceed Guidelines” (Appendix 4) for information on what needs to be completed at the time of application.

Financing

Preliminary Engineering/Architectural Plans

Environmental Review

Permits

Site Control

CITIZEN PARTICIPATION REPORT

1. Complete the following:

CFF information to the public	Date
Notice of first public hearing	
Date of first public hearing	
Notice of second public hearing	
Date of second public hearing	

2. Describe the methods used to solicit participation of low- and moderate-income persons:

3. Denote any adverse comments/complaints received and describe resolution:

Please attach the following:

- * Copy of publisher's affidavit of all public notices.
- * Minutes of the public hearings including a sign-in sheet of attendees.
- * Copy of response(s) to comments and/or complaints.

I certify that submission of this **proposal** has been duly authorized by the governing body of the applicant; that the applicant has the legal capacity to carry out the proposed project; that the proposed project is designed to meet the identified housing and community development needs of the community, including those of low- and moderate-income persons; and that the proposed project will minimize the need for displacement of businesses and families and provide reasonable benefits for those displaced. I also certify that the proposed project will be completed within eighteen (18) months of contract award, if approved.

Signature, Chief Elected Official

Date

Typed Name and Title:

Please attach the following:

- * Copy of publisher's affidavit of all public notices.
- * Minutes of the public hearings including a sign-in sheet of attendees.
- * Copy of response(s) to comments and/or complaints.

I certify that submission of this **application** has been duly authorized by the governing body of the applicant; that the applicant has the legal capacity to carry out the proposed project; that the proposed project is designed to meet the identified housing and community development needs of the community, including those of low- and moderate-income persons; and that the proposed project will minimize the need for displacement of businesses and families and provide reasonable benefits for those displaced. I also certify that the proposed project will be completed within eighteen (18) months of contract award, if approved.

Signature, Chief Elected Official

Date

Typed Name and Title:

IOCRA GAP CALCULATION WORKSHEET

This worksheet will allow you to quickly calculate the monthly rate impact on your utility customers that would result from financing your project without CFF grant assistance. This worksheet is not intended to substitute for a true rate analysis, but allows IOCRA to evaluate the impact of grant funds on all communities in a consistent way.

Costs without CFF

1. Grant Amount Requested _____
2. Debt Coverage Factor _____
(assume 25%)
3. Total Funds Needed _____
(multiply line 1 by 1.25)
4. Amortization Constant .00633 _____
(4.5% APR)
5. Monthly Payment _____
(multiply line 3 by line 4)
6. O/M Cost Factor _____
(multiply line 5 by .05)
7. Total Monthly Costs _____
(add lines 5 and 6)
8. Number of Users _____
9. Monthly Rate Impact _____
(divide line 7 by line 8)

The result on line 9 should give you the amount that your community would have to increase the monthly rate charged to each customer without CFF grant assistance, given the above assumptions. This is the “gap”, which is the amount by which grant funds will reduce or “buy down” your utility rates. This amount added to the actual rates anticipated with CFF funds will give you the rates needed “without CFF funds”.

READINESS TO PROCEED CERTIFICATION

The (City/Town/County of _____), hereinafter referred to as “Applicant”, submits this certification to the Indiana Office of Community and Rural Affairs, hereinafter referred to as “IOCRA” respective to the Applicant’s application to IOCRA for federal Community Development Block Grant (CDBG) funding from IOCRA’s Community Focus Fund Program, hereinafter referred to as “CFF”. This certification is submitted to IOCRA to assure that the Applicant has attained sufficient readiness in order to complete the subject project within eighteen (18) months after award of the CFF grant by IOCRA. The Applicant warrants that the project will be completed within eighteen (18) months following CFF grant award, and herein indicates the level of readiness-to-proceed respective to the following areas:

- * Project Financing
- * Completion of required environmental review process
- * Project engineering and/or architectural services
- * Control of all interests in real property necessary to complete the project (site control)
- * Obtaining necessary local, state and federal permits to complete the project

Project Financing

As Chief Elected Official (CEO) of the Applicant, I hereby certify that all non-CFF sources of funding necessary to carry out the project as listed in the project application have been secured and are available for expenditure immediately upon full execution of the CFF grant agreement between Applicant and IOCRA, and subsequent release of funds by IOCRA. I further certify that all such project matching funds will be placed into, and disbursed from, a separate special fund in accordance with I.C. 36-1-8-12, as amended by House Enrolled Act 1542 of the Acts of the 1997 General Assembly. Pertinent comments respective to this certification are indicated below.

Typed Name and Title

Signature

Date: _____, 20

(List any comments regarding this section here)

Status of Required Environmental Review Process

As Chief Elected Official (CEO) of the Applicant, I hereby certify that the subject project activity will require the following type of environmental review respective to 24 CFR Part 58:

Fill in the type of activity (i.e., exempt, categorical exclusion, environmental assessment):

Except for an exempt activity, I further certify that all applicable local, state and federal agencies have been contacted in writing and the present status of the environmental review process for this project is as follows (complete all that apply):

YES N/A

- | | | |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | All agencies have been contacted and all responses by these agencies have been received - no negative environmental comments received. |
| <input type="checkbox"/> | <input type="checkbox"/> | All agencies contacted - all responses received - negative environmental comments received - mitigation necessary; actions necessary to mitigate negative environmental concerns are as follows: <u>(list actions)</u> |
| <input type="checkbox"/> | <input type="checkbox"/> | All agencies contacted - no negative environmental comments received from commenting agencies; comments still pending from following agencies: <u>(list agencies)</u> |
| <input type="checkbox"/> | <input type="checkbox"/> | The Indiana Department of Natural Resources has required that an archaeological reconnaissance be conducted, and this reconnaissance has been conducted, and no negative findings resulted there from; OR, negative findings resulted and the following mitigation steps are necessary: <u>(list steps)</u> |
| <input type="checkbox"/> | <input type="checkbox"/> | Format II Equivalency completed. |
| <input type="checkbox"/> | <input type="checkbox"/> | Environmental assessment completed - Finding of No Significant Impact (FONSI) determined (ready to publish combined notice) |

Typed Name and Title

Signature

Date: , 20

(List any comments regarding this section here)

Project Engineering and/or Architectural Services

As Chief Elected Official (CEO) of the Applicant, I hereby certify that all preliminary architectural and/or engineering services necessary to complete the environmental review process have been completed and the Applicant is prepared to immediately proceed with final architectural and/or engineering services upon award of the CFF grant by IOCRA.

Typed Name and Title

Signature

Date: , 20

(List any comments regarding this section here)

Status of Site Control

As the Applicant’s Legal Counsel and Project Engineer or Architect, respectively, we hereby mutually certify that the following activities have been completed respective to **all** interests in real property which are related or involved with the commencement and completion of CFF-assisted activities in accordance with the federal Uniform Relocation and Acquisitions Policies Act of 1970, as amended, hereinafter referred to as “URA”:

- | | | |
|--------------------------|--------------------------|--|
| Yes | N/A | |
| <input type="checkbox"/> | <input type="checkbox"/> | All project-related sites, parcels, easements and other real property interests have been identified. |
| <input type="checkbox"/> | <input type="checkbox"/> | All title searches and title opinions have been completed. |
| <input type="checkbox"/> | <input type="checkbox"/> | All subject parcels, easements or interests are unencumbered to the extent that the same may be dedicated to the project by the owner(s) of title. |
| <input type="checkbox"/> | <input type="checkbox"/> | IOCRA’s real property acquisition questionnaire has been completed for each parcel, easement or other interest. |
| <input type="checkbox"/> | <input type="checkbox"/> | The owner(s) of record for each parcel, easement or other interest has been furnished the HUD-1041-CPD brochure entitled “When a Public Agency Acquires Your Property”, and certified mail-return receipts are on file with Applicant. |
| <input type="checkbox"/> | <input type="checkbox"/> | Written notifications to owners of right to accompany appraiser for all parcels or easements have been completed and are on file. |
| <input type="checkbox"/> | <input type="checkbox"/> | Completion of all fee and review appraisals for all parcels, or market value estimate if below \$10,000. |
| <input type="checkbox"/> | <input type="checkbox"/> | Where applicable, written waiver of rights in accordance with the URA has been obtained |
| <input type="checkbox"/> | <input type="checkbox"/> | from all applicable owner(s) of record. |
| <input type="checkbox"/> | <input type="checkbox"/> | All options and easement agreements completed and fully executed by owner(s) of record. |

The undersigned further certify that the CFF-assisted project will **not** involve eminent domain or other condemnation proceedings undertaken respective to interests in real property which are applicable to the CFF-assisted project.

Applicant’s Legal Counsel

Typed Name and Title	_____
	Signature
Date: _____, 20	

Applicant’s Professional Engineer or Architect

Typed Name and Title	_____
	Signature
Date: _____, 20	

(List any comments regarding this section here)

Status of Permits

As Chief Elected Official of the Applicant, I hereby certify that all local, state and federal permits necessary to complete the project have been listed in the CFF application document and such permits may be secured in sufficient time for the Applicant to complete the project within eighteen (18) months following grant award.

Typed Name and Title

Signature

Date: , 20

Affirmation by Applicant's Professional Engineer or Architect

Typed Name and Title

Signature

Date: , 20

(List any comments regarding this section here)

DISPLACEMENT ASSESSMENT

N/A - No displacement will occur

Use this page to assess displacement plans and strategy.

1. Describe the need for displacement:

2. Substantiate the need for displacement:

3. Explain how displacement will be minimized:

4. Explain how the negative effects of displacement will be minimized:

(Attach Local Displacement Plan even if displacement will not occur – see sample)

**INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS
COMMUNITY DEVELOPMENT BLOCK GRANT SMALL CITIES PROGRAM
ASSURANCES AND CERTIFICATIONS**

The applicant hereby assures and certifies that:

- (a) It possesses legal authority to apply for the grant, and to execute the proposed program.
- (b) Its governing body has duly adopted or passed as an official act a resolution, motion or similar action authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
- (c) It has complied with all requirements of Executive Order 12372, and that either:
 - 1) Any comments or recommendations made by or through clearinghouses are attached and have been considered prior to submission of the application; or
 - 2) The required procedures have been followed and no comments or recommendations have been received prior to submission of the application.
- (d) It has facilitated or will facilitate citizen participation by:
 - 1) Publishing a statement of proposed activities so that affected citizens have an opportunity to Submit comments on the proposed activities and community development performance of the applicant;
 - 2) Providing adequate notices for two or more public hearings, specifically to persons of low and moderate income;
 - 3) Holding two or more public hearings on the proposed application at times and locations convenient to potential beneficiaries, convenient to the handicapped, and meeting needs of non-English speaking residents, if appropriate, to obtain citizens' views before adoption of a resolution or similar action by the local governing body authorizing the filing of the application;
 - 4) Providing citizens information concerning the amount of funds available for proposed community development activities and the range of those activities;
 - 5) Providing citizens with information concerning the amount of funds that will benefit persons of low and moderate income;
 - 6) Furnishing citizens with the plans made to minimize the displacement of persons and to assist persons actually displaced as a result of grant activities;
 - 7) Providing technical assistance to groups representing persons of low and moderate income requesting such assistance in developing proposals;
 - 8) Providing citizens with reasonable notice of substantial changes proposed in the use of grant funds and providing opportunity for public comment;
 - 9) Providing citizens with reasonable access to records regarding the past use of CDBG funds received; and
 - 10) Any modifications or amendments of the program that are made from time to time will be made in accordance with the same procedures required in (d) for the preparation and submission of a statement of proposed activities.
- (e) It has identified housing and community development needs, including those of low- and moderate-income persons and the activities to be undertaken to meet such needs.
- (f) The Community Development program has been developed so as to give maximum feasible priority to activities that will benefit low- and moderate-income families, or aid in the prevention or elimination of slums or blight.

[The requirement for this certification will not preclude the Office of Community and Rural Affairs from approving an application where the applicant certifies, and the Office of Community and Rural Affairs determines, that all or part of the Community Development Program activities

are designed to meet other community development needs having a particular urgency as specifically explained in the application.]

- (g) It will minimize displacement of persons and provide for reasonable benefits to any person involuntarily and permanently displaced as a result of activities associated with program funds.
- (h) It will not attempt to recover any capital costs of public improvements assisted in whole or part with CDBG funds by assessing any amount against properties owned and occupied by persons of low and moderate income including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless (i) CDBG funds received are used to pay the proportion of such fee or assessment that relates to the capital costs of public improvements that are financed from revenue sources other than CDBG funds; or (ii) for purposes of assisting any amount against properties owned and occupied by persons of low and moderate income who are not persons of very low income, the grantee certified to the Secretary or such State, as the case may be, that it lacks sufficient funds received from CDBG Program to comply with the requirements of clause.
- (i) It will comply with all requirements imposed by the State concerning special requirements of law, program requirements, and other administrative requirements approved in accordance with OMB Circular No. A-102, Revised, which includes a provision that program or project completion be no longer than eighteen (18) months from project startup, inclusive of the bid process for professional and engineering services as well as program close-out. In addition, said provision includes an assurance of the availability of project funds, both local and private, upon award of the project grant.
- (j) It will comply with:
 - 1) Section 110 of the Housing and Community Development Act of 1974, as amended, by the Housing and Urban-Rural Recovery Act of 1983 and the Housing and Community Development Act of 1987, 24 CFR 570.603, and State regulations regarding the administration and enforcement of labor standards;
 - 2) The provisions of the Davis-Bacon Act (46 U.S.C. S 276a-5) with respect to prevailing wage rates (except for projects for the rehabilitation of residential properties of fewer than eight units);
 - 3) Contract Work Hours and Safety Standards Act of 1962, 40 U.S.C. 327-332, requiring that mechanics and laborers (including watchmen and guards) employed on federally assisted contracts be paid wages of not less than one and one-half times their basic wage rates for all hours worked in excess of forty in a work-week, and
 - 4) Federal Fair Labor Standards Act, 29 U.S.C. S 102 et seq., requiring that covered employees be paid at least the minimum prescribed wage, and also that they be paid one and one-half times their basic wage rate for all hours worked in excess of the prescribed work-week; and
 - 5) Anti-kickback (Copeland) Act of 1934, 18 U.S.C. S 874 and 40 U.S.C. S 276c, which outlaws and prescribes penalties for “kickbacks” of wages in federally financed or assisted construction activities.
- (k) It will comply with all requirements imposed by the State concerning special requirements of law, program requirements, and other administrative requirements.
- (l) It will comply with:
 - 1) Title VI of the Civil Rights Act of 1964 (Public Law 88-352), and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no person in the United States shall on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant received Federal financial assistance and will immediately take any measures necessary to effectuate this assurance. If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the applicant, this assurance shall obligate the applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for

- which Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits;
- 2) The Fair Housing Act (previously known as Title VIII of the Civil Rights Act of 1968) (Public Law 90-284), as amended, administering all programs and activities relating to housing and community development in a manner to affirmatively further fair housing in the sale or rental of housing, the financing of housing, and the provision of brokerage services;
 - 3) Section 109 of Title I of the Housing and Community Development Act of 1987, as amended, and the regulations issued pursuant thereto (24 CFR 570.602), which provides that no person in the United States shall, on the grounds of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or part with funds provided under the Act. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to otherwise qualified handicapped individuals as provided in Section 504 of the Rehabilitation Act of 1973 shall also apply to any such program activity;
 - 4) Executive Order 11063, as amended by Executive Order 12259 on equal opportunity in housing and non-discrimination in the sale or rental of housing built with Federal assistance, and requiring that programs and activities relating to housing and urban development be administered in a manner affirmatively to further the goals of Title VIII of the Civil Rights Act of 1968; and
 - 5) Executive Order 11246 as amended by Executive Orders 11375 and 12086, and the regulations issued pursuant hereto (24 CFR Part 130 and 41 CFR Chapter 60), and the regulations issued pursuant thereto (24 CFR Part 130 and 41 CFR Chapter 60), the Indiana Code (I.C. 22-9-1-10), which provides that no person shall be discriminated against on the basis of race, color, religion, sex or national origin in all phases of employment during the performance of Federal or federally assisted construction contracts. Contractors and subcontractors on Federal and federally assisted construction contracts shall take affirmative action to insure fair treatment in employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training and apprenticeship.
- (m) It will comply with Section 3 of the Housing and Urban Development Act of 1968, as amended, requiring that to the greatest extent feasible opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by, persons residing within the unit of local government.
- (n) It will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and Federal implementing regulation at 49 CFR Part 24, and the requirements of section 570.496a and it is following a residential anti-displacement and relocation assistance plan under section 104(d) of Title I of the Housing & Community Development Act of 1974, as amended.
- (o) It will establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business or other ties.
- (p) It will comply with the provisions of the Hatch Act, which limits the political activity of employees.
- (q) It will give State, HUD and the Comptroller General through any authorized representatives, access to and the right to examine all records, books, papers, or documents related to the grant.
- (r) Its chief executive officer or other officer of applicant approved by the Office of Community and Rural Affairs:
- 1) Consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 (NEPA)(42 U.S.C. S 4321 et seq.) and other provisions of Federal law, as specified at 24 CFR 58.1 (a)(3) and (a)(4), which further the

purposes of NEPA insofar as the provisions of such Federal law apply to the Indiana Small Cities Development Block Grant Program; and

- 2) Is authorized and consents on behalf of the applicant and himself/herself to accept the jurisdiction of the Federal courts for the purpose of enforcement of his/her responsibilities as such an official.

- (s) It will comply with:
 - 1) The National Environmental Policy Act of 1969 (42 U.S.C. S 4321 et seq.) and 24 CFR Part 58, and in connection with its performance of environmental assessments under the National Environmental Policy Act of 1969, comply with Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470), Executive Order 11593, and the Preservation of Archaeological and Historical Data Act of 1966 (U.S.C. 469a-1, et seq.) by:
 - a) Consulting with the State Historic Preservation Officer to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR Part 800.8) by the proposed activity; and
 - b) Complying with all requirements established by the State and to avoid or mitigate adverse effects upon such properties.
 - 2) Executive Order 11988, Floodplain Management;
 - 3) Executive Order 11990, Protection of Wetlands;
 - 4) Endangered Species Act of 1973, as amended, (16 U.S.C. Section 1531 et seq.);
 - 5) The Fish and Wildlife Coordination Act of 1958, as amended, (16 U.S.C. Section 661 et seq.);
 - 6) The Wild and Scenic Rivers Act of 1968, as amended, (16 U.S.C. Section 1271);
 - 7) The Safe Drinking Water Act of 1974, as amended, (42 U.S.C. Section 300f et seq.);
 - 8) Section 401(f) of the Lead-Based Paint Poisoning Prevention Act, as amended, (42 U.S.C. Section 4831 (b));
 - 9) The Clean Air Act of 1970, as amended, (42 U.S.C. Section 7401 et seq.);
 - 10) The Federal Water Pollution Control Act of 1972, as amended, (33 U.S.C. Section 1251 et seq.);
 - 11) The Clean Water Act of 1977 (Public Law 95-217); and
 - 12) The Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 et seq.);
 - 13) Section 202(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106) as it relates to the mandatory purchase of flood insurance for special flood hazard areas.

- (t) It will comply with all parts of Title I of the Housing and Community Development Act of 1974, as amended, which have not been cited previously as well as with other applicable laws.

- (u) It will comply with the provisions of the Indiana Code (I.C.) 35-44-1-3 and 4.

- (v) It will abide by the provision that no member, officer, or employee of the grantee or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercise any functions or responsibilities with respect to the program during the tenure or for one year thereafter shall have any direct or indirect interest in any contractor, subcontractor, or the proceeds thereof, financed in whole or in part with Title I grants.

- (w) It agrees to repay to the State of Indiana any funds under this program which, as the result of a HUD or State of Indiana authorized audit, are found to have been spent in an unauthorized manner or for unauthorized activities.

- (x) It certifies that none of the funds being applied for will be used to substitute for any local, state, federal or private dollars that have been committed to the project as proposed in this application.

- (y) It certifies that it has adopted and will enforce a policy of prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil

rights demonstrations within its jurisdiction (Section 104(l) of Title I of the Housing & Community Development Act of 1974, as amended).

- (z) It certifies that pursuant to 31 U.S.C. Section 1352, and any regulations promulgated thereunder:
- 1) no federal appropriated funds have been paid or will be paid, by or on behalf of the applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative, agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
 - 2) if any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the proposed Federal contract, grant, loan, or cooperative agreement, the applicant shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
 - 3) The applicant shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

THE LEGAL APPLICANT/RECIPIENT CERTIFIES THAT:

To the best of my knowledge and belief, the recipient will comply with the above assurances if assistance is approved.

CERTIFYING REPRESENTATIVE: (To be signed by Chief Elected Official or Designee)

Signature, Chief Elected Official

Name (typed or printed)

Title

Date

PART III - OTHER GOVERNMENT ASSISTANCE PROVIDED/APPLIED FOR

1. Provide the requested information for any other Federal, State and/or local governmental assistance, on hand or applied for, that will be used in conjunction with the CDBG grant. (See Appendix B of the instructions)

Name and Address of Agency requested or Providing or to provide Assistance Provided	Program	Type of Assistance	Amount
<hr/>			
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PART IV - INTERESTED PARTIES

Alphabetical List of All Persons Financial Interest In With Reportable Financial Interest S & % in the Project	SSN or Employer ID No.	Type of Participation in Project	Project
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PART V - EXPECTED SOURCES AND USES OF FUNDS

This Part requires that you identify the sources and uses of all assistance that have been or may be used in the project.

Source	Use

PART VI - CERTIFICATION

I hereby certify that the information provided in this disclosure is true and correct and I am aware that any false information or lack of information knowingly made or omitted may subject me to civil or criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, I am aware that if I knowingly and materially violate any required disclosure of information, including intentional non-disclosure, I am subject to a civil money penalty not to exceed \$10,000 for each violation.

(Chief Elected Official)

(Date)

CIVIL RIGHTS CERTIFICATION

The Applicant, any contractor, any subcontractor, or any other party performing any services or having any responsibilities hereunder shall fully and completely comply with the following:

- a) Section 109 of the Housing and Community Development Act of 1974 which requires that no person in the United States shall on the grounds of race, color, national origin or sex, be excluded from the participation in, be denied the benefits of, or be subjected to, discrimination under any program or activity funded in whole or in part with Community Development Block Grant (CDBG) funds.
- b) Shall not, under any program or activity pursuant to this Agreement, directly or through contractual or other arrangements, on the grounds of race, color, national origin, sex, age, handicap status or religion:
 - i. Deny any individual any facilities, services, financial aid or other benefits provided under the program or activity.
 - ii. Provide any facilities, services, financial aid or other benefits in a different form from the provided under the program or activity.
 - iii. Subject any person to segregated or separate treatment in, or in any matter of process related to receipt of any services or benefit under the program or activity.
 - iv. Restrict an individual in any way access to, or the enjoyment of, any advantages or privilege enjoyed by others in connection with facilities, services, financial aid or any other benefits under the program or activity.
 - v. Treat an individual different from others in determining whether the individual satisfies any admission, enrollment, eligibility, membership, or other requirement or condition which the individual must meet in order to be provided any facilities, services or any benefit provided under the program or activity.
 - vi. Deny an individual an opportunity to participate in a program or activity as an employee.
- c) Shall not use criteria or methods of administration which have the effect of subjecting individuals to discrimination on the basis of race, national origin, sex, age, handicap status or religion, or have the effect of defeating or substantially impairing the accomplishment of the objectives of the Housing and Community Development Act of 1974, (as amended).
- d) In determining a site or location of housing or facilities shall not make selections of such site or location which have the effect of excluding individuals from, denying them the benefits of, or subjecting them to discrimination on the grounds of race, color, national origin, sex, age, handicap status, or religion.

The Applicant in all contracts or agreements subject to Executive Order 11246 shall be subject to HUD Equal Employment Opportunity regulations at 24 CFI Part 130 applicable to HUD assisted construction contracts.

The Applicant shall cause or require to be inserted in full in any non-exempt contract and subcontract for construction work, or modification thereof, as defined in said regulations, which is paid for in whole or in part with assistance provided under this Agreement, the following equal opportunity clause:

The Applicant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin or handicap. Such action shall include, but not limit to the following:

employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training; including apprenticeship. The applicant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Grantor setting for the provisions of this nondiscrimination clause.

The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the applicant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Applicant/Contractor will comply with all provisions of Executive Order 11246 of September 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Applicant/Contractor will comply with all provisions of Title VIII, Civil Rights Act of 1968, which prohibits discrimination in the sale or rental of dwellings, discrimination in the financing of housing, blockbusting, and discriminatory advertising and makes it unlawful to deny any person access to, or membership or participation in, any multiple listing services or real estate brokers' organization for discriminatory reasons.

The Applicant/Contractor will comply with Section 3 Housing and Urban Development Act of 1968, Section 504: Rehabilitation Act of 1974, Executive Order 11063 and all other Federal Rules and Regulations.

The Applicant will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules and regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by IOCRA and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

In the event of the Applicant's noncompliance with the nondiscrimination clauses of an executed agreement or with any such rules, regulations, or orders, this agreement may be canceled, terminated or suspended in whole or in part and the applicant may be declared ineligible for further government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 14, 1965, or by rule, regulation, or order of the Secretary of Labor.

The Applicant shall require that the language referred to in this certification be included in the award documents for all sub-awards at all tiers (including sub-contract, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

The Legal Applicant/Recipient Certifies That:

To the best of my knowledge and belief, the recipient will comply with the above certification if assistance is approved.

Certifying Representative: (To be signed by Chief Elected Official or Designee)

Signature, Chief Elected Official

Name (typed or printed)

Title

Date

SAMPLE DOCUMENTS

SAMPLE PROJECT COMPLETION TIMETABLE

CITY/TOWN/COUNTY OF _____
PROJECT NAME _____

<u>TASK</u>	<u>DATE</u>
Environmental review process	COMPLETED
CFF grant award	June, 2006
Community receives contract and authority to begin incurring costs for grant admin./e.r. and engineering	Aug., 2006
Procure professional services	Aug., 2006
Select professional for grant admin./environ. review, engineering	Aug., 2006
Town authorizes design of plans and specifications	Aug., 2006
Town submits plans and specifications to IDEM/IOCRA	Oct., 2006
IDEM approves plans and specs. /issues construction permit	Dec., 2006
Town advertises for construction bids	Jan., 2007
Town receives construction bids	Feb., 2007
Release of funds	Feb., 2007
Town awards contracts/commences construction	Mar., 2007
Completion of construction	Nov., 2007
Administratively complete CFF grant	Jan., 2008

*All activities must be completed within 18 months of the date the awardee receives grant agreement documents for signature.

*All grantees must secure release-of-funds and execute all project construction contracts within eight months following the date of receipt of the grant agreement documents for signature.

SAMPLE ITEMIZED PROJECT BUDGET

ITEM	CFF	LOCAL	TOTAL
1 Booster Pump Station	\$15,000	\$15,000	\$30,000
1 Elevated Storage Tank	\$57,500	\$57,500	\$115,000
24,700 L.F. 4" PVC Water Main	\$98,500	\$98,500	\$197,000
21,950 L.F. Granular Backfill	\$43,900	\$43,900	\$87,800
21,950 L.F. Compacted Aggregate Base	\$54,750	\$54,750	\$109,500
21,950 L.F. Pavement Replacement	\$109,900	\$109,900	\$219,800
1 Stream Crossing	\$20,000	\$20,000	\$40,000
50 Hydrants @ \$1,500	\$37,500	\$37,500	\$75,000
Plans and Specifications	\$27,500	\$27,500	\$55,000
Inspection	\$17,500	\$17,500	\$35,000
Const. Sub-total	\$482,000	\$482,000	\$964,000
Grant Administration	\$15,000	----	\$15,000
Environmental Review	\$500	----	\$500
Bond and Legal Counsel	----	\$20,000	\$20,000
Financial Advisor	----	\$7,500	\$7,500
Fees, Advertising and Printing	----	\$3,000	\$3,000
Admin. Sub-total	\$15,500	\$30,500	\$46,000
Total Project Cost	\$497,500	\$512,500	\$1,010,000

SOURCES OF LOCAL MATCH

Water Utility Cash on Hand	\$112,500
Revenue Bond	\$400,000
TOTAL LOCAL MATCH	\$512,500

SAMPLE PUBLIC HEARING NOTICE

On or about (date), (Applicant) intends to apply to the Indiana Office of Community and Rural Affairs for a grant from the Office of Community and Rural Affairs's Community Focus Fund of the State Community Development Block Grant (CDBG) program. This program is funded by Title I of the federal Housing and Community Development Act of 1974, as amended. These funds are to be used for a community development project that will include the following activities: (summary of proposed project). The total amount of CDBG funds to be requested is \$_____. The amount of CDBG funds proposed to be used for activities that will benefit low- and moderate-income persons is \$(amount of CFF funds requested x percentage of low- to moderate-income residents). The Applicant also proposes to expend an estimated \$_____ in non-CDBG funds on the project. These non-CDBG funds will be derived from the following sources: (source and amount).

(Applicant) will hold a public hearing on (date), at (time), in (place) to provide interested parties an opportunity to express their views on the proposed federally funded CDBG project. Persons with disabilities or non-English speaking persons who wish to attend the public hearing and need assistance should contact (name, address, and phone #) not later than (date). Every effort will be made to make reasonable accommodations for these persons.

Information related to this project will be available for review prior to the public hearing as of (date) at the office the (Applicant) located at (address) between the hours of (office hours). Interested citizens are invited to provide comments regarding these issues either at the public hearing or by prior written statement. Written comments should be submitted to (name and address) no later than (date) in order to ensure placement of such comments in the official record of the public hearing proceedings. A plan to minimize displacement and provide assistance to those displaced has been prepared by (Applicant) and is also available to the public. This project will result in (no displacement of any persons or businesses – or – displacement of the following persons and businesses [name and address]). For additional information concerning the proposed project, please contact (person – telephone – office hours and days) or write to (person – address).

SAMPLE SLUM AND BLIGHT AREA DECLARATORY RESOLUTION

**(CITY/TOWN/COUNTY) OF _____
RESOLUTION # _____**

WHEREAS, the (city/town) Redevelopment Commission desires to eliminate slum and blighted areas within the corporate limits of (city/town), Indiana, and specifically downtown (city/town), and

WHEREAS, identifying such areas is necessary for effective action to eliminate slum and blighting conditions, and

WHEREAS, public improvements such as sidewalks and streets have severely deteriorated, contributing to slum and blighting conditions, and

WHEREAS, the downtown area has experienced a cessation of private investment since _____, and

WHEREAS, () percent of first floor commercial space, () percent of second floor commercial space, and () percent of total commercial space in downtown (city/town) is currently vacant, and

WHEREAS, widespread deterioration of downtown commercial buildings has taken place as evidenced by crumbling facades, broken or boarded windows, unrepaired vandalism, growth of vegetation, and presence of litter in and around many downtown commercial buildings,

BE IT RESOLVED by the (city/town) Redevelopment Commission that the following areas of downtown (city/town) hereby be designated as (a slum/blighted) as defined by Indiana Code 36-7-14: High Street from 1/2 block east of Meridian Street to and including Oak Street, and Oak and Union Streets 1/2 block north and south of High Street.

SAMPLE SLUM AND BLIGHT SPOT DECLARATORY RESOLUTION

(CITY/TOWN/COUNTY) OF _____
RESOLUTION # _____

WHEREAS, the (city/town) Redevelopment Commission desires to eliminate slum and blighted structures within the corporate limits of (city/town), Indiana, and

WHEREAS, identifying such a structure is necessary for effective action to eliminate slum and blighting conditions, and

WHEREAS, public improvements such as sidewalks and streets have severely deteriorated, contributing to slum and blighting conditions, and

WHEREAS, the structure has experienced a cessation of private investment since _____, and

WHEREAS, () percent of first floor commercial space, () percent of second floor commercial space, and () percent of total commercial space in downtown (city/town) is currently vacant, and

WHEREAS, widespread deterioration of the structure has taken place as evidenced by crumbling facades, broken or boarded windows, unrepaired vandalism, growth of vegetation, and presence of litter in and around many downtown commercial buildings,

BE IT RESOLVED by the (city/town) Redevelopment Commission that the following property of (city/town) hereby be designated as (a slum/blighted) as defined by Indiana Code 36-7-14: (insert specific address of spot location).

SAMPLE RESOLUTION AUTHORIZING APPLICATION SUBMISSION AND LOCAL MATCH COMMITMENT

RESOLUTION OF THE CITY/TOWN/COUNTY COUNCIL OF THE CITY/TOWN/COUNTY OF _____, INDIANA, AUTHORIZING THE SUBMITTAL OF THE CFF APPLICATION TO THE INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS AND ADDRESSING RELATED MATTERS

WHEREAS, the Council of the City/Town/County of _____, Indiana recognizes the need to stimulate growth and to maintain a sound economy within its corporate limits; and

WHEREAS, the Housing and Community Development Act of 1974, as amended, authorizes the Indiana Office of Community and Rural Affairs to provide grants to local units of government to meet the housing and community development needs of low- and moderate-income persons; and

WHEREAS, the City/Town/County of _____, Indiana has conducted or will conduct public hearings prior to the submission of an application to the Indiana Office of Community and Rural Affairs, said public hearings to assess the housing, public facilities and economic needs of its low- and moderate-income residents;

NOW, THEREFORE, BE IT RESOLVED by the Council of _____, Indiana that:

1. The Mayor/Town Council Pres. /County Commission Pres. is authorized to prepare and submit an application for grant funding to address (summary of proposed project), and to execute and administer a resultant grant including requisite general administration and project management, contracts and agreements pursuant to regulations of the Indiana Office of Community and Rural Affairs and the United States Department of Housing and Urban Development.

2. The City/Town/County of _____, Indiana hereby commits the requisite local funds in the amount of _____ (\$ _____), in the form of (source of local match), as matching funds for said program, such commitment to be contingent upon receipt of CFF funding from the Indiana Office of Community and Rural Affairs.

Adopted by the City/Town/County Council of the City/Town/County of _____, Indiana this _____ day of (month), (year), at (time).

SIGNATURE: _____
Chief Elected Official, Title
(Mayor, Board President)

ATTEST: _____
Chief Financial Officer, Title
(Controller, Clerk-Treasurer, Auditor)

*****Please note a separate letter must be attached by the Chief Financial Officer. See Readiness to Proceed Guidelines for further details regarding letter content.***

SAMPLE LOCAL DISPLACEMENT PLAN

1. (Applicant) will consider for submission to the Indiana Office of Community and Rural Affairs, under its various Community Development Block Grant funded programs, only projects and activities that will result in the displacement of as few persons or businesses as necessary to meet State and local development goals and objectives.
2. (Applicant) will certify to the State, as part of its application process, that it is seeking funds for a project or activity that will minimize displacement.
3. (Applicant) will provide referral and reasonable moving assistance, both in terms of staff time and dollars, to all persons involuntarily and permanently displaced by any project or activity funded with Community Development Block Grant funds.
4. All persons and businesses directly displaced by (applicant) as the result of a project or activity funded with Community Development Block Grant funds will receive all assistance required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, including provisions of the Uniform Relocation Act Amendments of 1987, Title IV of the Surface Transportation and Uniform Relocation Assistance Act of 1987.
5. (Applicant) will provide reasonable benefits and relocation assistance to all persons and businesses involuntarily and permanently displaced by the Community Development Block Grant activity funded by the State in accordance with appendices attached hereto, provided they do not receive benefits as part of such action under number 4 above.

SAMPLE COOPERATION AGREEMENT

The City/Town of _____, Indiana, seeks to support the efforts of the City/Town of _____ to obtain a Community Focus Fund grant from the Indiana Office of Community and Rural Affairs for (proposed project) located in both the aforementioned Cities/Towns. As the chief executive officers of our respective local governments, we are signing this agreement to provide our full cooperation to accomplish these improvements. The City/Town of _____ is hereby designated as the lead agency for this application and program and will be the applicant for funds. The City/Town of _____ will be liable for all the program's administrative functions should the grant be awarded.

Mayor

Town President

City of _____

Attest/ Date
SEAL:

Attest/ Date
SEAL:

Note: This general form (or a suitable variation) is to be used by local government applicants whose proposed project area involves more than one jurisdiction. It is a required part of any "in behalf of" or "joint" application with appropriate modifications as may be required to fit local situations.

GRANT EVALUATION CRITERIA

GRANT EVALUATION CRITERIA

1,000 POINTS TOTAL

Economic and Demographic Characteristics (450 points):

National Objective Score (200 points):

Depending on the National Objective to be met by the project, one of the following two mechanisms will be used to calculate the score for this category.

1. National Objective = Benefit to Low- and Moderate-Income Persons: 200 points maximum awarded according to the percentage of low- and moderate-income individuals to be served by the project. The total points given are computed as follows:

$$\text{National Objective Score} = \% \text{ Low/Mod Beneficiaries} \times 2.5$$

The point total is capped at 200 points or 80% low/moderate beneficiaries, i.e., a project with 80% or greater low/moderate beneficiaries will receive 200 points. Below 80% benefit to low/moderate-income persons, the formula calculation will apply.

2. National Objective = Prevention or Elimination of Slums or Blight: 200 points maximum awarded based on the characteristics listed below. The total points given are computed as follows:

$$\text{National Objective Score} = (\text{Total of the points received in each category below}) \times 2.5$$

- ___ Slum/Blight Area or Spot designated by resolution of the local unit of government (50 pts.)
- ___ Community is an Indiana Main Street Senior Partner or Partner, and the project relates to downtown revitalization (5 pts.)
- ___ The project site is a brownfield* (5 pts.)
- ___ The project is located in a designated redevelopment area under IC 36-7-14 (5 pts.)
- ___ The building or district is listed on the Indiana or National Register of Historic Places (10 pts.)
- ___ The building or district is eligible for listing on the Indiana or National Register of Historic Places (5 pts.)
- ___ The building is on the Historic Landmarks Foundation of Indiana's "10 Most Endangered List" (15 pts.)

* The State of Indiana defines a brownfield as an industrial or commercial property that is abandoned, inactive, or underutilized, on which expansion or redevelopment is complicated due to actual or perceived environmental contamination.

Community Distress Factors (250 Points): The community distress factors used to measure the economic conditions of the applicant are listed below. Each is described with an explanation and an example of how the points are determined. Each factor can receive a maximum of 50 points with the total distress point calculation having a maximum of 250 points. The formula calculation for each measure is constructed as a percentage calculation along a scale range. The resulting percentage is then translated into a point total on a fifty point scale for each measure.

Unemployment Rate (50 points maximum): Unemployment rate for the county of the lead applicant. The most recent average annual rate available is used.

- a. If the unemployment rate is above the maximum value, 50 points are awarded.
- b. If the unemployment rate is below the minimum value, 0 points are awarded.
- c. Between those values, the points are calculated by taking the unemployment rate, subtracting the minimum value, dividing by the range, and multiplying by 50.

Unemployment Rate Points = $(((\text{Unemployment rate} - \text{minimum})/\text{range}) \times 50)$

For example, if the unemployment rate is 4.5%, the minimum value is 2.6%, maximum value is 9.7%, and range is 7.1%, take unemployment rate of 4.5%, subtract the minimum value of 2.6%, divide by a range of 7.1%, and multiply by 50. The score would be 13.38 point of a possible 50; $(((4.5 - 2.6)/7.1) \times 50)$.

Net Assessed Value/capita (50 points maximum): Net assessed value per capita (NAV pc) for lead applicant¹. The most recent net assessed valuation figures², as well as the most recent population figures are used.

To determine the NAV pc, divide the net assessed valuation by the population estimate for the same year. For example, for 2002 NAV pc, you would divide the 2002 NAV by the Census Bureau's estimate of the population on July 1, 2002.

NAV per capita = NAV/Total Population

- d. If the net assessed value per capita for the lead applicant is above the maximum value, 0 points are awarded.
- e. If the net assessed value per capita for the lead applicant is below the minimum value, 50 points are awarded.
- f. Between those values, the points are calculated by subtracting 50 from the NAVpc minus the minimum value, divided by the range and multiplied by 50.

NAV per capita points = $50 - (((\text{NAV pc} - \text{minimum})/\text{range}) \times 50)$

For example, if the NAVpc is \$29,174, the minimum value is \$2,589 (excluding outliers), maximum value is \$75,524 (excluding outliers), and the range is \$72,935, take 50, subtract the NAV/capita of \$29,174 minus the minimum value of \$2,589, divide by the

¹ For unincorporated areas, the NAV pc will be calculated based on data at the township level.

² All applicants will utilize the same basis, i.e., true tax value or market value, for the NAV pc calculation.

range of \$72,935, and multiply by 50. The score would be 31.78 points of a possible 50 points; $50 - [((29,174 - 2,589)/72,935) \times 50]$.

Median Housing Value (50 points maximum): Median Housing Value (MHV) for lead applicant³. Data from the most recent census are used.

Median Housing Value Points = $50 - [((MHV - \text{minimum})/\text{range}) \times 50]$

- g. If the median housing value for the lead applicant is above the maximum value, 0 points are awarded.
- h. If the median housing value for the lead applicant is below the minimum value, 50 points are awarded.

For example, if the median housing value is \$79,000, the minimum value is \$24,300 (excluding outliers), maximum value is \$246,300 (excluding outliers) and the range is \$222,000. Take the MHV of \$79,000 minus the minimum value of \$24,300, divide the difference by the range of \$222,000, and multiply by 50 then subtract this amount from 50. The score would be 37.68 points out of a total possible of 50; $50 - [((79,000 - 24,300)/222,000) \times 50]$.

Median Household Income (25 points maximum): Median household income (MHI) for the lead applicant⁴. Data from the most recent census are used.

Median Household Income Points = $25 - [((MHI - \text{minimum})/\text{range}) \times 25]$

- i. If the median household income is above the maximum value, 0 points are awarded.
- j. If the median household income is below the minimum value, 25 points are awarded.
- k. Between those values, the points are calculated by subtracting 25 from the MHI minus the minimum value, divided by the range, and multiplied by 25.

For example, if the Median Household Income is \$35,491, the minimum value is \$16,667 (excluding outliers), maximum value is \$97,723 (excluding outliers), range is \$81,056, take 25, subtract the MHI of \$35,491, minus the minimum value of \$16,667, divide by the range of \$81,056, and multiply by 25. The score would be 19.19 points out of a possible 25; $25 - [((35,491 - 16,667)/81,056) \times 25]$.

Family Poverty Rate (25 points maximum): Family poverty rate for the lead applicant⁵. Data from the most recent census are used.

Family Poverty Rate Points = $[((\text{Family Poverty Rate} - \text{minimum})/\text{range}) \times 25]$

³ For unincorporated areas MHV will be calculated based on data at the township level.

⁴ For unincorporated areas MHI will be calculated based on data at the township level.

⁵ For unincorporated areas Family Poverty Rate will be calculated based on data at the township level.

- l. If the family poverty rate is above the maximum value, 25 points are awarded.
- m. If the family poverty rate is below the minimum value, 0 points are awarded.
- n. Between those values, the points are calculated by subtracting the Family Poverty Rate from the minimum value, then dividing by the range, and multiplying by 25.

For example, if the family poverty rate is 1.4%, the minimum value is 0% (excluding outliers), maximum value is 25% (excluding outliers), and range is 25%, take family poverty rate of 1.4%, subtract the minimum value of 0%, divide by a range of 25%, and multiply by 25. The score would be 1.4 points of a possible 50; $[(1.4 - 0)/25] \times 25$

Percentage Population Change (50 points maximum): Percentage population change from 1990 to 2000 for the lead applicant⁶. The percentage change is computed by subtracting the 1990 population from the 2000 population and dividing by the 1990 population. Convert this decimal to a percentage by multiplying by 100.

Percentage Population Change = [(2000 population - 1990 population)/1990 population] X 100

- o. If the population changed above the maximum percentage value, 0 points are awarded.
- p. If the population changed below the minimum percentage value, 50 points are awarded.
- q. Between those values, the points are calculated by subtracting 50 from the percentage population change minus the minimum value divided by the range, and multiplied by 50.

Percentage Population Change points = 50 - [(Percentage population change - minimum)/range] X 50]

For example, if the population increased by 16.61%, the minimum value is -61.33% (excluding outliers), maximum value is 181.27% (excluding outliers), range is 242.60%, take 50, subtract 16.61% minus the minimum value of -61.33%, divide the range of 242.60%, and multiply by 50. The score would be 33.94 points out of a total possible of 50; $50 - [(16.61 - (-61.33))/242.60] \times 50$.

⁶ For unincorporated areas percentage population change will be calculated based on data at the township level.

Local Match Contribution (100 points):

Up to 100 points possible based on the percentage of local funds devoted to the project. This total is determined as follows:

$$\text{Total Match Points} = \% \text{ Eligible Local Match} \times 2$$

Eligible local match can be local cash or debt. Government grants are not considered eligible match. In-kind sources may provide eligible local match for the project, but the amount that can be counted as local match is limited to 5% of the total project budget or a maximum of \$25,000. Use of in-kind donations as eligible match requires approval from the Indiana Office of Community and Rural Affairs, Community Development Division four weeks prior to application submission.

Project Design Factors (450 points):

450 points maximum awarded according to the evaluation in three areas:

Project Need - why does the community need this project?

Financial Impact - why is grant assistance necessary to complete this project?

Local Effort - what has/is the community doing to move this project forward?

The project can receive a total of 150 points in each category. The project design points are awarded in 10-point increments. The points in these categories are awarded by the IOCRA review team when evaluating the projects. Applicants should work with IOCRA to identify ways to increase their project's scores in these areas.

CFF Project Development Issues

CFF PROJECT DEVELOPMENT ISSUES – WATER PROJECTS

Eligibility:	Eligible applicant – non-entitlement city, town or county Public Facilities (24 CFR 570.201(c))
National Objective:	Area-wide LMI (51% minimum) based on HUD Census data or certified income survey
Regulatory:	Citizen Participation requirements Special assessments involved
Readiness:	Several items must be complete at the time of application. Please see the document “Community Focus Fund – Readiness to Proceed Guidelines” for detailed information.
Prerequisites:	Preliminary engineering report completed Readiness issues above completed \$5,000 per beneficiary limit
Benchmarks:	\$45 combined water/sewer/storm rates; for single utility, \$20 rate for water/\$25 rate for sewer Minimum \$5 gap on rate (difference between rates with and without CFF grant) using 4.5% APR, 20 years, 1.25 debt coverage, based upon 4,000 gallon consumption
Project Need:	Documentation of residential problems Documentation from IDEM, Health Department, County Sanitarian, DNR Age of existing system Does the project encourage expansion? Are we subsidizing infrastructure expansion to accommodate current problem or future development (which is prohibited)?
Financial Impact:	Have all other financial tools been investigated? Include applicable/current water and sewer ordinances Local tax rates, utility rates, financial gap, indebtedness, and current fund balances History of recent rate increases
Local Effort:	Attendance at the Environmental Infrastructure Working Group (EIWG) Funds expended on past improvements Previous planning studies and recommendations Previous testing and engineering efforts/expenditures Dates and description of last expansion and/or renovation Letters of support and other evidence of community support Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – SEWER PROJECTS

Eligibility:	Eligible applicant – non-entitlement city, town or county Public Facilities (24 CFR 570.201(c))
National Objective:	Area-wide LMI (51% minimum) based on HUD Census data or certified income survey
Regulatory:	Citizen Participation requirements Special assessments involved
Readiness:	Several items must be complete at the time of application. Please see the document “Community Focus Fund – Readiness to Proceed Guidelines” for detailed information
Prerequisites:	Preliminary engineering report completed Readiness issues above completed \$5,000 per beneficiary limit
Benchmarks:	\$45 combined water/sewer/storm rates; for single utility, \$20 rate for water/\$25 rate for sewer Minimum \$5 gap on rate (difference between rates with and without CFF grant) using 4.5% APR, 20 years, 1.25 debt coverage, based upon 4,000 gallon consumption
Project Need:	Documentation of residential problems Documentation from IDEM, Health Department, County Sanitarian, DNR Age of existing system Does the project encourage expansion? Are we subsidizing infrastructure expansion to accommodate current problem or future development (which is prohibited)?
Financial Impact:	Have all other financial tools been investigated? Include applicable/current water and sewer ordinances Local tax rates, utility rates, financial gap, indebtedness, current fund balances History of recent rate increases
Local Effort:	Attendance at the Environmental Infrastructure Working Group (EIWG) Funds expended on past improvements Previous planning studies and recommendations Previous testing and engineering efforts/expenditures Dates and description of last expansion and/or renovation Letters of support and other evidence of community support Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – *STORM DRAINAGE PROJECTS*

Eligibility:	Eligible applicant – non-entitlement city, town or county Public Facilities (24 CFR 570.201(c))
National Objective:	Area-wide LMI (51% minimum) based on HUD Census data or certified income survey
Regulatory:	Citizen Participation requirements Special assessments involved?
Readiness:	Several items must be complete at the time of application. Please see the document “Community Focus Fund – Readiness to Proceed Guidelines” for detailed information
Prerequisites:	Preliminary engineering report completed Readiness issues above completed \$5,000 per beneficiary limit
Benchmarks:	\$45 combined water/sewer/storm rates; for single utility, \$20 rate for water/\$25 rate for sewer Minimum \$5 gap on rate (difference between rates with and without CFF grant) using 4.5% APR, 20 years, 1.25 debt coverage – Calculate gap as a monthly cost per household
Project Need:	Documentation of residential problems Personal property damage Pictures (color copies) Documentation from IDEM, Health Department, County Sanitarian, DNR Age of existing system Consistent with long range planning/priority of projects Are we subsidizing infrastructure expansion to accommodate current problem or future development (which is prohibited)?
Financial Impact:	Have all other financial tools been investigated? Bonding capacity; impact of CFF funding on project Local tax rates, utility rates, financial gap, indebtedness, current fund balances History of recent rate increases
Local Effort:	Attendance at the Environmental Infrastructure Working Group (EIWG) Evidence of community support, funds expended on past improvements Previous planning studies and recommendations Previous testing and engineering efforts/expenditures Dates and description of last expansion and/or renovation Letters of support and other evidence of community support Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – *HOUSING INFRASTRUCTURE PROJECTS*

- Eligibility:** Eligible applicant – non-entitlement city, town or county
Public Facilities (24 CFR 570.201(c))
- National Objective:** Area-wide LMI (51% minimum)
Percentage of homes must be reserved for low-moderate income persons, so that at least 51% of the beneficiaries are low-moderate income
- Regulatory:** Citizen Participation requirements
Special assessments involved in the project
- Readiness:** Several items must be complete at the time of application. Please see the document “Community Focus Fund – Readiness to Proceed Guidelines” for detailed information.
- Prerequisites:** Development agreement – unit of local government and developer
Preliminary engineering report completed
Project Pro-Forma (5 years) required
Housing needs assessment/market demand study completed
Readiness issues above completed
Developer must transfer ownership of infrastructure to unit of local government (public infrastructure)
For owner-occupied projects, a 5-year disposition requirement must be warranted (or re-sale to LMI household)
Number of beneficiaries must match the number of homes to be constructed and the extent of infrastructure to be built
Involvement of Certified Housing Development Organization required, or other similar organization to assist with buyer qualification
Involvement of lending institution committed to the project
\$10,000 per beneficiary limit
Percentage of homes must be reserved for low-moderate income persons, so that at least 51% of the beneficiaries are low-moderate income.
- Project Need:** Documentation of need for affordable housing
Waiting list of qualified buyers
For rental units, waiting list for Section 8 voucher assistance
For owner-occupied, bank participation to allow LMI equity in home as a result of reduced development costs
Less down payment required
Number of homes to be built
- Financial Impact:** Have all other financial tools been investigated?
History of rate increases
Local tax rates, utility rates, financial gap, indebtedness, and current fund balances
Must have all the funding in place to compete the entire project, including construction of housing
Is the developer contributing toward infrastructure?
- Local Effort:** Funds expended on past improvements
Previous planning studies and recommendations
Previous testing and engineering efforts/expenditures
Letter of support and other evidence of community support
Attendance at Indiana Housing Assistance Review Team (IHART) meeting

Down-payment assistance programs, other partnerships

CFF PROJECT DEVELOPMENT ISSUES – SENIOR CENTERS

- Eligibility:** Eligible applicant – non-entitlement city, town or county
Public Facilities (24 CFR 570.201(c))
- National Objective:** Presumptive LMI – Limited Clientele (100% LMI)
- Regulatory:** Citizen participation requirements
Will the building be used for activities other than limited-clientele in nature?
- Readiness:** Several items must be complete at the time of application. Please see the document “Community Focus Fund – Readiness to Proceed Guidelines” for detailed information.
- Prerequisites:** Building plans
List of program activities
Who will own the building – unit of local government or subrecipient – subrecipient agreement drafted if applicable
Project Pro-Forma (5 years) required
Will revenues pay fixed and variable costs for the required period of 5 years after grant closeout?
Readiness issues above completed
\$5,000 per beneficiary limit
- Project Need:** Age/ condition of present facility
What is the senior population being served (service area)
Expansion of programs/ activities
Number of persons using facility on daily basis
Hours of operation, schedule of activities
No duplication of services
Pictures (color copies)
- Financial Impact:** Current and projected operating budget, maintenance budget
Who is responsible for running facility?
Sources of funding for daily operations (taxes, insurance, and debt service)
Costs for maintenance of the existing facility
Local tax rates, utility rates, financial gap, indebtedness, and current fund balances
- Local Effort:** Fund raising efforts: amount raised, when, and types of activities
Certified staff, staff training, and volunteer efforts
Letters of support and other evidence of community support
Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – DAYCARE CENTERS

- Eligibility:** Eligible applicant – non-entitlement city, town or county
Public Facilities (24 CFR 570.201(c))
- National Objective:** Limited Clientele – LMI (51% minimum)
- Regulatory:** Citizen participation requirements
Will the building be used for activities other than limited-clientele in nature?
Does the project involve rehab of an existing facility? If so, date of construction of current facility.
If existing facility built prior to 1978 – probable lead based paint issues
- Readiness:** Several items must be complete at the time of application. Please see the document “Community Focus Fund – Readiness to Proceed Guidelines” for detailed information.
- Prerequisites:** Building plans – architect must certify that building is licensable by the State
Who will own the building – unit of local government or subrecipient – sub recipient agreement drafted if applicable
Project Pro-Forma (5 years) required
Will revenues pay fixed and variable costs for the required period of 5 years after grant closeout?
5-year business plan required
Are rates affordable for LMI children? Is there a tuition reserve fund?
Lead-based paint certification for existing pre- 1978 buildings
Number of spaces reserved for LMI children
Readiness issues above completed
Must be state-licensed facility
\$10,000 per beneficiary limit
- Project Need:** Number of existing, licensed daycares in commuting distance
Number of children on waiting list (Head Start or other)
Percentage from low-moderate income families
Age/ condition of present facility
Step Ahead Plan – letter from Step Ahead Council
Support by local school corporation – letter included
Types of services provided
Hours of operation
Expansion of services
Pictures (color)
- Financial Impact:** Maintenance, current, and projected operating budgets
Sources of funding for daily operations (taxes, insurance, and debt service)
Child-care expenses (buy-down); tuition reserve fund for LMI families?
Costs for maintenance of the existing facility
Local tax rates, utility rates, financial gap, indebtedness, and current fund balances
- Local Effort:** Fund raising efforts: amount raised, when, and types of activities
Certified staff, staff training, and volunteer efforts
Letters of support and other evidence of community support

CFF PROJECT DEVELOPMENT ISSUES – *COMMUNITY CENTERS*

- Eligibility:** Eligible applicant – non-entitlement city, town or county
Public Facilities (24 CFR 570.201(c))
- National Objective:** Area-wide LMI (51% minimum) based on HUD Census data or certified income survey
- Regulatory:** Citizen Participation requirements
Will the building be used for ineligible activities (e.g. general government)?
- Readiness:** Several items must be complete at the time of application. Please see the document “Community Focus Fund – Readiness to Proceed Guidelines” for detailed information.
- Prerequisites:** Building plans
List of program activities
Project Pro-Forma (5 years) required
Will revenues pay fixed and variable costs for the required period of 5 years after grant closeout?
Readiness issues above completed
\$5,000 per beneficiary limit
- Project Need:** Age/ condition of present facility
What is population being served? (Area-wide LMI requirement)
Community survey results
How will entire community use the facility?
Types of activities or schedule
Expansion of program/ activities
No duplication of services
Hours of operation
Number of persons using facility on daily basis
- Financial Impact:** Maintenance, current, and projected operating budgets
Sources of funding for daily operations (taxes and insurance)
Costs for maintenance of the existing facility
Local tax rates, utility rates, financial gap, indebtedness, current fund balances
- Local Effort:** Fund raising efforts: amount raised, when, and types of activities
Certified staff, staff training, and volunteer efforts
Letters of support and other evidence of community support
Co-location with other amenities
Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – *DOWNTOWN REVITALIZATION*

- Eligibility:** Eligible applicant – non-entitlement city, town or county
Public Facilities (24 CFR 570.201(c)), and rehab (24 CFR 570.202)
- National Objective:** Area-wide Slum and Blight (24 CFR 570.208(b)(1))
- Regulatory:** Citizen participation requirements
Meets state statutory requirements (I.C. 36-7)
Boundaries of area declared officially by unit of local government
via declaratory ordinance or resolution.
25% minimum deteriorated buildings (residential and commercial), or
At least 2 items of public infrastructure are in state of deterioration
Activity address either deteriorated buildings and / or public infrastructure
deterioration
Residential rehabilitation activities must meet Section 8 Housing Quality
standards
- Readiness:** Several items must be complete at the time of application. Please see the
document “Community Focus Fund – Readiness to Proceed Guidelines” for
detailed information.
- Prerequisites:** Scope of revitalization is beyond streetscape and infrastructure
Readiness issues above completed
\$5,000 per beneficiary limit
- Project Need:** Listed on National Register of Historic Places; or
Eligible to be listed on the National Register of Historic Places;
Listed in a State or Local inventory of historic places (e.g. local
historical society); or
Designated as a State or Local landmark or historic district by
appropriate law or ordinance.
Local business plan by redevelopment commission, chamber of commerce, etc.
Impact on residents and businesses
Documentation of blighted conditions
Pictures (color copies)
- Financial Impact:** Percentage of cost to be paid from local and/ or private sources
Local financing initiatives (low-interest bank loans, local RLF’s, etc.)
Review local budgets and fund balances (particularly CCIF)
Financial participation of business owners
Local tax rates, utility rates, financial gap, indebtedness, and current fund balances
- Local Effort:** What is business community doing to revitalize downtown
Planning and A/E studies; downtown revitalization/ redevelopment plan completed per
IOCRA Guidelines
Is it a Main Street Community?
Downtown marketing plan and business recruitment effort
Maintenance plan or other economic development initiatives
Efforts by property owners or committees
List of downtown events
Letters of support and other evidence of community support
Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – *HISTORIC PRESERVATION*

- Eligibility:** Eligible applicant – non-entitlement city, town or county
Eligible rehabilitation and preservation activities (24 CFR 570.202)
- National Objective:** Spot Slum and Blight (24 CFR 570.208(b)(2))
- Regulatory:** Citizen participation requirements
Specific site – legal description required in the unit of local government
declaratory resolution
Not required to be in designated area-wide blighted area
Eligible activities restricted to: acquisition, clearance, relocation, historic
preservation, and limited rehabilitation activities to correct specific
conditions detrimental to public health and safety.
- Readiness:** Several items must be complete at the time of application. Please see the
document “Community Focus Fund – Readiness to Proceed Guidelines” for
detailed information.
- Prerequisites:** Building plans and accurate cost estimates as well as project pro forma
Readiness issues above completed
\$5,000 per beneficiary limit
- Project Need:** Letter of approval from SHPO
List on National Register of Historic Places; or
Eligible to be listed on the National Register of Historic Places;
Listed in a State or Local inventory of historic places (e.g. local
historical society); or
Designated as a State or Local landmark or historic district by
appropriate law or ordinance.
Proposed use of building meets an important community need
Documentation of blighted conditions; pictures (color copies)
History of building and its uses
Importance of the building to the community
- Financial Impact:** Current and projected operating budget
Sources of funding for operation and maintenance expenses
Local financing initiatives (low-interest bank loans, local RLF’s, etc.)
Review local budgets and fund balances (particularly CCIF)
Local tax rates, utility rates, financial gap, indebtedness, and current fund balances
- Local Effort:** What is owner doing to restore building?
Planning and A/E studies
Who is paying expenses for improvements and maintenance?
Is this a Main Street Community?
Volunteer efforts
Private initiatives in historic preservation
Letters of support and other evidence of community support
Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – *LIBRARIES*

- Eligibility:** Eligible applicant – non-entitlement city, town or county
Public Facilities (24 CFR 570.201(c))
- National Objective:** If area-wide LMI (51% minimum) based on HUD Census data or certified income survey, can do renovation and expansion
If not area-wide LMI, can be a spot blight project, activities limited to renovation only
(See historic preservation for more information)
- Regulatory:** Citizen Participation requirements
Will the building be used for ineligible activities (general government)?
- Readiness:** Several items must be complete at the time of application. Please see the document “Community Focus Fund – Readiness to Proceed Guidelines” for detailed information.
- Prerequisites:** Building plans and accurate cost estimates
Readiness issues above completed
\$5,000 per beneficiary limit
- Project Need:** Age/condition of present facility
Population being served/number of cardholders (area-wide LMI requirement)?
Expansion of programs/activities
No duplication of services – number of existing libraries in area
Circulation history (more users and more activity from existing users)
Number of persons using facility on daily basis
- Financial Impact:** Maintenance, current, and projected operating budgets
Sources of funding for daily operations (taxes and insurance)
Cost of maintenance of the existing facility
Local tax rates, utility rates, financial gap, indebtedness, and current fund balances
- Local Effort:** What are the library board and the community doing to provide expanded services?
A/E studies conducted
Fund raising efforts, staffing level, and volunteer efforts
Letters of support and other evidence of community support
Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – *HEALTHCARE CENTERS*

Eligibility:	Eligible applicant – non-entitlement city, town or county Public Facilities (24 CFR 570.201(c))
National Objective:	Limited Clientele – LMI (51% minimum)
Regulatory:	Citizen Participation requirements
Readiness:	Several items must be complete at the time of application. Please see the document “Community Focus Fund – Readiness to Proceed Guidelines” for detailed information.
Prerequisites:	Building plans Project Pro-Forma (5 years) required Will revenues pay fixed and variable costs for the required period of 5 years after grant closeout? Readiness issues above completed \$5,000 per beneficiary limit
Project Need:	Age/condition of present facility What population is being serve (Screening required)? Expansion of programs/activities No duplication of services Is this a medically underserved area? Number of persons using facility on daily/monthly/yearly basis
Financial Impact:	Maintenance, current, and projected operating budgets Sources of funding for daily operations (taxes and insurance) Does local and/or county government support the program? Local tax rates, utility rates, financial gap, indebtedness, and current fund balances
Local Effort:	What is the healthcare provider doing to provide expanded services? Planning and A/E studies Fund raising efforts, staffing level, and volunteer efforts Letters of support and other evidence of community support Letters from clients served Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – *SPECIAL NEEDS BUILDINGS*

Eligibility:	Eligible applicant – non-entitlement city, town or county Public Facilities (24 CFR 570.201(c))
National Objective:	Limited Clientele – presumptive category or LMI (51% minimum)
Regulatory:	Citizen Participation requirements
Readiness:	Several items must be complete at the time of application. Please see the document “Community Focus Fund – Readiness to Proceed Guidelines” for detailed information.
Prerequisites:	Building plans Project Pro-Forma (5 years) required Will revenues pay fixed and variable costs for the required period of 5 years after grant closeout? Readiness issues above completed \$5,000 per beneficiary limit
Project Need:	Age/condition of present facility What population is being served? Expansion of programs/activities No duplication of services Is there a waiting list? Do local and/or county government support financially?
Financial Impact:	Maintenance, current, and projected operating budgets Sources of funding for daily operations (taxes and insurance) Number of persons using facility on daily basis Local tax rates, utility rates, financial gap, indebtedness, and current fund balances
Local Effort:	What is the provider doing to provide expanded services Planning and A/E studies Fund raising efforts, staffing level, and volunteer efforts Letters of support and other evidence of community support Letters from clients served Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – *FIRE STATIONS/FIRE TRUCKS*

Eligibility:	Eligible applicant – non-entitlement city, town or county Public Facilities (24 CFR 570.201(c))
National Objective:	Area-wide LMI (51% minimum) based on HUD Census data or certified income survey
Regulatory:	Citizen Participation requirements Will the building be used for ineligible activities (general government)?
Readiness:	Several items must be complete at the time of application. Please see the document “Community Focus Fund – Readiness to Proceed Guidelines” for detailed information.
Prerequisites:	Who will own the building – unit of local government or subrecipient ? Subrecipient agreement drafted if applicable Building plans with appropriately sized bays for number and size of fire trucks Readiness issues above completed Specifications for fire truck \$100 Million NAV maximum for fire service area \$5,000 per beneficiary limit
Benchmarks:	ISO rating of 8 or higher
Project Need:	How would ISO rating change with proposed improvement? Age/condition of present facility Appropriate number of bays and building size Detailed map of service area Number of runs for the last 3-5 years Number of trucks and ages
Financial Impact:	Current and projected operating budget of fire department Sources of funding for department operation and project Annual funding level from Township Trustee 5 year pro forma for station Local tax rates, utility rates, financial gap, indebtedness, and current fund balances
Local Effort:	Costs of maintenance of the existing facility/truck(s) Fund raising efforts: amount raised, when, and types of activities Staffing level, training, and volunteer efforts Letters of support and other evidence of community support Evidence of prior planning Mutual aid agreements

**PLANNING GRANT
APPLICATION PACKAGE**

Revised January, 2006

Indiana Office of Community and Rural Affairs
Community Development Division
One North Capitol, Suite 600
Indianapolis, Indiana 46204
(317) 232-1703

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OVERVIEW OF THE PLANNING GRANT PROGRAM

The Planning Grant program is funded with Federal Community Development Block Grant (CDBG) dollars from the U.S. Department of Housing and Urban Development (HUD). The goal of the program is to encourage communities to plan for long-term community development. Communities interested in planning for projects relating to such issues as infrastructure, downtown revitalization, and community facilities are encouraged to apply. To be competitive, projects must demonstrate (1) they meet a goal of the Federal Act; (2) the particular planning initiative addresses established long-term community priorities; (3) the funds granted will have a significant impact on the overall project; (4) the community has a strong commitment to the project; and (5) the project is ready to proceed upon grant award and will be completed within 15 months. Further instructions are provided on the following pages.

MINIMUM PROGRAM REQUIREMENTS

To be eligible for Planning Grant assistance, projects must meet certain minimum program requirements. Those requirements are as follows:

- The lead applicant must be a city, incorporated town, or county. The community must not be a HUD Entitlement grant recipient (receiving CDBG dollars directly from HUD), and must possess the legal capacity to carry out the proposed project.
- The lead applicant may apply on behalf of a 501c3 not-for-profit organization for an eligible project, provided that the organization can document its not-for-profit status with the U.S. Internal Revenue Service, the Indiana Department of Revenue, and the Indiana Secretary of State.
- All planning projects must meet one of the following goals of the Federal Act: 1) to benefit at least 51% low- to moderate-income individuals, or 2) to aid in the prevention or elimination of slums or blight.
- If the applicant has previously received Community Focus Funds (CFF) or CDBG Planning Grant funds, the applicant must NOT have:
 - ❖ any unresolved monitoring/audit findings;
 - ❖ any overdue grant reports or close-out documents;
 - ❖ an open CFF grant or Planning Grant that has not received Release of Funds;
 - ❖ for cities and towns, more than one (1) open CFF or Planning Grant at the time of application;
 - ❖ for counties, more than two (2) open CFFs and/or Planning Grants at the time of application.
 - **If a community has an open CFF or Planning Grant, the community must have an executed construction contract and be under construction, or a consultant under contract for planning grants before the community may apply for an additional CDBG Grant.**
- Any CDBG Program Income accumulated from a previous CDBG grant must be committed for a use that has been approved by the Indiana Office of Community and Rural Affairs before another CDBG grant will be approved. Any available Program Income may be used as part of the local match for a CDBG project. **Please contact Community Development at (317) 232-1703 for additional information regarding Program Income.**
- The cost per beneficiary ratio of the proposed project may not exceed \$5,000 (grant funds only).
- Ten percent of the total project cost must consist of **cash** provided by the applicant. **In-kind contributions do not count toward the 10% local match requirement.**

- **Procurement of professional services for the planning study must be completed prior to submitting a planning grant application.** The applicant must use the Qualifications Based Selection (QBS) or Request for Proposal (RFP) process as laid out in the Procurement Overview included in this document. All documentation of the process must be attached to the application. (Please see Appendix Two of this packet for required forms and attach the required documentation as Appendix Eight of your application).
- Grant Administrators used for CDBG projects must have participated in, or tested out of, the Grant Administrator Training Course administered by the Indiana Office of Community and Rural Affairs. A complete list of grant administrators who are current in this training is available on our Web site (www.in.gov/ocra/).
- **Three** sets of the application, one that contains original signatures and documents and two copies, must be received by the Indiana Office of Community and Rural Affairs by 5 p.m. on the due date, which is the last business day of each month.

ELIGIBLE PLANNING ACTIVITIES

The following list identifies the general types of eligible activities for the planning grant program. This list is not all-inclusive. Applicants should contact their Community Development Specialist to determine if their project is eligible for funding. Eligible planning activities consist of all costs associated with data gathering, study, analysis, and preparation of plans and the identification of actions to implement such plans, including:

1. Individual project plans* and feasibility studies;
2. Community development, redevelopment and functional plans in areas such as:
 - Infrastructure in support of housing;
 - Land use and urban environmental design;
 - Comprehensive Plans**
 - Economic development;
 - Downtown revitalization plans;
 - Floodplain and wetlands management;
 - Utilities; and
 - Historic preservation.
3. Environmental review and environmental assessments***;
4. Site specific/site control activities excluding land acquisition and purchase of options;

* Planning dollars can be used for preliminary design activities only, and NOT for construction documents or bid specifications.

** Priority will be given to those communities that have never prepared a Comprehensive Plan in the past. Updates will be considered for funding, but will not be the most competitive projects. By their very nature, Comprehensive Plans must be kept current in order to maximize their effectiveness; therefore, communities should make financial provisions to fund necessary future updates.

*** Environmental review and site control activities are strongly encouraged in the planning process. Planning grants are provided primarily to help develop potential Community Focus Fund (CFF) projects to proceed with a full CFF application or to develop a plan for another funding source. Pre-engineering studies and downtown redevelopment plans are examples of planning projects that help potential CFF projects become ready to move quickly into construction. Planning should include the environmental review necessary to apply for a CFF grant. If CDBG dollars are being used for the environmental review activity, a maximum of \$3000 will be allowed. Please note: if environmental review is included in the budget for a planning project, it cannot be included in the budget for a subsequent CFF application related to the planning project.

MEETING A GOAL OF THE FEDERAL ACT

Title I of the Housing and Community Development Act of 1974, as amended, identifies three national objectives of the CDBG program. Planning projects must meet one of the following two national objectives and meet the requirements set out for that objective:

- Benefit low- and moderate-income persons
 - On an area basis
 - Of a limited clientele groupAt least 51% of the project's beneficiaries must be low- to moderate-income persons.
- Aid in the prevention or elimination of slums or blight on either an area or spot basis.

For each objective, the community will need to demonstrate that it meets the objective by providing documentation and answering the questions relevant to that objective.

Benefit to Low- and Moderate-Income Persons – Area Basis

To show that a project benefits an area of low- to moderate-income people, the following questions must be clearly answered in the application on the National Objective Identification page:

1. What are the boundaries of the service area?
2. How do the boundaries correspond to the project's intended beneficiaries?
3. What percentage of persons in the service area is of low- to moderate-income?
4. How were the income characteristics of the target population determined?
5. Is the proposed facility available to all service area residents?

The low-moderate income population can be obtained either through Census Data or through an income survey. Income surveys are valid for two years from the date of the certification letter. The survey may be re-certified one time for an additional two years. The four-year period during which the income survey may be used is calculated from the date of the first certification letter. The project area must be certified as a single area; two separate previously certified income surveys will not be accepted.

The following documentation **MUST** be provided in the application:

1. Map(s) showing location and boundaries of service area.
2. If applicable, certification of income survey results by a qualified professional. The methodology of the income survey **MUST** also be included.

Benefit to Low- and Moderate-Income Persons – Limited Clientele Basis

There are eight groups of people that are presumed to be low- to moderate-income people by federal regulations. Those groups are as follows: senior citizens (people who are 62 years of age or older), migrant farm workers, abused children, battered spouses, severely handicapped adults, homeless persons, illiterate adults and persons with AIDS. For limited clientele projects serving other persons, benefit to low- to moderate-income persons will have to be documented.

For a limited clientele project, these questions will need to be clearly answered in the application on the National Objective Identification page:

1. Who will use the proposed facility?
2. Will any other groups or the general public also use the facility? If so, to what extent?

3. If the facility is to be used on an income-eligible basis, how will income and family size information of users be documented? If less than 100% of users are to be of low- to moderate-income, how was the percentage of low- to moderate-income users determined or estimated?

Prevention or Elimination of Slums or Blight – Area Basis

The following questions must be answered in the application on the National Objective Identification page:

1. What are the boundaries of the area?
2. What are the conditions that cause the area to be considered blighted?
3. What percentage of buildings in the area are deteriorated? How are they deteriorated?
4. What public facilities in the area are deteriorated? Describe this deterioration.
5. How will the proposed project remedy one or more of the blighted conditions described above?

The following documentation to the application must be attached with a slum and blight, area basis application:

1. Municipal resolution passed by governing body that describes boundaries of the specific blighted conditions within the area, and officially designates an area as blighted.
2. Map of area showing location of project activities.

Prevention or Elimination of Slums or Blight – Spot Basis

The following issues must be addressed on the National Objective Identification page:

1. Show the specific blighted or deteriorating **structure** that will be affected by the proposed project.
2. Provide a detailed description of conditions to be remedied by the proposed project, accompanied by a detailed statement of activities to address those conditions.

The following documentation to the application must be attached with a slum and blight, spot basis application:

1. Municipal resolution passed by governing body that describes the blighted or deteriorating **structure**, including a legal description, and officially designates the **property as blighted under spot basis**.

Spot basis slum/blight projects are limited to five project activities: acquisition, relocation, clearance, historic preservation and limited rehabilitation **to correct specific condition detrimental to public health and safety. Please note a spot basis blight project must not be located within a designated blighted area.**

AMOUNT OF GRANT REQUEST & LOCAL MATCH

The Indiana Office of Community and Rural Affairs (IOCRA) has established a maximum grant award of \$50,000 for most Planning Grant applications. For environmental infrastructure projects, the limits are as follows: \$30,000 for a study on a single utility, \$40,000 for a study on two utilities, and \$50,000 for a study on water, wastewater, and storm water utilities. **The maximum award is not intended to serve as a target figure for requests for grant assistance.** The IOCRA will review the level of grant assistance requested and will consider the appropriateness of the project's scope, level of demonstrated need, and the financial resources of the applicant. **If the IOCRA determines that a lesser amount is appropriate, it may be necessary to revise the application before it is considered for funding.**

In order to participate in the Planning Grant program, **communities must commit at least ten percent (10%) of the total project cost** in matching funds toward the grant. For example, an applicant applying to fund a project costing a total of \$35,000 must commit at least \$3500 or ten percent (10%) of this project cost. The grant request would then be for the amount of \$31,500.

CONSULTANTS & GRANT ADMINISTRATION

All consultants to be paid with CDBG dollars, such as engineers, architects, and grant administrators, must be procured using the Qualifications Based Selection (QBS) or Request for Proposal (RFP) process prior to the submittal of the application to IOCRA. **Additional information regarding these processes may be obtained from www.qbsindiana.org , or from IOCRA.**

All grant administrators involved in CDBG projects must have successfully completed, or successfully tested out of, the Grant Administrator Training Course. This certification must be current at the time of application. A list of such grant administrators can be provided upon request by calling 317-232-1703 or visiting our Web site www.in.gov/ocra/ .

A maximum of eight (8) percent of the grant amount requested, or \$4,000, whichever is less, of CDBG funds may be used for grant administration. Grant administration may also be paid with local dollars, as part of the required local match. In this case, QBS is not required.

NOTE: Private firms or non-governmental entities that perform project development and administration activities for CDBG-assisted projects (project development, environmental review, grant application preparation, procurement assistance, grant administration) will NOT be allowed to also perform architectural, engineering, planning, or other related services/activities for grantees or their non-profit sub-recipients. These restrictions apply while persons are employed with a firm or agency, and for a period of one (1) year following their employment with that firm or agency. Units of general local government and certain special governmental units, and their employees, will be permitted to administer CDBG grants and undertake certain other activities to the extent that they may be reimbursed ONLY for actual expenses incurred, plus an overhead rate approved by a federal grantor agency or prepared by an independent accounting firm and approved by the IOCRA. The one-year post employment restriction, and the IOCRA certification requirements, will also apply to employees of such governmental units.

PUBLIC HEARINGS & CITIZEN PARTICIPATION

The Federal Act requires that at least two (2) public hearings be held on the proposed project. These two (2) public hearings must be held at different stages of project development. One public hearing must be held prior to the submission of the application and the second must be held after a draft of the planning study has been completed.

Indiana law prescribes the method by which the public must be notified of such hearings in this state. Among the statutory requirements contained in I.C. 5-3-1 is the publication of legal advertisement of each such hearing at least 10 calendar days in advance (the date of the hearing counts as day #10) in one newspaper of general circulation in the area where the project is to be implemented. Other provisions of I.C. 5-3-1 may also apply.

To be considered a legal public hearing, each hearing must have the required 10 days notice, must have been advertised through a legal advertisement, and said legal advertisement must contain all required information. All public hearings must be accessible to handicapped persons and non-English speaking persons, in addition to other requirements (see Sample Public Notice for First Hearing in the Samples Section of this application packet).

Other methods of soliciting public participation, such as letters to affected residents, fliers, public posting of notices, electronic and print media coverage, etc., **are also strongly recommended.** These other methods should take into consideration the needs and circumstances of low- to moderate-income persons.

The original publisher's affidavit(s) documenting publication dates for at least the required first public hearing must be attached to the application. Minutes from that public hearing, including a sign-in sheet, also must be attached to the application. *Note: if a third party, such as a grant administrator, takes the minutes of the meeting, the applicant must include a document stating that the third party is acting as its representative.* **Minutes must be signed and dated by the party that recorded them.** It is recommended that an audio tape of the public hearings be maintained until the grant is closed-out. The IOCRA may request transcripts of the public hearings.

APPLICATION PROCESS & DEADLINES

A total of three (3) copies of the application, at least one that bears the original signature of the chief elected official of the lead applicant, must be submitted to the Community Development Division of the IOCRA. Facsimile transmissions will not be accepted. **Applications are due by 5 p.m. in the office of the Community Development Division of the IOCRA on the last business day of each month.**

The following process must be followed:

1. **Letter of Intent to Submit Planning Application:**

A letter of intent to submit a planning grant application must be submitted prior to the start of the required procurement process used to select a consultant. A sample letter is included in the Samples section of this application packet. This letter will notify the Community Planning Specialist and the appropriate Community Development Specialist that a community intends to apply for a planning grant. Upon receipt of the letter, the Community Development Specialist will contact the community to set up a site visit to help develop the application and advise on the planning process.

Letters of Intent will be kept on file for six (6) months. If an application is not received within six (6) months of the date on the letter of intent, a new one will need to be submitted to the IOCRA.

2. **Procurement:**

The applicant must use Qualifications Based Selection (QBS) or Request for Proposal (RFP) process as laid out in the Procurement Overview in Appendix Two of this document. This process should begin after the applicant has met with IOCRA pertaining to their desired project, to allow inclusion in the scope of work any additional items identified at the site visit.

3. **Planning Grant Application:**

Planning grant applications will be reviewed during ongoing monthly funding cycles. The application deadline is the last business day of each month. Verbal notice of approval or denial of the grant will be given on or around the last working day of the following month. Denial notices will include reasons for denial and suggested areas for improvement. Unless notified otherwise, denied applicants may reapply when satisfactory changes to the proposed project are made.

NOTE: In the event of an incomplete application, the applicant will be required to make any changes that are necessary before an award is made. All of the additional information needed to complete the application must be submitted by the 20th of the month for consideration in that month's funding cycle. If the project is not awarded within 120 days from the last business day of the month of original submission, the community may be required to submit a new letter of intent and begin the process again.

Letters of Intent/Applications should be submitted to:

**Indiana Office of Community and Rural Affairs
Community Development Division
Attn: Planning Specialist
One North Capitol, Suite 600
Indianapolis, Indiana 46204**

4. **Grant Agreement Execution:**

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After verbal notice of the grant award has been given, the grantee will receive a letter signed by the Lieutenant Governor of the State of Indiana officially granting the award (usually within two weeks). Following that, the community will **receive one (1) copy of the grant agreement**, which needs to be signed by the chief elected official and returned to the state. Upon the state's receipt of these documents, the signatures of various state officials will be obtained. (This process can take up to eight weeks.) **Once all parties have signed the documents, the grant agreement is executed.** No contract(s) can be signed with consultants until a notice of Removal of Environmental Conditions and a Notice of Release of Funds and Authorization to Incur Costs have been issued by Grant Services.

The community will receive a copy of the Lieutenant Governor's Award Letter. **Prior to the award letter** will be a memo noting important deadlines and milestones for the grant. In general, these milestones are as follows:

Grant Award Date: the last day of the month

Lieutenant Governor's Award Letter: arrives within 2-3 weeks of the award date

Grant Agreement: two copies arrive with 2-3 weeks of the Award Letter

Grant Agreement Execution: takes 6-12 weeks, depending upon return from grantee

Contract Signed with Consultant: any date after the date of the last signature on the grant agreement

Final Plan Due at IOCRA: one year from Award Date

Expiration Date of Grant: three months after the plan is due

Term Date of Grant: one year from expiration date

5. Review of Draft Planning Study:

Upon completion of the draft planning study, two copies must be forwarded to the Community Planning Specialist, in the Community Development Division of IOCRA, for approval. The document will be reviewed to be sure all necessary components were included (please see Guidelines and Expectations for the Final Product). A minimum of thirty (30) days should be allowed for this review process. **Please note, however, that the plan is due to IOCRA three months prior to the deadline of the grant, in order to allow time for any revisions that may be necessary, as well as administrative close-out of the grant. If the community intends to apply for a Community Focus Fund (CFF) grant to implement the planned project, be aware that the draft planning study must be submitted to IOCRA for review at least 120 days prior to the CFF Application deadline, in order to allow for the same review, revision and processing time.** In addition to this review, the lead applicant **must** approve the plan by resolution. A sample resolution is provided in this packet; please see Sample Local Resolution Approving the Plan.

6. Planning Project Completion:

In addition to the submittal of the draft document for approval, a **second public hearing must be held to solicit public comment on the draft document.** This hearing must follow all the same guidelines discussed above in the Public Hearings and Citizen Participation section of this application packet. A sample notice is provided in this packet; please see Sample Public Notice for Second Hearing. A copy of the second public hearing notice, the publisher(s) affidavit, sign-in sheet, minutes, and the resolution approving the plan at the local level shall be forwarded to the Community Planning Specialist, Indiana Office of Community and Rural Affairs, Community Development Division. **Receipt of these documents and approval of the document must occur prior to the submission of the request for final draw down of funds, or the draw request will be denied.** *Note: if a third party, such as a grant administrator, takes the minutes of the meeting, the applicant must include a document stating that the third party is acting as its representative*

NOTE: It is expected that all planning projects funded under this program will be completed within one year.

GUIDELINES & EXPECTATIONS FOR FINAL PRODUCT

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The IOCRA has certain expectations for the document that is produced with grant funds, primarily that it assists the community in making an informed decision about their options and enables them to take the next step in the project. In order to fully provide the community with the information they need, the document must contain the following:

For all projects:

- The preparer of the plan should assume the audience is neither technically trained nor familiar with the history of this project. Should implementation not occur immediately, future community leaders (utility superintendents, town councils, and other interested parties) should be able to read this document and understand the situation and what had been considered to date. This product should provide historical documentation for the community's files;
- Funding information sufficient to aid the community in making decisions, including preliminary rate impact on the users and funding scenarios assuming different grant amounts or funding sources;
- **All options** adequately described, pros and cons discussed, and costs provided for each alternative before the recommended alternative is presented;
- An Executive Summary at the beginning of the report summarizing the description of the issues leading to the study, the discussion of the alternatives, the recommended actions, and cost estimates.

For infrastructure projects:

- All information, in the correct format, for submittal of the Preliminary Engineering Report (PER) to either USDA or IDEM for their funding programs;
- Regional options are given full consideration for new systems;
- Alternative technologies are given full consideration and explanation;
- Documentation that community members attended a meeting of the Environmental Infrastructure Working Group (EIWG), during the planning process.
- **When filling out rate information for infrastructure projects, please provide a realistic picture of what the rates actually will be with the various options provided within the plan.**

For Comprehensive Plans:

- **All comprehensive plans must include chapters on the following issues:** Transportation (including non-motorists), Housing, Public/Environmental Infrastructure, Recreation, Economic Development (including the Central Business District), Central Business District, Land Use, and Quality of Life.
- All sections must include a discussion of the following: existing conditions, factors contributing to those conditions, current and future trends, short-term and long-term goals for the community, and implementation steps for each goal. The Land Use and Downtown sections, and others as the community and consultant deem appropriate, should include a discussion of development standards.
- Demographic information should be presented early in the document.
- Public participation is absolutely essential to a successful process and outcome. The IOCRA expects that more than the minimum of two required public hearings is necessary to maximize the effectiveness of the resulting plan. A separate chapter of the document shall be dedicated to summarizing what process was followed and shall contain the meeting dates, sign in sheets, minutes or notes, and other details necessary for historical documentation.

In addition to the above information, planning grants funded by the Indiana Office of Community and Rural Affairs (IOCRA), Community Development Division shall adhere to the following guidelines:

Water Facility Plans:	RUS Bulletin 1780-2
Sewer System Studies:	RUS Bulletin 1780-3
Storm Drainage Plans:	RUS Bulletin 1780-5
Conservancy District Plans:	DNR Guidelines, I.C. 13-3-3-1 to 13-3-3-102
State Revolving Loan Projects:	IDEM Preliminary Engineering Report Guidelines

Downtown Redevelopment Plans: IOCRA Downtown Planning Guidelines

Historic Preservation Projects: The Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings.

HOW TO COMPLETE THE FORMS

Project Narrative

This is the section of the application where the community tells its story. It is organized to encourage brief but complete answers to the questions concerning project development and history. Please be succinct and use numerical or quantified information whenever possible. **Documentation that supports the narrative may be provided in the appendices; please be sure to reference the location of each piece of documentation, and do not include attachments that are not discussed and referenced in the narrative,** unless Federal or state policy requires those attachments.

Beneficiaries Form

The Beneficiaries Form is included to provide information on the demographic make-up of the people who will benefit from the project. This information is used by the Indiana Office of Community and Rural Affairs for reporting purposes.

This information is available from published U.S. Census reports available at many libraries or on the web at www.stats.indiana.edu. In those instances where the target population does not correspond to the population of a county, city or town, much of the requested information will have to be extrapolated from these U.S. Census reports. This is done by applying the percentages for county populations to the target population to derive numbers under each category. The number and percentage of low- and moderate-income persons should be taken either from HUD low- and moderate-income level data or from income survey results.

The Beneficiaries Form reflects the categories and format that HUD now expects to be reported. A special web page is available at www.stats.indiana.edu that can assist grant administrators in filling out this page. Please contact the Grant Services for further information.

Please make certain to provide information about persons, not families. Only in instances where different project activities have different beneficiaries (example: a project consisting of a water line extension and a new water tower for the entire system) does information need to be reported under more than one "activity description." In such instances, the numbers reported under each column should correspond to the groups benefiting from the respective activities.

In the event a community conducts an income survey, the number represented on the Beneficiaries Form should correspond to the results of the survey

Citizen Participation Report

The Citizen Participation Report requests a summary of the methods used to solicit public participation in the development of the proposed project and the decision to submit the application. As discussed in the Public Hearings & Citizen Participation section of this application packet, at least one properly advertised public hearing is required prior to application. Other methods of soliciting public participation, such as letters to affected residents, fliers, public posting of notices, electronic and print media coverage, etc. are also recommended. These other methods should take into consideration the needs and circumstances of low- to moderate-income persons. **Applicants maximizing public involvement will obtain higher scores on their applications.** Describe such methods on Items #3 of the Citizens Participation Report. Any comments or complaints received, the actions taken and the responses made to such comments or complaints must be recorded in Item #4.

Displacement Plan And Displacement Assessment

All applicants are required to complete the Displacement Assessment Form and a Displacement Plan even if no displacement will occur as a result of the proposed project. Where no displacement is anticipated, simply checking the

“N/A - No displacement will occur” line at the top of the form completes the displacement assessment form. The sample local displacement plan included may be used as a guide, and addresses the minimum requirements established.

Assurances And Certifications

Immediately preceding the space for the signature of the chief elected official is a list of assurances and certifications. By affixing his or her signature to the application, the chief elected official is committing the applicant to comply with these assurances if grant assistance is approved.

The assurances and certifications must be signed and dated by the chief elected official of the lead applicant. For cities, the chief elected official is the mayor; for towns, the president of the town council (not the clerk-treasurer); for counties, the president of the county commissioners. At a minimum, the chief elected official and/or the corporate counsel should read the assurances and understand the provisions to which the applicant is agreeing. Questions concerning the provisions of any of the assurances and certifications may be directed to the Community Development Division.

Civil Rights Certification

In addition to the assurances and certifications section, the civil rights certification has been included to certify that the local unit of government shall follow all necessary Federal civil rights requirements.

Federal Disclosure Requirements Of Applications

24 CFR Part 4

Section 102 of the HUD Reform Act of 1989

Applicants who have received or expect to receive \$200,000 or more in Community Development Block Grant funds in a federal fiscal year (October 1 to September 30) will be required to disclose certain information periodically.

All applications for CDBG assistance must include the following information:

- * Assistance from other government sources in connection with the project;
- * The financial interest of persons in the project;
- * The sources of funds to be made available for the project; and
- * The uses of all project funds.

Applications received from units of local government will be made available for public inspection for a period of 5 years, beginning not less than 30 days after award of assistance.

Certificate of Accessibility

Aside from equal employment opportunities and participation in CDBG funded projects, it is the responsibility of the Grantee to ensure that all newly constructed, leased, or financed buildings and facilities, as well as buildings assigned for public use, are designed, constructed, and altered so as to be accessible to and usable by persons with physical disabilities. To accomplish this, the Grantee must complete the following tasks:

- *Coordinate activities with the design architect or engineer;
- *Complete and submit as part of the application a Certification of Accessibility form.

APPLICATION COMPLETION CHECKLIST

Please ensure that all the following information is included with the application.

Please place the information in the application in the following order so that the Community Development Staff can review the information efficiently. Use tabs or some other mechanism to separate appendices and number pages for easy referencing.

- Application:** one (1) original and two (2) copies
- Cover Sheet**
 - Is the Very First Page of the Application
 - Match is at least 10% of the Total Project Cost
 - All blanks completed
- Application Narrative**, all questions answered
 - Project Description Page
 - Project Need Page
 - Financial Impact Page
 - Infrastructure Information Page
 - Local Effort Page
- Project Budget**
 - Numbers add up correctly
 - All budgets in agreement
 - Corresponds to cover page and narrative
 - Reasonable cost estimates for each line item
- The following forms**, completed and attached

<ul style="list-style-type: none"> <input type="checkbox"/> National Objective Form <input type="checkbox"/> Beneficiaries Form <input type="checkbox"/> Citizens Participation 	<ul style="list-style-type: none"> <input type="checkbox"/> Appropriate national objective indicated <input type="checkbox"/> Answered all questions related to the selected national objective <input type="checkbox"/> Slum-Blight Projects page included, as appropriate <input type="checkbox"/> Do the numbers add up? <input type="checkbox"/> If applicable, do numbers correspond to survey results? <input type="checkbox"/> The CFF request divided by the total number of beneficiaries does not exceed \$5,000 (\$10,000 for housing and day care projects) <input type="checkbox"/> Original publisher's affidavit for public meeting <input type="checkbox"/> Was ad at least 10 days prior? <input type="checkbox"/> Attach minutes of public hearing <input type="checkbox"/> Attach list of attendees for public hearing <input type="checkbox"/> Documentation of third party authorization
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APPENDIX ONE: Project Description Documentation

- Scope of Work
- Map of Service Area
- Sub-recipient not-for-profit status documentation, including Federal designation from the IRS, Indiana Dept. of Revenue certification, and certificate of good standing from the Secretary of State

APPENDIX TWO: Project Need Documentation

- Color Copies of all pictures provided in all copies of application

APPENDIX THREE: Financial Impact Documentation

- Ending fund balances for lead applicant (**Do not include all budget pages**)
- County advertised tax sheet
- Annual operating budget of sub-recipient, if applicable

APPENDIX FOUR: Local Effort Documentation

APPENDIX FIVE: National Objective Information

- Maps
 - Boundaries of jurisdiction shown
 - Project area shown
 - Service area corresponds to survey area
 - Floodplain shown
 - USGS map (preferred)
- Income Survey Information (if applicable)
 - Description of survey methodology
 - Copy of sample survey form
 - Copies of written survey material (instructions, cover letter, etc.)
 - Map of survey area
 - Survey results analysis form
 - Certification letter
- Slum and Blight Declaratory Resolution (if applicable)

APPENDIX SIX: Readiness Information

- Environmental Exemption Letter
- Local match commitment resolution indicating source and amount of match
- Correspondence from bank, not-for-profit or other funding source (if applicable. Must be with original signature on letterhead)

APPENDIX SEVEN: Legal Information

- Displacement Assessment
- Displacement Plan (See Sample)
- Assurances and Certifications
 - Original signature of Chief Elected Official
- Disclosure Report
- Certification of Accessibility
- Civil Rights Certification
 - Original signature of Chief Elected Official
- Cooperation Agreements (if applicable)
- Multi-jurisdictional (if applicable)
 - Assurances and Certifications for each jurisdiction
 - Citizens participation for each jurisdiction
 - Public hearings held for each jurisdiction
 - Displacement Plans and Assessments for each jurisdiction
 - Legal opinions for each jurisdiction affirming interlocal cooperation
 - Resolution for each jurisdiction

APPENDIX EIGHT: Procurement Documentation (only required in the original document)

- Copy of the detailed scope of work
- Original legal ad announcing Request for Proposals/Qualifications and publisher's affidavit
- Copies of certified mail receipts
- List of firms solicited
- List of at least two MBE firms solicited (please note which firms are MBE)**
- List of firms responding to solicitation
- List of firms on the short list
- List of scoring/selection committee members and titles
- Copies of all SIGNED score sheets (one per committee member per firm considered)
- Summary of scores (Group Interview Evaluation Form)
- Copies of any correspondence to firms, **including copies of letters sent to firms not selected**
- Copy of proposed contract with selected firm, including Third Party Contract Provisions

II: PLANNING GRANT APPLICATION

(COVER SHEET)

A. CHIEF ELECTED OFFICIAL (NAME & TITLE):

LEAD (LEGAL) APPLICANT:

MAILING ADDRESS:

CITY: COUNTY: CDBG County Code:

ZIP: PHONE: FAX:

E-MAIL:

CHIEF FINANCIAL OFFICER (NAME & TITLE):

PHONE: EMAIL:

IF NOT CHIEF ELECTED OFFICIAL, WHO IS THE PRIMARY COMMUNITY CONTACT FOR THIS PROJECT? (NAME & TITLE):

PHONE: EMAIL:

FEDERAL I.D. /TAX NUMBER:

B. GRANT ADMINSTRATOR:

ORGANIZATION:

ADDRESS:

CITY:

ZIP: PHONE: FAX:

E-MAIL:

METHOD OF PROCUREMENT (check one): RFP , Local Funds: .

DATE OF MOST RECENT CERTIFICATION FROM IOCRA

PROJECT TITLE:

PROJECT ABSTRACT:

C. LEAD APPLICATION CENSUS POPULATION:	1990:	2000:
LEAD APPLICANT CURRENT ASSESSED VAUATION:	\$	\$
BASIS FOR VALUATION: NET ASSESSED VALUATION		TRUE TAX VALUE

D. <u>PROJECT FUNDING SOURCES:</u>	<u>AMOUNT</u>
PLANNING GRANT AMOUNT REQUESTED:	\$
MATCH AMOUNT (At least 10% of TOTAL PROJECT COST):	\$
TOTAL PROJECT COST:	\$
LIST SOURCE(S) OF MATCH:	

G. LIST PROFESSIONAL/FIRM TO COMPLETE PLAN:
METHOD OF PROCUREMENT (check one): QBS , Local Funds .

H. FAIR HOUSING ORDINANCE (check one): **On-file with IOCRA , Attached .**
DRUG FREE WORK-PLACE POLICY (check one): **On-file IOCRA , Attached .**

APPLICANT INFORMATION CONTINUED

LIST ARCHITECT/ENGINEER:

METHOD OF PROCUREMENT (check one): QBS RFP Local Funds

FAIR HOUSING ORDINANCE (check one): **On file with IOCRA**
Attached (Appendix A-2) None

DRUG FREE WORK-PLACE POLICY (check one): **On file with IOCRA** Attached (Appendix A-3) None

**In what Indiana Senate District does this project fall under?
State Senator representing this district:**

**In what Indiana House of Representatives District does this project fall under?
State Representative representing this district:**

Is the project site is within a certified “Clean City” by IDEM?

Project Description

Describe below what exactly is proposed, i.e. the components or summarized scope of the project. List or mention all major project activities, including only as much detail as necessary to give someone who is not familiar with the project a general understanding of what is planned. Attach in Appendix One the scope of work and a map of the project area.

Identify the guidelines that will be used to prepare the final document (see the *Guidelines & Expectations for the Final Product* section of the Application Instructions for minimum requirements).

Timeline

Provide below the major milestones involved in this project and the timing of each to allow for completion of all planning activities within one year (estimate the date of the second public hearing to receive comment on the draft planning study).

For Comprehensive Planning

Has the community completed a Comprehensive Plan in the past? **Yes** **No**

If yes, please answer the following questions:

In what year was the plan completed? **Yes** **No**

Has the plan been updated since its completion? **Yes** **No**

Were CDBG funds used to pay for any portion of the existing plan? **Yes** **No**

Has the plan been implemented? **Yes** **No**

PLANNING GRANT PROJECT NARRATIVE, continued

Project Need

Discuss below why the community needs this project. Specifically, address each of the following (you may attach additional sheets if necessary):

- Describe particular community problems that have prompted an interest in this project. Be as specific as possible and provide dates and other details.

- Explain why this planning project is the **NUMBER ONE** priority for the community. Explain how this priority was determined.

- Describe other issues the community is facing.

- List the current plans/documents used by the community (e.g. Community Development Plan, Economic Development Plan, Comprehensive Plan, Capital Improvement Plan) and provide the dates of the most recent updates. Explain how this project fits into the objectives of the plan(s). If there are no formal plans currently used by the community, explain how the community proposes to identify and address future needs of the residents.

- Assuming this project was completed and implemented, describe the next anticipated priority of the community.

PLANNING GRANT APPLICATION NARRATIVE, continued

Financial Impact

Answer the following questions completely and thoroughly and provide additional information as necessary to explain why local resources are insufficient to fund or carry out the proposed planning activities:

Assessed Valuation (AV) \$

Net Assessed Valuation True Tax Value

Total current population (2000 Census)

AV per capita (AV divided by total pop.) \$

Total community indebtedness \$

Annual Operating budget of Community: \$

Total property tax rate

Attach and reference the county advertised tax sheet

Annual operating budget for the applicant \$

List other taxes (EDIT, CEDIT, CAGIT, COIT, etc.) or sources of income for the applicant.

In the space provided, please address the following:

- **Explain ANY balances in operating budgets and capital reserve funds (attach year end balances).**
- Itemize components of any local debt.
- If there is a sub-recipient, explain their financial condition and why they cannot afford the project without grant assistance. Attach the organization's annual budget and other relevant financial information.
- Describe other issues, unrelated to this project, that have demanded the community's resources over the past 3-5 years, as well as any know projects scheduled for the next year. Please quantify any investment of time or finances.

PLANNING GRANT APPLICATION NARRATIVE, continued
(Complete this form for ALL projects)

Infrastructure

Is your community under an enforcement action by another state agency? Yes No
 (Attach and reference/documentation/correspondence, i.e. early warning sewer ban, IDEM Agreed Order, etc.) If yes, please describe:

Provide the total number of users on the system:

	Water Utility	Sewer Utility	Storm water Utility
Residential Users			
Commercial/Industrial Users			
Total Users			

Provide the following current rate information:

Current water rate for 4,000 gallons	
Current sewer rate for 4,000 gallons	
Current Storm water rate	
Total combined rate for 4,000 gallons	

Are rate increases subject to approval of the Indiana Utility Rate Commission (IURC)? Yes No

Provide the following rate history information:

	Year current ordinance was passed	Year previous ordinance was passed	Change in rates (in dollars)
Water Ordinance			
Sewer Ordinance			
Storm water Ordinance			

Attach in Appendix Three and reference the most recent water and sewer rate ordinances (for utility projects only).

Provide the following information on the existing systems:

	Age	Capacity	Avg. Daily Flow/Usage	Max. Daily Flow/Usage	Date and type of most recent major capital improvement
Sewer					
Water					
Storm water					

PLANNING GRANT APPLICATION NARRATIVE, continued

Local Effort

This is the opportunity to explain all the community has been able to accomplish, both in regard to this project and in other areas. In the space provided, please address the following:

- Describe past and current efforts to address the problem locally. Please quantify any investment, of time or finances, which the community has already made to correct the problem.
- Describe other activities undertaken by the applicant and/or sub-recipient in the past 3-5 years to improve the livability of the community. (Note: do not repeat information already shared in the Financial Impact narrative.)
- Explain the expected useful life of this document, and the frequency of updates needed. Describe any efforts being taken to finance future plans. Indicate how attention will be given to provide for the maintenance of the improvements that may be proposed.
- Describe in detail the public participation process proposed for the planning project. Indicate how the community will make extra efforts to ensure public involvement throughout the planning process, in addition to the two required public hearings.
- List all previously conducted studies related to this issue or system, including cost, year, and a summary of the scope of work.
- List any previous grant awards, including but not limited to IOCRA funds.

PROJECT BUDGET

Summarize all project costs by funding source.

ACTIVITY	CDBG	LOCAL	TOTAL
Planning			
Environmental Review*			
Administration **			
TOTAL			

*If using CDBG funds for Environmental Review, maximum amount permitted for this use is \$3000.

**If using CDBG funds for grant administration, then maximum amount permitted is 8% of the total CDBG requested or \$4000, whichever is less. Please see additional information in the "Consultants & Grant Administration" section of the Application Instructions.

List sources of local match and leveraged funds:
(Documentation of financial commitments from all sources is required)

Source	Amount
TOTAL LOCAL LEVERAGE	

In addition to completing the above forms, attach an itemized budget as the next page of this application.

NATIONAL OBJECTIVE IDENTIFICATION

CHECK ONLY ONE OF THE NATIONAL OBJECTIVES BELOW. ALL PROJECTS MUST PROVIDE ALL INFORMATION REQUESTED ON THIS PAGE.

Benefit to Low- and Moderate-Income Persons

Area Benefit Limited Clientele Housing Jobs

Prevention or Elimination of Slums or Blight

Area Basis Spot Basis

List percentage of population of low- and moderate-income persons served by this project: %

Source: 2000 Census Data* or Income Survey (attach and reference income survey)

Date of first income survey certification letter

Date of second income survey certification letter, if applicable

List the census tract number(s) that are to be included in the project area:

List the census tract block group(s) that are to be included in the project area:

*Please refer to page I-4 of this application packet for further information on acceptable data.

Below, explain your selection of the above H.U.D. National Objective. REFER TO PAGES I-3 & I-4 OF THE INSTRUCTIONS FOR QUESTIONS TO BE ADDRESSED REGARDING THE NATIONAL OBJECTIVE SELECTED. For Low-moderate income/Area Benefit, there are five questions and two attachments required. For Low-moderate income/Limited Clientele, there are three questions required. For Slum/Blight/Area Wide there are five questions and two attachments required. For Slum/Blight/Spot Basis there are two questions and one attachment required.

NATIONAL OBJECTIVE IDENTIFICATION: SLUM/BLIGHT PROJECTS

Please check the statements that are appropriate for your project. Attach documentation in the National Objective Appendix (Appendix 5) supporting your selections.

Please check the statements that are appropriate for your project. Attach documentation in the National Objective Appendix (Appendix J) supporting your selections.

- Slum/Blight Area or Spot designated by resolution of the local unit of government (50 points)
- The applicant is an Indiana Main Street Community, and the project relates to downtown revitalization (5 points)
- The project is located in a designated redevelopment area under IC 36-7-14 (5 points)
- The building or district is listed on the Indiana or National Register of Historic Places (10 points)
- The building or district is eligible for listing on the Indiana or National Register of Historic Places (5 points)
- The building or district is on the Historic Landmarks Foundation of Indiana's "10 Most Endangered List" (15 points)

* The State of Indiana defines a Brownfield as a parcel of real estate that is abandoned or inactive; or may not be operated at its appropriate use; and on which expansion, redevelopment, or reuse is complicated because of the presence or potential presence of a hazardous substance, a contaminant, petroleum, or a petroleum product that poses a risk to human health and the environment.

BENEFICIARIES

Items 11-20 MUST add up to the number of people as well as low/moderate and non-low/moderate columns!

Project Title:

Total Beneficiaries (all activities):

		Total	Of the total population in the service area, how many are Hispanic?	Activity Description
S I N G L E R A C E	11	Number of Whites		
		Percent		
	12	Number of Blacks / African Americans		
		Percent		
	13	Number of Asian		
		Percent		
	14	Number of American Indian / Alaskan Native		
		Percent		
	15	Number of Native Hawaiian / Other Pacific Islander		
		Percent		
M U L T I R A C E	16	American Indian / Alaskan Native & White		
		Percent		
	17	Asian & White		
		Percent		
	18	Black / African American & White		
		Percent		
	19	American Indian / Alaskan Native & Black / African American		
		Percent		
	20	Balance / Other		
		Percent		
		Number of Handicapped		
		Percent		
		Number of Elderly People		
		Percent		
		Number of Female-headed Households		
		Percent		
	Number of Low/Moderate-Income People			
	Percent			
	Number of Non-Low/Moderate People			
	Percent			

CITIZEN PARTICIPATION REPORT

1. Complete the following.

Planning information to the public	Date
Notice of first public hearing	
Date of first public hearing	
Anticipated Notice of second public hearing	
Anticipated Date of second public hearing	

2. Describe the methods used to solicit participation of low- and moderate-income persons:

3. Denote any adverse comments/complaints received and describe resolution:

After this page, include the following

- * Publisher’s affidavit of all public notices.
- * Minutes of the public hearings including a sign-in sheet of attendees.
- * Copy of response(s) to comments and/or complaints.

I certify that submission of this **application** has been duly authorized by the governing body of the applicant; that the applicant has the legal capacity to carry out the proposed project; that the proposed project is designed to meet the identified housing and community development needs of the community, including those of low- and moderate-income persons; and that the proposed project will minimize the need for displacement of businesses and families and provide reasonable benefits for those displaced. I also certify that the proposed project will be completed within fifteen (15) months of contract award, if approved.

Signature, Chief Elected Official

Date

Typed Name and Title:

DISPLACEMENT ASSESSMENT

N/A - No displacement will occur

INSTRUCTIONS: Use this page to assess displacement plans and strategy.

1. Describe the need for displacement:

2. Substantiate the need for displacement:

3. Explain how displacement will be minimized:

4. Explain how the negative effects of displacement will be minimized:

Attach Local Displacement Plan even if displacement will not occur – see Sample in Sample Section of this Application Packet.

**INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS
COMMUNITY DEVELOPMENT BLOCK GRANT SMALL CITIES PROGRAM
ASSURANCES AND CERTIFICATIONS**

The applicant hereby assures and certifies that:

- (a) It possesses legal authority to apply for the grant, and to execute the proposed program.
- (b) Its governing body has duly adopted or passed as an official act a resolution, motion or similar action authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
- (c) It has complied with all requirements of Executive Order 12372, and that either:
 - 1) Any comments or recommendations made by or through clearinghouses are attached and have been considered prior to submission of the application; or
 - 2) The required procedures have been followed and no comments or recommendations have been received prior to submission of the application.
- (d) It has facilitated or will facilitate citizen participation by:
 - 1) Publishing a statement of proposed activities so that affected citizens have an opportunity to Submit comments on the proposed activities and community development performance of the applicant;
 - 2) Providing adequate notices for two or more public hearings, specifically to persons of low- and moderate-income;
 - 3) Holding two or more public hearings on the proposed application at times and locations convenient to potential beneficiaries, convenient to the handicapped, and meeting needs of non-English speaking residents, if appropriate, to obtain citizens' views before adoption of a resolution or similar action by the local governing body authorizing the filing of the application;
 - 4) Providing citizens information concerning the amount of funds available for proposed community development activities and the range of those activities;
 - 5) Providing citizens with information concerning the amount of funds that will benefit persons of low- and moderate-income;
 - 6) Furnishing citizens with the plans made to minimize the displacement of persons and to assist persons actually displaced as a result of grant activities;
 - 7) Providing technical assistance to groups representing persons of low- and moderate-income requesting such assistance in developing proposals;
 - 8) Providing citizens with reasonable notice of substantial changes proposed in the use of grant funds and providing opportunity for public comment;
 - 9) Providing citizens with reasonable access to records regarding the past use of CDBG funds received; and
 - 10) Any modifications or amendments of the program that are made from time to time will be made in accordance with the same procedures required in (d) for the preparation and submission of a statement of proposed activities.
- (e) It has identified housing and community development needs, including those of low- and moderate-income persons and the activities to be undertaken to meet such needs.
- (f) The Community Development program has been developed so as to give maximum feasible priority to activities that will benefit low- and moderate-income families, or aid in the prevention or elimination of slums or blight.

[The requirement for this certification will not preclude the Indiana Office of Community and Rural Affairs from approving an application where the applicant certifies, and the Indiana Office of Community and Rural Affairs determines, that all or part of the Community Development Program activities are designed to meet other community development needs having a particular urgency as specifically explained in the application.]

- (g) It will minimize displacement of persons and provide for reasonable benefits to any person involuntarily and permanently displaced as a result of activities associated with program funds.
- (h) It will not attempt to recover any capital costs of public improvements assisted in whole or part with CDBG funds by assessing any amount against properties owned and occupied by persons of low- and moderate-income including any fee

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charged or assessment made as a condition of obtaining access to such public improvements, unless (I) CDBG funds received are used to pay the proportion of such fee or assessment that relates to the capital costs of public improvements that are financed from revenue sources other than CDBG funds; or (II) for purposes of assisting any amount against properties owned and occupied by persons of low- and moderate-income who are not persons of very low income, the grantee certified to the Secretary or such State, as the case may be, that it lacks sufficient funds received from CDBG Program to comply with the requirements of clause.

- (i) It will comply with all requirements imposed by the State concerning special requirements of law, program requirements, and other administrative requirements approved in accordance with OMB Circular No. A-102, Revised, which includes a provision that program or project completion be no longer than eighteen (18) months from project startup, inclusive of the bid process for professional and engineering services as well as program close-out. In addition, said provision includes an assurance of the availability of project funds, both local and private, upon award of the project grant.
- (j) It will comply with:
 - 1) Section 110 of the Housing and Community Development Act of 1974, as amended, by the Housing and Urban-Rural Recovery Act of 1983 and the Housing and Community Development Act of 1987, 24 CFR 570.603, and State regulations regarding the administration and enforcement of labor standards;
 - 2) The provisions of the Davis-Bacon Act (46 U.S.C. S 276a-5) with respect to prevailing wage rates (except for projects for the rehabilitation of residential properties of fewer than eight units);
 - 3) Contract Work Hours and Safety Standards Act of 1962, 40 U.S.C. 327-332, requiring that mechanics and laborers (including watchmen and guards) employed on federally assisted contracts be paid wages of not less than one and one-half times their basic wage rates for all hours worked in excess of forty in a work-week, and
 - 4) Federal Fair Labor Standards Act, 29 U.S.C. S 102 et seq., requiring that covered employees be paid at least the minimum prescribed wage, and also that they be paid one and one-half times their basic wage rate for all hours worked in excess of the prescribed work-week; and
 - 5) Anti-kickback (Copeland) Act of 1934, 18 U.S.C. S 874 and 40 U.S.C. S 276c, which outlaws and prescribes penalties for “kickbacks” of wages in federally financed or assisted construction activities.
- (k) It will comply with all requirements imposed by the State concerning special requirements of law, program requirements, and other administrative requirements.
- (l) It will comply with:
 - 1) Title VI of the Civil Rights Act of 1964 (Public Law 88-352), and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no person in the United States shall on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant received Federal financial assistance and will immediately take any measures necessary to effectuate this assurance. If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the applicant, this assurance shall obligate the applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits;
 - 2) The Fair Housing Act (previously known as Title VIII of the Civil Rights Act of 1968) (Public Law 90-284), as amended, administering all programs and activities relating to housing and community development in a manner to affirmatively further fair housing in the sale or rental of housing, the financing of housing, and the provision of brokerage services;
 - 3) Section 109 of Title I of the Housing and Community Development Act of 1987, as amended, and the regulations issued pursuant thereto (24 CFR 570.602), which provides that no person in the United States shall, on the grounds of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or part with funds provided under the Act. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to otherwise qualified handicapped individuals as provided in Section 504 of the Rehabilitation Act of 1973 shall also apply to any such program activity;
 - 4) Executive Order 11063, as amended by Executive Order 12259 on equal opportunity in housing and non-discrimination in the sale or rental of housing built with Federal assistance, and requiring that programs and activities relating to housing and urban development be administered in a manner affirmatively to further the goals of Title VIII of the Civil Rights Act of 1968; and

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- 5) Executive Order 11246 as amended by Executive Orders 11375 and 12086, and the regulations issued pursuant hereto (24 CFR Part 130 and 41 CFR Chapter 60), and the regulations issued pursuant thereto (24 CFR Part 130 and 41 CFR Chapter 60), the Indiana Code (I.C. 22-9-1-10), which provides that no person shall be discriminated against on the basis of race, color, religion, sex or national origin in all phases of employment during the performance of Federal or federally assisted construction contracts. Contractors and subcontractors on Federal and federally assisted construction contracts shall take affirmative action to insure fair treatment in employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training and apprenticeship.
- (m) It will comply with Section 3 of the Housing and Urban Development Act of 1968, as amended, requiring that to the greatest extent feasible opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by, persons residing within the unit of local government.
- (n) It will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and Federal implementing regulation at 49 CFR Part 24, and the requirements of section 570.496a and it is following a residential anti-displacement and relocation assistance plan under section 104(d) of Title I of the Housing & Community Development Act of 1974, as amended.
- (o) It will establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business or other ties.
- (p) It will comply with the provisions of the Hatch Act, which limits the political activity of employees.
- (q) It will give State, HUD and the Comptroller General through any authorized representatives, access to and the right to examine all records, books, papers, or documents related to the grant.
- (r) Its chief executive officer or other officer of applicant approved by the Indiana Office of Community and Rural Affairs:
 - 1) Consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 (NEPA)(42 U.S.C. S 4321 et seq.) and other provisions of Federal law, as specified at 24 CFR 58.1 (a)(3) and (a)(4), which further the purposes of NEPA insofar as the provisions of such Federal law apply to the Indiana Small Cities Development Block Grant Program; and
 - 2) Is authorized and consents on behalf of the applicant and himself/herself to accept the jurisdiction of the Federal courts for the purpose of enforcement of his/her responsibilities as such an official.
- (s) It will comply with:
 - 1) The National Environmental Policy Act of 1969 (42 U.S.C. S 4321 et seq.) and 24 CFR Part 58, and in connection with its performance of environmental assessments under the National Environmental Policy Act of 1969, comply with Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470), Executive Order 11593, and the Preservation of Archaeological and Historical Data Act of 1966 (U.S.C. 469a-1, et seq.) by:
 - a) Consulting with the State Historic Preservation Officer to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR Part 800.8) by the proposed activity; and
 - b) Complying with all requirements established by the State and to avoid or mitigate adverse effects upon such properties.
 - 2) Executive Order 11988, Floodplain Management;
 - 3) Executive Order 11990, Protection of Wetlands;
 - 4) Endangered Species Act of 1973, as amended, (16 U.S.C. Section 1531 et seq.);
 - 5) The Fish and Wildlife Coordination Act of 1958, as amended, (16 U.S.C. Section 661 et seq.);
 - 6) The Wild and Scenic Rivers Act of 1968, as amended, (16 U.S.C. Section 1271);
 - 7) The Safe Drinking Water Act of 1974, as amended, (42 U.S.C. Section 300f et seq.);
 - 8) Section 401(f) of the Lead-Based Paint Poisoning Prevention Act, as amended, (42 U.S.C. Section 4831 (b));
 - 9) The Clean Air Act of 1970, as amended, (42 U.S.C. Section 7401 et seq.);
 - 10) The Federal Water Pollution Control Act of 1972, as amended, (33 U.S.C. Section 1251 et seq.);
 - 11) The Clean Water Act of 1977 (Public Law 95-217); and

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- 12) The Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 et seq.);
 - 13) Section 202(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106) as it relates to the mandatory purchase of flood insurance for special flood hazard areas.
- (t) It will comply with all parts of Title I of the Housing and Community Development Act of 1974, as amended, which have not been cited previously as well as with other applicable laws.
 - (u) It will comply with the provisions of the Indiana Code (I.C.) 35-44-1-3 and 4.
 - (v) It will abide by the provision that no member, officer, or employee of the grantee or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercise any functions or responsibilities with respect to the program during the tenure or for one year thereafter shall have any direct or indirect interest in any contractor, subcontractor, or the proceeds thereof, financed in whole or in part with Title I grants.
 - (w) It agrees to repay to the State of Indiana any funds under this program which, as the result of a HUD or State of Indiana authorized audit, are found to have been spent in an unauthorized manner or for unauthorized activities.
 - (x) It certifies that none of the funds being applied for will be used to substitute for any local, state, federal or private dollars that have been committed to the project as proposed in this application.
 - (y) It certifies that it has adopted and will enforce a policy of prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction (Section 104(l) of Title I of the Housing & Community Development Act of 1974, as amended).
 - (z) It certifies that pursuant to 31 U.S.C. Section 1352, and any regulations promulgated thereunder:
 - 1) no federal appropriated funds have been paid or will be paid, by or on behalf of the applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative, agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
 - 2) if any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the proposed Federal contract, grant, loan, or cooperative agreement, the applicant shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
 - 3) The applicant shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-contracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

THE LEGAL APPLICANT/RECIPIENT CERTIFIES THAT:

To the best of my knowledge and belief, the recipient will comply with the above assurances if assistance is approved. CERTIFYING REPRESENTATIVE: (To be signed by Chief Elected Official or Designee)

Signature, Chief Elected Official

Date

Name

Title

Date

PART I - APPLICANT/GRANTEE INFORMATION

1. Applicant/grantee name, address and phone number

2. Indicate whether this is:

Initial Report

Update Report

Grant Number (Updates only):

Federal employer identification number:

3. Project Assisted/to be Assisted.

a. Fiscal year:

b. Entitlement grant(s)

Competitive grant

c. Amount requested/received:

d. Program income to be used with c. above:

e. Total of c. and d.:

PART II - THRESHOLD DETERMINATIONS

1. Is the amount listed at 3.e. (above) more than \$200,000? Yes No

2. Have you received or applied for other HUD assistance (through programs listed in Appendix B of the instructions) which when added to 3.e. (above) amounts to more than \$200,000? Yes No

If the answer to either 1 or 2 of this part is "yes", then you must complete the remainder of this report.

If the answer to both 1 and 2 of this part is "no", then you are not required to complete the remainder of this report, but must sign the following certification.

I hereby certify that this information is true.

(Chief Elected Official)

(Date)

PART III - OTHER GOVERNMENT ASSISTANCE PROVIDED/APPLIED FOR

1. Provide the requested information for any other Federal, State and/or local governmental assistance, on hand or applied for, that will be used in conjunction with the CDBG grant. (See Appendix B of the instructions)

Name and Address of Agency Providing or to provide Assistance	Program	Type of Assistance	Amount requested or Provided
--	---------	-----------------------	---------------------------------

PART IV - INTERESTED PARTIES

Alphabetical List of All Persons With Reportable Financial Interest in the Project	SSN or Employer ID No.	Type of Participation in Project	Financial Interest In Project S & %
--	------------------------------	-------------------------------------	--

PART V - EXPECTED SOURCES AND USES OF FUNDS

This Part requires that you identify the sources and uses of all assistance that have been or may be used in the project.

Source	Use
--------	-----

PART VI - CERTIFICATION

I hereby certify that the information provided in this disclosure is true and correct and I am aware that any false information or lack of information knowingly made or omitted may subject me to civil or criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, I am aware that if I knowingly and materially violate any required disclosure of information, including intentional non-disclosure, I am subject to a civil money penalty not to exceed \$10,000 for each violation.

(Chief Elected Official)

Date

Name

Title

Certification of Accessibility

I hereby certify that all applicable handicap standards of accessibility for the following project:

Project Name:	
Grantee:	
Grant Number:	

Project Classification (Check applicable box.)

Project is Exempt:	<input type="checkbox"/>
Project has been designed in consistency with the current interpretation of the federal, state and local laws, regulations and codes:	<input type="checkbox"/>

Type of CDBG Project (Check applicable box.)

Sewer Facilities	<input type="checkbox"/>	Water Facilities	<input type="checkbox"/>	Drainage Facilities	<input type="checkbox"/>
Planning Activity	<input type="checkbox"/>	Public Facilities	<input type="checkbox"/>	Other	<input type="checkbox"/>

In addition to the above, indicate efforts made by the Grantee/Sub-recipient to adhere to Section 504 regulations governing the accessibility of federally assisted buildings and facilities. (Check all that apply.)

Programs and program information are made accessible to individuals with handicaps.	<input type="checkbox"/>
Has obtained special communication systems if needed (TTY, Braille).	<input type="checkbox"/>
Policies and procedures are nondiscriminatory.	<input type="checkbox"/>
Made reasonable accommodations for persons with known handicaps.	<input type="checkbox"/>

To be completed by Grantee/Sub-recipient with more than 15 employees: (Check all that apply.)

Designated Section 504 Coordinator.	<input type="checkbox"/>
Notified participants of non-discrimination policies.	<input type="checkbox"/>
Conducted self-evaluation of compliance.	<input type="checkbox"/>
Other, describe:	

Signatures

Signature of Chief-Elected Official:	
Date:	
Signature of Design Engineer:	
Date:	

CIVIL RIGHTS CERTIFICATION

The Applicant, any contractor, any subcontractor, or any other party performing any services or having any responsibilities hereunder shall fully and completely comply with the following:

- a) Section 109 of the Housing and Community Development Act of 1974 which requires that no person in the United States shall on the grounds of race, color, national origin or sex, be excluded from the participation in, be denied the benefits of, or be subjected to, discrimination under any program or activity funded in whole or in part with Community Development Block Grant (CDBG) funds.
- b) Shall not, under any program or activity pursuant to this Agreement, directly or through contractual or other arrangements, on the grounds of race, color, national origin, sex, age, handicap status or religion:
 - i. Deny any individual any facilities, services, financial aid or other benefits provided under the program or activity.
 - ii. Provide any facilities, services, financial aid or other benefits in a different form from the provided under the program or activity.
 - iii. Subject any person to segregated or separate treatment in, or in any matter of process related to receipt of any services or benefit under the program or activity.
 - iv. Restrict an individual in any way access to, or the enjoyment of, any advantages or privilege enjoyed by others in connection with facilities, services, financial aid or any other benefits under the program or activity.
 - v. Treat an individual different from others in determining whether the individual satisfies any admission, enrollment, eligibility, membership, or other requirement or condition which the individual must meet in order to be provided any facilities, services or any benefit provided under the program or activity.
 - vi. Deny an individual an opportunity to participate in a program or activity as an employee.
- c) Shall not use criteria or methods of administration which have the effect of subjecting individuals to discrimination on the basis of race, national origin, sex, age, handicap status or religion, or have the effect of defeating or substantially impairing the accomplishment of the objectives of the Housing and Community Development Act of 1974, (as amended).
- d) In determining a site or location of housing or facilities shall not make selections of such site or location which have the effect of excluding individuals from, denying them the benefits of, or subjecting them to discrimination on the grounds of race, color, national origin, sex, age, handicap status, or religion.

The Applicant in all contracts or agreements subject to Executive Order 11246 shall be subject to HUD Equal Employment Opportunity regulations at 24 CFI Part 130 applicable to HUD assisted construction contracts.

The Applicant shall cause or require to be inserted in full in any non-exempt contract and subcontract for construction work, or modification thereof, as defined in said regulations, which is paid for in whole or in part with assistance provided under this Agreement, the following equal opportunity clause:

The Applicant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin or handicap. Such action shall include, but not limit to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training; including apprenticeship. The applicant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Grantor setting for the provisions of this nondiscrimination clause.

The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the applicant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

PLANNINGAPP

The Applicant/Contractor will comply with all provisions of Executive Order 11246 of September 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Applicant/Contractor will comply with all provisions of Title VIII, Civil Rights Act of 1968, which prohibits discrimination in the sale or rental of dwellings, discrimination in the financing of housing, blockbusting, and discriminatory advertising and makes it unlawful to deny any person access to, or membership or participation in, any multiple listing services or real estate brokers' organization for discriminatory reasons.

The Applicant/Contractor will comply with Section 3 Housing and Urban Development Act of 1968, Section 504: Rehabilitation Act of 1974, Executive Order 11063 and all other Federal Rules and Regulations.

The Applicant will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules and regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Department and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

In the event of the Applicant's noncompliance with the nondiscrimination clauses of an executed agreement or with any such rules, regulations, or orders, this agreement may be canceled, terminated or suspended in whole or in part and the applicant may be declared ineligible for further government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 14, 1965, or by rule, regulation, or order of the Secretary of Labor.

The Applicant shall require that the language referred to in this certification be included in the award documents for all sub-awards at all tiers (including sub-contract, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

The Legal Applicant/Recipient Certifies That:

To the best of my knowledge and belief, the recipient will comply with the above certification if assistance is approved.

Certifying Representative: (To be signed by Chief Elected Official or Designee)

Signature, chief Elected Official

Date

Name (typed or printed)

Title

Date

III. SAMPLES

LETTER OF INTENT TO SUBMIT PLANNING APPLICATION

Date: _____

Community Planning Specialist
Indiana Office of Community and Rural Affairs
Community Development Division
One North Capitol, Suite 600
Indianapolis, Indiana 46204

Re: Notice of Intent to Submit Planning Application

Dear _____:

The **(city, town, county)** seeks to submit a planning grant application within the next six months. We are requesting a site visit prior to beginning the procurement process for this project. The **(city, town, county)** wishes to obtain a planning grant from the Indiana Office of Community and Rural Affairs for **(describe the proposed project)**.

The estimated cost of the planning project is **\$(estimated cost)**, which includes the following work items: **(summarize the scope of work)**.

As the chief elected official of **(city, town, county)**, I am signing this letter in anticipation of receiving your assistance in developing our planning grant application. Please contact **(contact person's name and title)** at **(phone number)** regarding this project.

Sincerely,

(Chief Elected Official)

SAMPLE

**LEGAL ADVERTISEMENT FOR REQUEST FOR
QUALIFICATIONS/REQUEST FOR PROPOSALS**

**REQUEST FOR PROPOSAL/STATEMENT OF QUALIFICATIONS
TOWN OF AMERICANA, INDIANA**

In order to assure compliance with the Indiana Office of Community and Rural Affairs (IOCRA) and related requirements regarding competitive negotiation of planning services, the Town of Americana is seeking Statements of Qualifications for the provision of planning technical assistance services relating to a utility master plan.

Description of Services Needed

WATER

- Project Planning Area Characteristics
 - Location and Background Information
 - General Characteristics of the Planning Area
 - Environmental Resources
 - Hydrology and Groundwater Resources
 - Land Use, Population Trends and Projections

- II. Existing Waterworks Facilities / Specific Problems
 1. Source of Supply
 2. Water Treatment Area (If Applicable)
 3. Water Distribution System
 4. Water Storage
 5. Hydraulic Analysis
 6. Compliance with Safe Drinking Water Act (SDWA)
 7. Water Pumpage
 8. Distribution of Users
 9. Water Loss
 10. Projected Future Water Demands
 11. Fire Protection Considerations
 12. Current Utility Financial Status

- III. Need for Project
 1. Description
 2. Design Criteria
 3. Layout Map
 4. Environmental Impacts
 5. Land Requirements
 6. Construction Problems
 7. Cost Estimates
 1. Construction
 2. Non-Construction
 3. Annual Operation and Maintenance
 4. Present Work
 8. Advantages / Disadvantages
 - Short and Long Term

PLANNINGAPP

22. Proposed Recommended Alternatives (Short and Long Term)

1. Project Preliminary Design
2. Cost Estimate
3. Annual Operating Budget

VI. Funding Options

1. Indiana Office of Community and Rural Affairs
2. Rural Development

VII. Preliminary Rate Derivation

1. Residential Customers

VIII. Conclusions and Recommendations

1. Project Implementation Schedule

WASTEWATER

Project Planning Area

1. General Characteristics
2. Location Maps
3. Environmental Resources
4. Growth Areas and Population Trends

II. Existing Facilities / Specific Problems

1. Location Map
2. History
3. Present Conditions
4. Adequacy of Current Facilities

III. Need for Project

1. Health and Safety
2. Regulatory Concerns
3. Growth and Future Needs During Planning Period

IV. Alternatives Considered

1. Description
2. Preliminary Design Criteria
3. Layout Map
4. Environmental Impacts
5. Land Requirements
6. Construction Problems
7. Cost Estimates
 1. Construction
 2. Non-Construction
 3. Annual Operation and Maintenance
 4. Present Worth
8. Advantages / Disadvantages
9. Short and Long Term

Type of Contract

PLANNINGAPP

The Town of Americana will execute a cost reimbursement type of contract for these services that is contingent on the final commitment of planning grant funding. All services will be stated on the cost reimbursement basis (hourly rate and maximum hours fixed). The awarded contract will have a Not to exceed clause that will limit the allowable fees charged in connection with these services through close out.

Federal Requirements

Prospective offerors should note the successful proposer must meet the following terms and conditions:

1. 24 CFR Part 85.36.
2. Title VI of the Civil Rights Act of 1964.
3. Conflict of Interest (24 CFR Part 570).
4. Access to records.
5. Executive Order 11246 - Equal Employment Opportunity
6. Executive Order 12138 - Women Business Enterprise Policy.
7. Architectural Barrier Act of 1968.
8. Age Discrimination Act of 1975.
9. Section 3 Clause - Housing and Urban Development Act of 1968.
10. Section 504 - Rehabilitation Act of 1973.
11. Retention and Custodial Requirements (24 CFR Part 85.42).
12. Executive Order 11063.
13. Affirmative Action Program / Plan.
14. Davis Bacon and Related Acts.

The Indiana Office of Community and Rural Affairs has a 10% MBE/WBE goal for all projects funded with Community Development Block Grant funds.

Rate of Proposals/Qualifications

The proposal must include sufficient information regarding qualifications and determine that the engineer is qualified and experienced in water/sewer utility projects. Do not include a proposed fee with the proposal, as this is a qualification based selection process. The proposal should include the following:

1. A description of expertise, experience and resources directly relevant and available for the proposed project.
2. A list of similar projects previously completed.
3. A list of references.
4. Resumes of professional staff members that will work on this project.
5. Name of person to be in charge of project.
6. Description of scope of services as per ADescription of Services Needed and proposed prices as per Type of Contract.
7. A project time line.

PLANNINGAPP

The proposal shall also provide the following information: name, title, address and telephone number of individuals with authority to negotiate and bind the proposer contractually, and who may be contacted during the period of proposal evaluation.

Award of Contract

Proposal Evaluation criteria shall include:

1. Specialized experience or technical expertise of the organization and its personnel in connection with the scope of services to be provided and complexity of the project.(__ points)
2. Past record of performance on contracts, including quality of work, timeliness and cost control. (__ points)
3. Capacity of the organization to perform the work within time limitations, taking into consideration the current planned workload of the firm. (__points)
4. Familiarity of the organization with this type of project or problems applicable to the project. (__points)

* For a total of ____ points possible.

If you are interested in providing the required services, please note that six (6) copies of the Statement of Qualification/Proposal of each prospective organization must be received by the Town of Americana, Clerk Treasurer’s Office, P.O. Box 177, Americana, Indiana 46777 no later than 12:00 p.m. (Noon) local time on May 1, 2001. Each Statement of Qualification/Proposal will be reviewed for completeness and clarity according to the above criteria. Interviews are expected to be held on May 16, 2001.

The Town may or may not negotiate the fee schedule with one or more offers. The Town reserves the right to reject any and/ or all proposals. The Town is an Equal Opportunity Employer. The contract is tentatively scheduled to be awarded by the Town on June 1, 2001. Offerors may desire additional information, a site visit or clarification regarding the Statement of Qualification / Proposal. If so, please contact John Smith between 9:00 a.m. and 5:00 p.m. local time at (317) 555-1234.

SAMPLE RESOLUTION AUTHORIZING APPLICATION SUBMISSION AND LOCAL MATCH COMMITMENT

RESOLUTION OF THE CITY/TOWN/COUNTY COUNCIL OF THE CITY/TOWN/COUNTY OF _____, INDIANA, AUTHORIZING THE SUBMITTAL OF THE CDBG PLANNING GRANT APPLICATION TO THE INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS AND ADDRESSING RELATED MATTERS

WHEREAS, the Council of the City/Town/County of _____, Indiana recognizes the need to stimulate growth and to maintain a sound economy within its corporate limits; and

WHEREAS, the Housing and Community Development Act of 1974, as amended, authorizes the Indiana Office of Community and Rural Affairs to provide grants to local units of government to meet the housing and community development needs of low- and moderate-income persons; and

WHEREAS, the City/Town/County of _____, Indiana has conducted or will conduct public hearings prior to the submission of an application to the Indiana Office of Community and Rural Affairs, said public hearings to assess the housing, public facilities and economic needs of its low- and moderate-income residents;

NOW, THEREFORE, BE IT RESOLVED by the Council of _____, Indiana that:

- 1. The Mayor/Town Council Pres. /County Commission Pres. is authorized to prepare and submit an application for grant funding to address (summary of proposed project), and to execute and administer a resultant grant including requisite general administration and project management, contracts and agreements pursuant to regulations of the Indiana Office of Community and Rural Affairs and the United States Department of Housing and Urban Development.
- 2. The City/Town/County of _____, Indiana hereby commits the requisite local funds in the amount of _____ (\$_____), in the form of (source of local match), as matching funds for said program, such commitment to be contingent upon receipt of CDBG funding from the Indiana Office of Community and Rural Affairs.

Adopted by the City/Town/County Council of the City/Town/County of _____, Indiana this _____ day of (month), (year), at (time).

SIGNATURE: _____
Chief Elected Official, Title
(Mayor, Board President)

ATTEST: _____
Chief Financial Officer, Title
(Controller, Clerk-Treasurer, Auditor)

*****Please note a separate letter must be attached by the Chief Financial Officer. See Readiness to Proceed Guidelines for further details regarding letter content.***

SAMPLE

PUBLIC NOTICE FOR FIRST PUBLIC HEARING

On or about (date), (Applicant) intends to apply to the Indiana Office of Community and Rural Affairs for a grant from the State Community Development Block Grant (CDBG) Planning program. This program is funded by Title I of the federal Housing and Community Development Act of 1974, as amended. These funds are to be used for a community development planning project that will include the following activities: (summary of proposed project). The total amount of CDBG funds to be requested is \$(amount of request). The amount of CDBG funds proposed to be used for activities that will benefit low- and moderate-income persons is \$(amount of CDBG Planning funds requested x percentage of low- to moderate-income residents*). The Applicant also proposes to expend an estimated \$(amount of local match) in non-CDBG funds on the project. These non-CDBG funds will be derived from the following sources: (source and amount).

(Applicant) will hold a public hearing on (date), at (time), in (place) to provide interested parties an opportunity to express their views on the proposed federally funded CDBG project. Persons with disabilities or non-English speaking persons who wish to attend the public hearing and need assistance should contact (name, address, phone #) not later than (date). Every effort will be made to make reasonable accommodations for these persons.

Information related to this project will be available for review prior to the public hearing as of (date) at the office the (Applicant) located at (address) between the hours of (office hours). Interested citizens are invited to provide comments regarding these issues either at the public hearing or by prior written statement. Written comments should be submitted to (name and address) no later than (date) in order to ensure placement of such comments in the official record of the public hearing proceedings. A plan to minimize displacement and provide assistance to those displaced has been prepared by (Applicant) and is also available to the public. This project will result in (no displacement of any persons or businesses – or – displacement of the following persons and businesses [name and address]). For additional information concerning the proposed project, please contact (person – telephone – office hours and days) or write to (person – address).

***This is required in the ad even for Slum/Blight projects.**

SAMPLE

PUBLIC NOTICE FOR SECOND PUBLIC HEARING

The (Applicant) will hold a public hearing on (date) beginning at (time) at the (location) to provide interested citizens an opportunity to express their views on the recently completed (name of study). The (name of study) was paid for using Federal Community Development Block Grant Funds from the Indiana Office of Community and Rural Affairs. Representatives from the (type of consulting firm) firm, (name of consulting firm) will present their findings and recommendations at the hearing. Every effort will be made to allow persons to voice their opinions at the public hearing. Persons with disabilities or non-English speaking persons who wish to attend the public hearing and need assistance should contact (contact person, title, mailing address) or call (phone number for contact person) not later than (deadline). Every effort will be made to make reasonable accommodations for these persons. For additional information concerning the public hearing or the (name of study) please contact: (contact person and title) at the address or phone number listed above.

SAMPLE

LOCAL RESOLUTION APPROVING THE PLAN

WHEREAS, the (city/town/county) had identified adequate reason to analyze (name of project or project abstract from cover page of application), and

WHEREAS, the (city/town/county) has hired (consultant name) to define and describe the issues, advise us of our options, and make recommendations to address this issue in the near future, and

WHEREAS, the (city/town/county) has received federal Community Development Block Grant dollars from the Indiana Office of Community and Rural Affairs to fund this study and has contributed (match amount) as local match for this project, and

WHEREAS, the (city/town/county) has reviewed the process and completed study thoroughly and is satisfied with the services performed, information contained therein, and methodology applied;

WHEREAS, the (city/town/county) has received (number of copies) copies of this document for our records and will keep them on file in the town offices for future reference, and

BE IT RESOLVED by the (city/town/county) that the final document is hereby approved, contingent upon comments and approval received from the Indiana Office of Community and Rural Affairs. The (city/town/county) will fully consider all comments and feedback received from the Indiana Office of Community and Rural Affairs and will direct its consultant to provide amended copies of this plan reflecting all said comments.

SAMPLE

LOCAL DISPLACEMENT PLAN

1. (Applicant) will consider for submission to the Indiana Office of Community and Rural Affairs, under its various Community Development Block Grant funded programs, only projects and activities that will result in the displacement of as few persons or businesses as necessary to meet State and local development goals and objectives.
2. (Applicant) will certify to the State, as part of its application process, that it is seeking funds for a project or activity that will minimize displacement.
3. (Applicant) will provide referral and reasonable moving assistance, both in terms of staff time and dollars, to all persons involuntarily and permanently displaced by any project or activity funded with Community Development Block Grant funds.
4. All persons and businesses directly displaced by (applicant) as the result of a project or activity funded with Community Development Block Grant funds will receive all assistance required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, including provisions of the Uniform Relocation Act Amendments of 1987, Title IV of the Surface Transportation and Uniform Relocation Assistance Act of 1987.
5. (Applicant) will provide reasonable benefits and relocation assistance to all persons and businesses involuntarily and permanently displaced by the Community Development Block Grant activity funded by the State in accordance with appendices attached hereto, provided they do not receive benefits as part of such action under number 4 above.

SAMPLE
ENVIRONMENTAL REVIEW EXEMPTION LETTER

(Date)

Environmental Officer
Grant Services
Office of Lt. Governor
One North Capitol, Suite 600
Indianapolis, IN 46204-2288

The City/Town/County of **(name of applicant)** has received a planning grant from the Indiana Office of Community and Rural Affairs. Grants for the sole purpose of planning are classified as exempt per 24 CFR Part 58.24.

We are requesting from the State of Indiana, upon receipt of a fully executed planning grant agreement, the release our community's grant funds. We understand we are prohibited from incurring costs on this project prior to receiving a fully executed grant agreement without express written permission to do so from the IOCRA.

Sincerely,

(Chief Elected Official)

SAMPLE SLUM AND BLIGHT SPOT DECLARATORY RESOLUTION

**(CITY/TOWN/COUNTY) OF _____
RESOLUTION # _____**

WHEREAS, the (city/town) Redevelopment Commission desires to eliminate slum and blighted structures within the corporate limits of (city/town), Indiana, and

WHEREAS, identifying such a structure is necessary for effective action to eliminate slum and blighting conditions, and

WHEREAS, public improvements such as sidewalks and streets have severely deteriorated, contributing to slum and blighting conditions, and

WHEREAS, the structure has experienced a cessation of private investment since _____, and

WHEREAS, () percent of first floor commercial space, () percent of second floor commercial space, and () percent of total commercial space in downtown (city/town) is currently vacant, and

WHEREAS, widespread deterioration of the structure has taken place as evidenced by crumbling facades, broken or boarded windows, unrepaired vandalism, growth of vegetation, and presence of litter in and around many downtown commercial buildings,

BE IT RESOLVED by the (city/town) Redevelopment Commission that the following property of (city/town) hereby be designated as (a slum/blighted) as defined by Indiana Code 36-7-14: (insert specific address of spot location).

SAMPLE SLUM AND BLIGHT AREA DECLARATORY RESOLUTION

**(CITY/TOWN/COUNTY) OF _____
RESOLUTION # _____**

WHEREAS, the (city/town) Redevelopment Commission desires to eliminate slum and blighted areas within the corporate limits of (city/town), Indiana, and specifically downtown (city/town), and

WHEREAS, identifying such areas is necessary for effective action to eliminate slum and blighting conditions, and

WHEREAS, public improvements such as sidewalks and streets have severely deteriorated, contributing to slum and blighting conditions, and

WHEREAS, the downtown area has experienced a cessation of private investment since _____, and

WHEREAS, () percent of first floor commercial space, () percent of second floor commercial space, and () percent of total commercial space in downtown (city/town) is currently vacant, and

WHEREAS, widespread deterioration of downtown commercial buildings has taken place as evidenced by crumbling facades, broken or boarded windows, unrepaired vandalism, growth of vegetation, and presence of litter in and around many downtown commercial buildings,

BE IT RESOLVED by the (city/town) Redevelopment Commission that the following areas of downtown (city/town) hereby be designated as (a slum/blighted) as defined by Indiana Code 36-7-14: High Street from 1/2 block east of Meridian Street to and including Oak Street, and Oak and Union Streets 1/2 block north and south of High Street.

SAMPLE

COOPERATION AGREEMENT

The City/Town of _____, Indiana, seeks to support the efforts of the City/Town of _____ to obtain a Community Focus Fund grant from the Indiana Office of Community and Rural Affairs for (proposed project) located in both the aforementioned Cities/Towns. As the chief executive officers of our respective local governments, we are signing this agreement to provide our full cooperation to accomplish these improvements. The City/Town of _____ is hereby designated as the lead agency for this application and program and will be the applicant for funds. The City/Town of _____ will be liable for all the program’s administrative functions should the grant be awarded.

Mayor

Town President

City of _____

Attest/ Date
SEAL:

Attest/ Date
SEAL:

Note: This general form (or a suitable variation) is to be used by local government applicants whose proposed project area involves more than one jurisdiction. It is a required part of any “in behalf of” or “joint” application with appropriate modifications as may be required to fit local situations.

APPENDIX ONE: EVALUATION CRITERIA

GRANT EVALUATION CRITERIA - 1000 POINTS TOTAL

Economic and Demographic Characteristics- 450 points:

National Objective Score (200 points):

Depending on the National Objective to be met by the project, one of the following two mechanisms will be used to calculate the score for this category.

1. National Objective = Benefit to Low- and Moderate-Income Persons: 200 points maximum awarded according to the percentage of low- and moderate-income individuals to be served by the project. The total points given are computed as follows:

$$\text{National Objective Score} = \% \text{ Low/Mod Beneficiaries} \times 2.5$$

The point total is capped at 200 points or 80% low/moderate beneficiaries, i.e., a project with 80% or greater low/moderate beneficiaries will receive 200 points. Below 80% benefit to low/moderate-income persons, the formula calculation will apply.

2. National Objective = Prevention or Elimination of Slums or Blight: 200 points maximum awarded based on the characteristics listed below. The total points given are computed as follows:

$$\text{National Objective Score} = (\text{Total of the points received in each category below}) \times 2.5$$

___ Slum/Blight Area or Spot designated by resolution of the local unit of government (50 pts.)

___ Community is an Indiana Main Street Senior Partner or Partner, and the project relates to downtown revitalization (5 pts.)

___ The project site is a Brownfield* (5 pts.)

___ The project is located in a designated redevelopment area under IC 36-7-14 (5 pts.)

___ The building or district is listed on the Indiana or National Register of Historic Places (10 pts.)

___ The building or district is eligible for listing on the Indiana or National Register of Historic Places (5 pts.)

___ The building is on the Historic Landmarks Foundation of Indiana's "10 Most Endangered List" (15 pts.)

* The State of Indiana defines a brownfield as an industrial or commercial property that is abandoned, inactive, or underutilized, on which expansion or redevelopment is complicated due to actual or perceived environmental contamination.

Community Distress Factors (250 Points) - the community distress factors used to measure the economic conditions of the applicant community are listed below. Each is described with an explanation and an example of how the points are determined. Each factor can receive a maximum of 50 points with the total distress point calculation having a maximum of 250 points. The formula calculation for each measure is constructed as a percentage calculation along a scale range. The resulting percentage is then translated into a point total on a 50 point scale for each measure.

1. Unemployment Rate (50 points maximum) - Unemployment rate for the county of the lead applicant. The average rate for the previous 12 months is used.

- a. If the unemployment rate is 10% or higher, 50 points are awarded.
- b. If the unemployment rate is 2% or below, 0 points are awarded.
- c. Between those values, the points are calculated by taking the unemployment rate, subtracting 2%, dividing by 8% and multiplying by 50, where 2% is the bottom point of the scale and 8% is the range of the scale.

$$\text{Unemployment Rate Points} = [(\text{Unemployment rate} - 2\%) / 8\%] \times 50$$

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For example, if the unemployment rate is 5%, take unemployment rate of 5%, subtract 2%, divide by 8%, and multiply by 50. The score would be 18.75 point of a possible 50; $[(5-2)/8 \times 50 = 18.75]$

2. **Net Assessed Value/capita (50 points maximum)** - Net assessed value per capita for lead applicant.

To determine the net assessed value per capita, take the appropriate net assessed value and divide by the total 1996 population (projected from census data) of the lead applicant;

NAV/capita = NAV/Total Population

- a. If the net assessed value/capita for the lead applicant is above \$10,000, 0 points are awarded.
- b. If the net assessed value/capita for the lead applicant is \$3,000 or under, 50 points are awarded.
- c. Between those values, the points are calculated by subtracting the NAV/capita from \$10,000, dividing by \$7000 and multiplying by 50, where \$10,000 is the top of the scale and \$7000 is the range of the scale.

NAV/capita points = $[(\$10,000 - \text{NAV/capita})/\$7000] \times 50$

For example, if the Net Assessed Value/capita is \$4,000, take \$10,000, subtract the NAV/capita of \$4,000, divide by \$7,000, and multiply by 50. The score would be 42.86 points of a possible 50 points; $[(10,000 - 4,000)/7000] \times 50 = 42.86$.

3. **Median Housing Value (50 points maximum)** - Median Housing Value for lead applicant.

Median Housing Value Points = $[(\$75,000 - \text{median housing value})/\$50,000] \times 50$

- a. If the median housing value for the lead applicant is \$75,000 or higher, no points are awarded.
- b. If the median housing value for the lead applicant is \$25,000 or lower, 50 points are awarded.

For example, if the median housing value is \$35,000, take \$75,000, subtract the median housing value of \$35,000, divide by \$50,000, and multiply by 50. The score would be 40 points out of a total possible of 50; $[(75,000 - 35,000)/50,000 \times 50 = 40$.

4. **Median Household Income (50 points maximum)**

Median Household Income Points = $[(\$50,000 - \text{median household income})/\$25,000] \times 50$

- a. If the median household income is \$50,000 or higher, no points are awarded.
- b. If the median household income is \$25,000 or lower, 50 points are awarded.
- c. Between those values, the points are calculated by subtracting the median household income from \$50,000, dividing by \$25,000 and multiplying by 50, where \$50,000 is the top of the scale and \$25,000 is the range of the scale.

For example, if the Median Household Income is \$32,500, take \$50,000, subtract the median household income of \$32,500, divide by \$25,000, and multiply by 50. The score would be 35 points out of a possible 50; $[(50,000 - 32,500)/25,000] \times 50 = 35$.

5. **Percentage Population Change (50 points maximum)** - Percentage population change (1990-2000).

The percentage change is computed by subtracting the 1990 population from the 2000 population projection and dividing by the 1990 population. Convert this decimal to a percentage by multiplying by 100.

Percentage Population Change = $[(2000 \text{ population} - 1990 \text{ population})/1990 \text{ population}] \times 100$

- a. If the population increased by 15% or greater, 0 points are awarded.
- b. If the population decreased by 10% or greater, 50 points are awarded.
- c. Between those values, the points are calculated by subtracting the Percent Population Change from 15%, dividing by 25%, and multiplying by 50, where 15% is the top of the scale and 25% is the range of the scale.

Percentage Population Change points = $[(15\% - \text{Percentage Population Change})/25\%] \times 50$

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For example, if the population increased by 3%, take 15%, subtract 3%, divide by 25%, and multiply by 50. The score would be 24 points out of a total possible of 50; $(15-3)/25 \times 50 = 24$.

Local Match Contribution- 100 points:

Up to 100 points possible based on the percentage of local funds devoted to the project. This total is determined as follows:

$$\text{Total Match Points} = \% \text{ Eligible Local Match} \times 2$$

Eligible local match can be local cash or debt. Government grants, including Build Indiana Funds, are not considered eligible match.

Project Design Factors- 450 points:

450 points maximum awarded according to the evaluation in three areas:

Project Need - why does the community need this project?

Financial Impact - why is grant assistance necessary to complete this project?

Local Effort - what has/is the community doing to move this project forward?

The project can receive a total of 150 points in each category. The points in these categories are awarded by the IOCRA review team when evaluating the projects. Applicants should work with the Indiana Office of Community and Rural Affairs' Community Development Division to identify ways to increase their project's scores in these areas.

APPENDIX TWO: PROCUREMENT

PROCUREMENT OVERVIEW

The procurement process required for the Community Development Block Grant (CDBG) programs is called Qualifications Based Selection (QBS) for architectural and engineering services, and Request for Proposal (RFP) for all other services. The QBS, or Request for Qualifications (RFQ), process does not include price as an evaluation criterion. The IOCRA has certain requirements for this process that must be met before the procurement process is approved and a grant is awarded. The following paragraphs outline the steps that a community must take in order to be in compliance with the requirements of the IOCRA.

1. The community must develop a preliminary scope of work for the project. This scope of work should include all major components of the proposed project in order to provide potential consultants with an understanding of what the community needs.

2. The community must solicit consulting firms qualified to do the work, using a Request For Statement of Qualifications (RFQ) or Request for Proposals (RFP). The community is responsible for two methods of such solicitation: (1) soliciting via direct mail and (2) placing a legal ad in a newspaper of general circulation. When deciding which firms to solicit, the community should consider businesses in the logical geographical area relative to their vicinity. Communities should also contact other communities for feedback and recommendations.

The direct mail solicitation must be sent to at least five (5) firms, two (2) of which must be certified Minority-owned Businesses (MBE) with the State of Indiana's Directory of Minority and Women-owned Businesses. (You can access this directory on the Internet at www.ai.org/idoa/minority/index.html. While the IOCRA does encourage communities to solicit Women-owned Businesses, the Women-owned Businesses are not a substitute for the requirement of soliciting two Minority-owned Businesses.) The required five (5) direct-mail solicitations need to be sent via certified mail, and the certified mail receipts must be kept. Communities may solicit more than five (5) firms via direct mail, if local leaders so choose; if this occurs, certified mail receipts are required for all firms solicited.

The legal ad must contain the following elements: (a) the general scope of work, or outline of project components, (b) contact information for obtaining a detailed scope of work (if one is available), (c) the deadline for submitting the statement of qualifications/proposal, (d) the address to which the statement of qualifications/proposal should be sent, (e) the evaluation criteria that will be used for selection of the consultant, and (f) the scoring weight attached to each of the aforementioned evaluation criteria. Formal advertising for professional services is required by Federal regulations under 24 CFR 85.36(d)(3). An example of a legal advertisement for a Request For Statement of Qualifications/Request For Proposals is included in the Sample section of this Application Packet. Advertisements must be published no less than 30 calendar days before the proposal due date.

3. The lead applicant for the grant needs to appoint a selection committee that consists of objective local parties familiar with the proposed project. IOCRA recommends no more than three to five (3-5) persons*. This committee is responsible for reviewing the information received as a result of the RFQ/RFP process and determining whether to short-list firms or take all into further consideration. The selection committee may choose to interview those firms it wishes to consider. Each individual committee member must complete a score sheet for each firm considered. This scoring can be done as part of the interview process, or simply at a meeting to evaluate submitted materials. The scoring is done based on the criteria and weights assigned and advertised in the legal ad. The firm compiling the most points as a result of the scoring process is considered the selected firm.

*Grant administrators shall NOT serve on this committee, as they most likely have on-going working relationships with multiple firms.

4. If using QBS (for architectural or engineering services) negotiations can now begin with the selected firm to determine the price of the services. If a price is agreed upon, the selection process is complete. A proposed contract should be written between the community and the selected firm, BUT SHOULD NOT BE SIGNED. This contract must include the Professional Service Third Party Provisions attachment. (This attachment is included in the CDBG Program Grantee Implementation Manual and can also be obtained via our website at: www.in.gov/ocra.) If a price cannot be agreed upon, the community may begin negotiations with the firm in second place based on the scoring process.

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5. Communities must submit a packet of procurement information for approval by IOCRA along with the grant application. The packet must contain all of the following: a copy of the detailed scope of work, the original legal advertisement and publisher's affidavit, copies of the certified mail receipts to the firms solicited (at least five in number), a list of all firms solicited with MBE firms clearly indicated, a list of the firms that responded, a list of the firms on the short list (if applicable), a list of the community members on the selection panel and their titles, a copy of each panel member's signed score sheet for each firm considered, a summary of scores, copies of correspondence to firms, and a copy of the proposed contract between the community and the selected firm, including the Professional Service Third Party Provisions attachment (available in the CDBG Program Grantee Implementation Manual and via our website at www.in.gov/doc/).
6. Private firms or non-governmental entities that perform project development and administration activities for CDBG-assisted projects (project development, environmental review, grant application preparation, procurement assistance, grant administration) will NOT be allowed to also perform architectural, engineering, planning or other related services/activities for grantee.

Proposal/Statement of Qualifications Evaluation

FOR SHORT-LISTING / INTERVIEWS

The following model is provided for your use as appropriate for your specific situation. The weights and rating values assigned should be the same as those used for the interviews, which you will do later. Complete a sheet for each firm submitting a proposal/qualifications.

The highest number represents the most value for each column. **Rating column:** 1-5 points. In this column you rate the firm based on each qualification. **Weight column:** 1-10 depending on value to the project. Use the weight column to indicate the level of importance (in your judgment), in each area, to the particular project. Multiply the rating by the weight for each category and enter the total. Add all totals to establish the grand total.

Firm:

Contact Person:

Project Description:

Address:

Phone:

INDIVIDUAL EVALUATION

	RATING	X	WEIGHT	=	TOTAL
1. History of firm and resource capabilities to perform required services.		X		=	
2. Evaluation of assigned personnel.		X		=	
3. Related experience (as appropriate). - design services - planning - feasibility studies - other		X		=	
4. Budget, cost controls, experience, and results.		X		=	
5. Familiarity with local experience and results.		X		=	
6. Ability to relate to project.		X		=	
7. Analysis of narrative statement. (One page)		X		=	
8. Reference check (evaluation transfer from reference check form).		X		=	

Name of Reviewer:	Grand Total:
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THE REFERENCE CHECK

Firm Being Checked:

Project Referenced:

Person Contacted:

Phone:

Based on references provided in firm’s proposal, or through networking with other owners who have worked with the firm.

SAMPLE QUESTIONS TO BE ASKED:
(Owner may wish to add to this list of questions.)

	5 Excellent	4 Good	3 Average	2 Fair	1 Poor
1. What project did the firm perform for you?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. When was it completed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. What was the scope of services? (Design work, construction phase services, studies, other).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Was the project completed on schedule?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Was the budget, cost control and financial administration within the planned controls and limitations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Did the firm and (you) the owner work well as a team in relation to the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Did the firm personnel work well with the committee/board staff and on all of the specific requirements of the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. How would you rate the value you received to the cost of the services of the firm?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. What is your overall evaluation of the firms based on your experience?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Would you use this firm on a similar project?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
GRAND TOTAL					

**GROUP QUALIFICATIONS EVALUATION SUMMARY
SHORT-LISTING**

The group evaluation form is provided for the chairperson of the evaluation group to evaluate the results of the process. Use it to develop a short - list of firms who submitted qualifications down to the number desired (firms to be interviewed.)

FIRMS	1	2	3	4
Reviewer 1				
Reviewer 2				
Reviewer 3				
Reviewer 4				
Reviewer 5				
GRAND TOTALS				

Letter to Short Listed Firms

SAMPLE

TO: FIRMS SELECTED FOR INTERVIEWS

FROM:

PROJECT:

NAME:

RE: INTERVIEW SCHEDULE AND REQUIREMENTS

The firms listed below have been selected to be interviewed for the professional services relative to the above referenced project.

Attached to this memo are the following:

- 1) An Interview Score Sheet, which will be used by the interviewers during the interview session.
- 2) Evaluation form for use by the evaluation group chairperson to compile the evaluation scores.

Each firm will be allowed 25 minutes to present their qualifications and 15 minutes to answer questions. The interviewers will schedule 10 minutes between interviews for informal discussion of information presented during the preceding interview. At the completion of the interviews, the committee will rank the firms interviewed in accordance with their determination of which firm is most qualified and compatible to do the work. The firm deemed to be most qualified will then be invited to negotiate the scope of work and activities and a contract to provide the necessary professional services. If contract terms cannot be reached, the firm deemed the next most qualified will be invited for contract negotiations.

Interviews will be held on _____, 20____ in the _____ (all times listed are local time).

The order and time of interviews is:

Firm A:	Time:
Firm B:	Time:
Firm C:	Time:

Please contact _____ at _____ with any questions you may have.

Sincerely,

Chief Elected Official

Letter to Firms Not Short Listed

SAMPLE

TO: REJECTED FIRM

FROM: (CLIENT)

PROJECT:

NAME:

RE: STATUS OF SELECTION PROCESS

DATE:

The Town of Americana would like to express their appreciation to you and your firm for submitting your Statement of Qualifications.

After careful consideration by the selection committee, a decision to interview (Insert number of firms to be interviewed) has been made.

The firms selected for further consideration are listed alphabetically:

- 1) (FIRM)
- 3) (FIRM)
- 4) (FIRM)

While your firm was not selected for an interview, we appreciate your interest in our project and the time spent in the preparation of your proposal.

Sincerely,

Chief Elected Official

Instructions for the Scoring/Selection Committee

Highest number represents the most value for each column. **Rating column:** 1-5 points. In this column you rate the firm based on each category. Rates should vary from one reviewer to another. **Weight column:** 1-10 depending on the value to the project. Use the weight column to indicate the level of importance (in your judgment), in each area, to the particular project. Weights should vary among the categories, but must be consistent among the reviewers.

At the completion of the interview, multiply the rating by the weight for each category and enter the total. Add all totals to establish the grand total. The chairperson will combine all of the totals for those participating in the interview session on the Group Interview Evaluation Form.

Name of Reviewer:

Name of Firm:

General Notes:

EVALUATION SCORE SHEET

Name of Reviewer **Name of Firm**

Weights should be assigned a value between 1-10, with ten (10) being the highest consideration. **Weights** should vary among the categories, but must be consistent among the reviewers. **Rates** should vary from one reviewer to another, as this is a personal judgment.

Categories	Rating	X	Weight	=	Total
1. Understanding of Project Requirements: (Owner may evaluate analysis, preparation and level of interest of the firm).		X		=	
2. Design Approach / Methodology: (Owner may evaluate firm or individual creativity and problem solving abilities).		X		=	
3. Key Personnel and Roles: (Owner may evaluate personal qualifications and professional skills of key individuals).		X		=	
4. Pertinent Experience, Firm: (Owner may evaluate related projects presented as previous work of the firm).		X		=	
5. Pertinent Experience, Individual: (Owner may evaluate related projects presented as previous work of key personnel).		X		=	
6. Consultant / In-House Resources: (Owner may evaluate abilities of the firm and importance of consultant or in-house support services).		X		=	
7. Technical Project Management: (Owner may evaluate abilities of the firm related to technical functions such as project cost controls, construction observation, time schedule, etc.).		X		=	
8. Responsiveness to Concerns of the Owner: (Owner may evaluate abilities of the firm to form successful working relationships and communications with the owner).		X		=	
9. Method of Compensation: (Owner may evaluate method of determining compensation used by the firm. Compensation proposals are NOT required at this time).		X		=	
10. Sub-Consultant Selection: (Owner may evaluate method of hiring sub-contractors).		X		=	
11. Cost (not applicable for architectural & engineering services)		X		=	
12. Other Relevant Issues: (Owner may evaluate importance of other relevant issues by firm).		X		=	
	GRAND TOTAL				

Signature of Reviewer

GROUP INTERVIEW EVALUATION FORM

NOTE: Enter the grand total for each firm as recorded by each interviewer on the score sheet. After all entries are made and totaled, divide the combined group total for each firm by the number of interviewers to determine grand totals for each firm. This is to equalize scoring in the event all interviewers do not interview all firms.

COMBINED GROUP TOTALS

Firm Name			
	FIRM A	FIRM B	FIRM C
Interviewer 1			
Interviewer 2			
Interviewer 3			
Interviewer 4			
Interviewer 5			
TOTALS			



Program Description and Allocation Plan

Program Year 2006

**Community Development Block Grant (CDBG)
HOME Investment Partnership Program (HOME)
American Dream Downpayment Initiative**

Method of Distribution

The Indiana Housing and Community Development Authority (IHCDA) allocates CDBG, HOME, and ADDI funds through the programs shown below. Each program area has unique criteria upon which funding decisions are based. For detailed program information, please refer to IHCDA's full application packages and/or program guides.

PROGRAM NAME	FUNDING SOURCE	TIMING OF FUNDING
CHDO Works	HOME	2 annual competitive funding cycles
HOME	HOME	3 annual competitive funding cycles
CDBG	CDBG	2 annual competitive funding cycles
HOME Administrative Subrecipients	HOME	As needed funding cycles
Homeownership Counseling Program	HOME	TBD
First Home/Plus	HOME/ADDI	Continuous throughout the year
First Home/One Down	HOME/ADDI	Continuous throughout the year
First Home 100	HOME/ADDI	Continuous throughout the year
HomeChoice	HOME/ADDI	Continuous throughout the year
First Home Community	HOME/ADDI	Continuous throughout the year
First Home Opportunity	HOME/ADDI	Continuous throughout the year

CHDO Works

Eligible Applicants

Eligible applicants are not-for-profit organizations that have successfully obtained certification from IHCDA as a Community Housing Development Organization (CHDO), are in good standing with IHCDA, and serve non-participating jurisdiction areas. Organizations that have not yet received CHDO certification (or whose certification is pending) are not eligible for operating funds.

*Participating Jurisdiction areas include:

- | | | |
|--------------|----------------|---------------------------------|
| Anderson | Gary | Muncie |
| Bloomington | Hammond | St. Joseph County Consortium*** |
| East Chicago | Indianapolis** | Terre Haute |

Evansville
Fort Wayne

Lake County

Tippecanoe County Consortium****

**The Cities of Beech Grove, Lawrence, Speedway, Southport, and the part of the Town of Cumberland located within Hancock County are not considered part of the Indianapolis participating jurisdiction. Applicants that serve these areas would be eligible for CHDO Works funding.

***St. Joseph County Consortium is made up of the cities of South Bend and Mishawaka and the unincorporated areas of the county. These areas are not eligible to receive funding from IHCDA. Other incorporated areas are eligible to receive assistance.

****Tippecanoe County Consortium is made up of the cities of Lafayette and West Lafayette and the unincorporated areas of the county. These areas are not eligible to receive funding from IHCDA. Other incorporated areas are eligible to receive assistance.

Eligible Activities

Eligible activities are those directly related to promoting the agency's ability to develop, sponsor, and/or own HOME CHDO-eligible affordable housing, such as homebuyer, rental, permanent supportive, and transitional housing. Any applicant who successfully competes for operating funds is required to apply and receive funding for a HOME CHDO-eligible housing activities within twenty-four (24) months from the date that an operating award is made.

According to 24 CFR §92.208, eligible costs include reasonable and necessary costs for the operation of the CHDO. Such costs include, but are not limited to, salaries, wages, and other employee compensation and benefits; employee education, training, and travel; rent; utilities; communication costs; taxes; insurance; equipment, including filing cabinets; materials; supplies; annual financial audit; and costs associated with a strategic long-range plan. Other costs may also be eligible. Applicants are encouraged to consider computer equipment needs, especially hardware and software updates.

Administrative costs associated with implementing the lead based paint regulations are eligible for funding under CHDO Works. These expenses include training staff on the regulations, staff certification for Lead Inspector/Risk Assessor and Lead Construction Supervisor, and special equipment purchases such as protective clothing or XRF machines.

Eligible costs do not include furniture or other office décor.

Scoring Criteria

If an application satisfies all applicable requirements, it will be evaluated and scored based on criteria in the following categories: Organizational Capacity; Community Need; Access to Skilled Individuals; Training; and Financial Management. Applicants can receive up to 100 total possible points. The minimum scoring threshold for applications will vary as follows:

<u>Number of Previous "CHDO Works" Awards</u>	<u>Threshold</u>
0 awards	55 points
1 award	65 points
2 or more awards	75 points

Any application that falls below its respective threshold will not be recommended for funding.

Notwithstanding the point ranking system set forth above, IHCDA reserves the right and shall have the power to allocate funds irrespective of its point ranking, if such intended allocation is: (1) in

compliance with the applicable statutes; (2) in furtherance of promoting affordable housing; and (3) determined by IHCDA's Board of Directors to be in the interests of the citizens of the State of Indiana.

Funds will be awarded only in amounts appropriate to the scope of the identified need. IHCDA reserves the right to determine the exact amount and type of assistance needed for each individual housing activity.

Funding Limitations

Applicants may apply for up to \$70,000 in operating assistance for a 24-month term. CHDOs may receive no more than one operating grant in a two-year period. CHDO Works funding (along with all other HOME-funded CHDO operating expenses) is limited to: (1) 50% of the CHDO's total operating expenses in any one fiscal year, or (2) \$50,000, whichever is greater.

HOME

Eligible Applicants

Eligible applicants include cities, towns, counties, townships, public housing authorities, CHDOs, not-for-profit 501(c)3 or 501(c)4 corporations.

Applications from, or housing activities located within, the following participating jurisdictions are not eligible for HOME funds:

Anderson	Gary	St. Joseph County Consortium**
Bloomington	Hammond	Terre Haute
East Chicago	Indianapolis*	Tippecanoe County Consortium***
Evansville	Lake County	
Fort Wayne	Muncie	

*The cities of Beech Grove, Lawrence, Speedway, Southport, and the Town of Cumberland when the housing activity is located in Hancock County will be eligible to receive assistance.

**St. Joseph County Consortium is made up of the cities of South Bend and Mishawaka and the unincorporated areas of the county. These areas are not eligible to receive funding from IHCDA. Other incorporated areas are eligible to receive assistance.

***Tippecanoe County Consortium is made up of the cities of Lafayette and West Lafayette and the unincorporated areas of the county. These areas are not eligible

Eligible Activities

- Homebuyer - New Construction or Rehabilitation
- Rental Housing – New Construction or Rehabilitation
 - Permanent Rental
 - Permanent Supportive Housing
 - Transitional Housing
- CHDO Predevelopment Loan
- CHDO Seed Money Loan

Preference Criteria

This program is designed to give preference to applicants that:

1. Demonstrate they are meeting the needs of their specific community.
2. Attempt to reach low and very low-income levels of area median income.
3. Are ready to proceed immediately with their activity upon receipt of an award.
4. Revitalize existing neighborhoods.
5. Propose developments that are energy-efficient and are of the highest quality attainable within a reasonable cost structure.
6. Provide a means to build assets for individuals.
7. Demonstrate a history of high performance.
8. Integrate participation from other funding sources.
9. Encourage the use of Minority Business Enterprise and/or Women-Owned Business Enterprise.

There are seven preference categories, and under each category there are a number of preference items. Applicants can choose which preference items to meet, but must meet the minimum number of preferences items indicated for each category in order to submit their application:

1. General – Minimum of 3 items
2. Organizational Capacity – Minimum of 4 items
3. Development Characteristics – Minimum of 4 items
4. Housing Need – Minimum of all 4 items
5. Predevelopment Activities - Minimum of 4 items
6. Rental – Minimum of 4 items
7. Homebuyer – Minimum of 5 items

Application Review Process

Applications will be evaluated in accordance with:

- a. Minimum Threshold requirements
- b. Commitment to each Preference item
- c. Policies described within the HOME application

Applications exceeding the minimum number of preference items will receive a higher consideration for funding.

Pre-Development and Seed Money loans will be allocated, within each allocation round, on a first come first served basis. Pre-Development and Seed Money loans are *not* required to meet the minimum number of preference items as described in criteria number 6 of the Threshold requirements.

IHCDA will provide HOME funds to a recipient in the form of a grant. Award documents must be executed in order to access funds and may include, but are not limited to: award agreement, resolution, and declaration of affordability commitment.

The applicant may then provide the HOME award as a forgivable, amortized, or deferred loan to as many other entities as they choose, known as subgrantees (beneficiaries if a homebuyer award). However, subgrantees must be identified in the application and approved by IHCDA.

Funding Limitations

Rental Housing Activities:

- The maximum award is \$750,000.
- HOME funds used for acquisition, rehabilitation, new construction, program delivery (including CHDO Predevelopment or CHDO Seed Money Loan), relocation, rent-up reserve, and developer's fee combined cannot exceed:

AMI Level	Subsidy Limit			
	0 Bedroom or Efficiency Units	1 Bedroom Units	2 Bedroom Units	3 or more Bedroom Units
30%	\$40,000	\$47,250	\$50,000	\$57,750
40%	\$38,000	\$45,000	\$47,500	\$55,000
50%	\$36,100	\$42,750	\$45,150	\$52,250
60%	\$34,300	\$40,600	\$42,850	\$49,650

Homebuyer Activity:

- The maximum award is \$750,000.
- HOME funds used for acquisition, rehabilitation, new construction, program delivery (including CHDO Predevelopment or CHDO Seed Money Loan), relocation, homeownership counseling, and developer's fee combined cannot exceed:
 - \$35,000 per 0 bedroom/efficiency unit, or
 - \$40,000 per 1 or 2 bedroom unit, or
 - \$50,000 per 3 or more bedroom unit.

Provisions for Rental Rehabilitation/Refinance:

- Applicants for transitional, permanent supportive, and rental rehabilitation/refinance must demonstrate that:
- Refinancing is necessary to maintain current affordable units and/or create additional affordable units.
- The primary activity is rehabilitation. The applicant must budget a minimum of 51% of the HOME funds for rehabilitation.
- The development will satisfy a minimum 15-year affordability period.
- Disinvestment in the property has not occurred.
- The long term needs of the development can be met.
- It is feasible to serve the targeted population over the affordability period.
 - The amount of funds applied to the refinance budget line item will be made as an amortized loan to the applicant. The applicant should propose at least a 2% interest rate, a term of not more than 30 years, and an amortization period of not more than 30 years.
 - The HOME loan must be fully secured.
 - The HOME funds used for construction may be forgiven at the end of the affordability period.

Applicants for permanent supportive housing rehabilitation/refinance cannot use HOME funds to refinance multifamily loans made or insured by any other federal program, including, but not limited to, FHA, CDBG, or Rural Development.

CDBG

Eligible Applicants

Eligible applicants include cities, towns, or counties that are located within Indiana but outside of CDBG entitlement communities and whose proposed activities are consistent with the State's HUD-approved Consolidated Plan. Not-for-profit 501(c)3 or 501(c)4 organizations, CHDOs, public housing authorities, regional planning commissions, or townships are encouraged to participate in activities as subrecipients of local units of government but must apply through a sponsoring eligible city, town, or county.

The following entitlement communities are not eligible to apply for CDBG funds:

Anderson	East Chicago	Gary	Kokomo	LaPorte	New Albany
Bloomington	Elkhart	Goshen	Indianapolis***	Michigan City	South Bend
Carmel*	Evansville	Hamilton County**	Lafayette	Mishawaka	Terre Haute
Columbus	Fort Wayne	Hammond	Lake County	Muncie	West Lafayette

*If the City of Carmel becomes an Entitlement Community, they will be ineligible to receive assistance.

**The town of Sheridan when the housing activity is located in Hamilton County will be eligible to receive assistance.

***The cities of Beech Grove, Lawrence, Speedway, Southport, and the Town of Cumberland when the housing activity is located in Hancock County will be eligible to receive assistance.

Eligible Activities

- Emergency Shelters – New Construction and Rehabilitation
- Youth Shelters – New Construction and Rehabilitation
- Migrant/Seasonal Farm Worker Housing – New Construction and Rehabilitation
- Rental – Rehabilitation
 - Permanent Rental
 - Permanent Supportive Housing
 - Transitional Housing
- Homeowner Repair and Improvement

Scoring Criteria

Through the scoring criteria, preference is given to housing activities that:

- Meet the needs of their specific community
- Attempt to reach very low-income levels of area median income
- Ready to proceed with the housing activity upon receipt of the award
- Revitalize existing neighborhoods
- Propose developments that are energy-efficient and are of the highest quality attainable within a reasonable cost structure
- Encourage the use of minority business enterprises and/or women-owned business enterprises

If an application satisfies all applicable requirements, it will be evaluated and scored based on criteria in the following categories: Constituency Served; Development Characteristics; Financing; Market; Organizational Capacity; Readiness to Proceed; and Minority and Women Business Enterprise Participation. Where applicable, the funding agreement and any restrictive covenants recorded with the property will contain restrictions applicable to the points received.

Assistance may be provided in the form of grants; however, funds will be awarded only in amounts appropriate to the scope of the identified need. IHEDA reserves the right to determine the exact amount and type of assistance needed for each individual housing activity.

Funding Limitation

Emergency Shelter, Youth Shelter, Migrant Seasonal/Farm Worker Housing Activities:

- Maximum award amount is limited to \$500,000.
- Maximum CDBG funds per bed may not exceed \$20,000.

Rental Housing Activities:

- Maximum award amount is limited to \$500,000.
- CDBG funds for acquisition, rehabilitation, relocation and program delivery combined may not exceed:
 - \$35,000 per 0 bedroom/efficiency unit, or
 - \$40,000 per 1 or 2 bedroom unit, or
 - \$50,000 per 3 or more bedroom unit.

Homeowner Repair and Improvement:

- Maximum award amount is \$300,000.
- CDBG funds for rehabilitation, relocation, and program delivery combined may not exceed \$15,000 per unit.

Rental Housing Tax Credit Financing (RHTC/HOME Combined Funding)

In an effort to streamline the multi-family application process, developers applying for Rental Housing Tax Credits (RHTCs) may simultaneously request funds from the HOME Investment Partnerships Program (HOME). If you are applying for RHTCs for a development and want to also access HOME funds, you must indicate the HOME funding request on the “Multi-Family Housing Finance Application” and submit additional documentation as instructed in the “Multi-Family Housing Finance Application – HOME Supplement.” Outside of this process, applications for HOME financing for a RHTC development will only be considered in accordance with IHCDA’s Housing from Shelters to Homeownership application criteria.

Eligible Applicants

The award of HOME funds will be made as follows:

1. State-Certified Community Housing Development Organization (CHDO) – HOME funds will be provided in the form of a grant to state-certified CHDOs that are the 100% general partner or managing member of the LP or LLC or whose wholly owned subsidiary is the 100% general partner or managing member of the LP or LLC.
2. Not-for-Profit Organizations or Public Housing Authorities – HOME funds will be provided in the form of a grant to not-for-profit organizations that are the 100% general partner or managing member of the LP or LLC or whose wholly owned subsidiary is the 100% general partner or managing member of the LP or LLC.
2. Limited Partnerships (LP) or Limited Liability Companies (LLC) – For developments where a state-certified CHDO, not-for-profit organization, or PHA (or their wholly owned subsidiary) is not the 100% general partner or member, HOME funds will be loaned to the ownership entity. If the LP or LLC has not yet been formed, the applicant for HOME funds should be the general partner or member. If a HOME award is made to the development, the loan documents must be executed by the LP or LLC.

Form of Assistance

1. If the CHDO, not-for-profit, or PHA structures the HOME funds into the development as an amortized or deferred loan, they may be permitted to retain the repayments of principal and interest for use in other affordable housing developments at IHCDAs discretion. The CHDO, not-for-profit, or PHA may use the repayment stream (both principal and interest): (1) to buy the property at the end of the partnership; (2) to pay the exit fees for other partners in the development at the end of the affordability period; (3) to provide services to the tenants of the particular development; (4) to exert influence over the conditions of sale of the property; or (5) for the organization's other affordable housing activities that benefit low-income families.

2. Alternatively, for developments where a CHDO or not-for-profit organization (or their wholly owned subsidiary) is not the 100% general partner or managing member, IHCDAs will provide the HOME funds as an amortized or deferred loan to the LP or LLC. If such an entity has not yet been formed, the applicant for the HOME funds should be the general partner or managing member, but all award documents must be executed by the LP or LLC. Principal and interest payments on these awards may be either deferred or amortized. The applicant may propose a loan term for up to 17 years (up to 2 years as a construction loan and 15 years as permanent financing). The interest rate is proposed by the applicant. The applicant must demonstrate in their application that the interest rate proposed is necessary in order to make the HOME-assisted units affordable. The HOME loan must be fully secured. IHCDAs will subordinate to the point when the HOME loan plus other financing is at an amount not to exceed 100% of the costs of construction. Subordination beyond one hundred percent (100%) will be entertained on a case-by-case basis.

Eligible Activities

HOME funds are available to Developments located outside of the following participating jurisdictions.

Anderson	Gary	St. Joseph County Consortium**
Bloomington	Hammond	Terre Haute
East Chicago	Indianapolis*	Tippecanoe County Consortium***
Evansville	Lake County	
Fort Wayne	Muncie	

*The Cities of Beech Grove, Lawrence, Speedway, Southport, and the part of the Town of Cumberland located within Hancock County are not considered part of the Indianapolis participating jurisdiction.

**St. Joseph County Consortium is made up of the cities of South Bend and Mishawaka and the unincorporated areas of the county. These areas are not eligible to receive funding from IHCDAs. Other incorporated areas are eligible to receive assistance.

***Tippecanoe County Consortium is made up of the cities of Lafayette and West Lafayette and the unincorporated areas of the county. These areas are not eligible to receive funding from IHCDAs. Other incorporated areas are eligible to receive assistance.

Additionally, HOME may not be used to assist properties located in the 100-year floodplain.

HOME funds may be used for acquisition, construction or rehabilitation hard costs, and testing for lead hazards for HOME-assisted units. HOME funds may not be used toward the refinancing of existing permanent debt.

HOME funds may assist rental, permanent supportive, or transitional housing. These units can be in the form of traditional apartments or single-room-occupancy units (SROs). SRO housing consists of single room dwelling units that are the primary residence of the occupant(s). If the Development consists of conversion of non-residential space or reconstruction, SRO units must contain either kitchen or bathroom facilities (they may contain both). For Developments involving acquisition or rehabilitation of an existing residential structure, neither kitchen nor bathroom facilities are required to be in the unit. However, if individual units do not contain bathroom facilities, the building must contain bathroom facilities that are shared by tenants.

HOME funds are generally not available for units identified as part of an approved RHTC lease-purchase program, unless the purchase will occur after the termination of the HOME affordability period. In such case, the assisted units will be considered rental for purposes of the HOME award. Prior to the HOME affordability period expiration, IHCD will consider requests to permit tenants to purchase HOME-assisted rental units on a case-by-case basis only.

Scoring Criteria

There are no scoring criteria for RHTC/HOME awards. Eligibility for the HOME funds will be determined based on:

1. Whether the development demonstrates a need for HOME funds in order to make a greater number of rental units affordable to lower income households.
2. Whether the development meets State and Federal requirements of all programs for which it is applying.
3. If the development ranking is sufficient for it to be awarded RHTCs pursuant to the RHTC or Bond process.
4. The availability of HOME funds.

Funds will be awarded only in amounts appropriate to the scope of the identified need. IHCD reserves the right to determine the exact amount and type of assistance needed for each individual housing activity.

Funding Limitations

The maximum HOME request is \$500,000.

<u>HOME-Assisted Units</u>	<u>AMI</u>	<u>Maximum Funding</u>
100 %	< or = 60 % *	\$300,000
75 %	< or = 50 %	\$400,000
50 %	< or = 40 %	\$500,000

*Federal regulations require development with 5 or more HOME-assisted units to have at least 20% of the HOME units set-aside for households with incomes at or below 50% AMI.

IHCD has established a per unit subsidy limitation for HOME-assisted units of \$35,000 for 0-bedroom units, \$40,000 for 1- and 2-bedroom units, and \$50,000 for units with 3 or more bedrooms.

HOME Administrative Subrecipients

IHCDA staff generally oversees the implementation of the HOME program; however, IHCDA accepts proposals from organizations interested in participating in specific areas of administration that compliment and/or expand IHCDA's efforts. Proposals are accepted on an as needed basis as determined by the needs of IHCDA and their recipients.

IHCDA reserves the right, however, to initiate subrecipient agreements with not-for-profit organizations or public agencies for specific HOME administrative activities. These subrecipient agreements will be made available throughout the year upon approval of the activity by the IHCDA Board of Directors.

Eligible Applicants

- Not-for-profit corporations, as designated under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code
- Public agencies

Eligible Activities

- Only those activities allowed under the HOME regulations (24 CFR 92.207) are eligible for funding with IHCDA's HOME administration funds.
- HOME subrecipient activities must comply with the requirements of 24 CFR 84 (a.k.a. OMB Circular A-110) "Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Not-for-profit Organizations."
- In general, IHCDA looks for proposals that have a statewide impact and serve to further the Authority's efforts in one or more of the following areas:
 - General management, oversight, and coordination of the HOME program
 - Providing public information to residents and citizen organizations participating in the planning, implementation, or assessment of housing activities being assisted with HOME funds
 - Affirmatively furthering fair housing
 - Compiling data in preparation for the State Consolidated Plan
 - Complying with other Federal requirements such as affirmative marketing; minority outreach; environmental review; displacement, relocation, and acquisition; labor standards; lead-based paint; and conflicts of interest.

Scoring Criteria

There are no scoring criteria for HOME Administrative Subrecipient awards. Eligibility for these funds will be determined based on:

1. Whether proposed activities have a statewide impact.
2. Whether the proposal demonstrates a need for HOME funds.
3. Whether proposed activities meet the HOME regulatory requirements of an administrative subrecipient.
4. Whether proposed activities serve to further IHCDA staff efforts.
5. The availability of HOME administrative funds.

Funding Limitations

As allowed by HOME regulations (24 CFR 92.207), IHCDA may expend up to 10% of the annual allocation for payment of reasonable administrative and planning costs of the HOME program.

IHCDA is developing a program for homeownership counseling. The program will provide funding for homeownership education and counseling on a statewide basis.

First Home/Plus

Eligible Activities

Income-eligible homebuyers can receive up to 10% of the home purchase price in down payment assistance in conjunction with a below-market interest rate mortgage through IHCDA. The First Home/Plus program is operated through a partnership between IHCDA and participating local lending institutions throughout Indiana. HOME/ADDI down payment assistance is provided as a 0%, forgivable second mortgage. If the buyer resides in the property for five years and does not refinance, the second mortgage is forgiven. For the purchase of an existing home, for three months prior to the sale, the home must have been vacant, occupied by the seller, or rented to the household that is buying the home.

Funds are allocated on a first-come, first-served basis. Interested borrowers must contact a participating lender to apply for the program. Borrowers are encouraged to contact a participating lender for loan “pre-approval” before they begin looking for a house.

Borrowers must successfully complete a homeownership training program. The participating lender may choose the type of training the borrower receives; however, IHCDA strongly recommends a face to face or classroom course given by a HUD approved counselor. A certificate of completion or achievement is required in the loan application package. Difficulty in coming up with cash for a down payment is often the biggest obstacle for first-time homebuyers. Subsequently, IHCDA has developed the First Home/Plus program, through which IHCDA links HOME/ADDI funds in the form of down payment assistance with its Mortgage Revenue Bond (MRB) program.

Eligible Applicants

The borrower must meet the following eligibility requirements:

1. Must be a first-time homebuyer (i.e. has not, at any time during the three years preceding the date of loan closing had an ownership interest in his/her principal residence), unless the buyer is purchasing a home located in a targeted area as published in IHCDA’s First Home/Plus Program Guide.
2. Must be income-eligible as published in IHCDA’s First Home/Plus Program Guide.
3. If a borrower is separated from their spouse, a legal separation agreement or a petition for the dissolution is required prior to preliminary approval.
4. Must reasonably expect to reside in the property as his/her principal residence within 60 days after the loan closing date on existing homes and within 60 days of completion for a newly constructed home.
5. Must currently be or intend to become a resident of the State of Indiana.

Must successfully complete a homeownership training program.

Funding Limitations

Depending upon their income, borrowers receive HOME/ADDI funded down payment assistance of 5% capped at \$3,500 of the sales price or the appraised value of the property, whichever is

less. Acquisition cost of the home may not exceed the lesser of the maximum as set forth in IHCDA's First Home/Plus Program Guide or FHA 203(b) Mortgage Limits as published periodically by HUD.

First Home 100

The First Home 100 program combines IHCDA's First Home program and Rural Development's Direct Loans to stretch resources and reach a broader number of eligible borrowers. It is available in areas that are served by Rural Development. Hoosiers can apply for the program through Rural Development offices.

IHCDA and Rural Development have combined their income and purchase price limits to make it simpler to determine eligibility for the program. Under First Home 100, an eligible borrower would receive two mortgages, one from IHCDA's First Home program, with a below market interest rate, and one from Rural Development, with an interest rate based on the applicant's ability to pay. In some cases, a borrower may also qualify for IHCDA's HOME/ADDI funded down payment assistance, which would result in a forgivable third mortgage to further reduce the borrower's monthly payments.

While IHCDA's First Home programs are primarily restricted to first-time homebuyers, this requirement is waived in 30 rural Indiana counties that are designated as targeted areas by the U.S. Department of Housing and Urban Development. These areas largely coincide with the areas served by Rural Development.

HomeChoice

The HomeChoice program was created by Fannie Mae to provide affordable housing for low- to moderate-income individuals who are disabled or who have disabled dependents living with them. Fannie Mae has approved Indiana's HomeChoice Program, and a public announcement was made on January 24, 2001. The availability of this program in Indiana is the result of a team effort among IHCDA, Fannie Mae and the Back Home in Indiana Alliance.

The program is tailored to meet the unique needs of people with disabilities by offering lower down payment requirements; flexible qualifying and underwriting standards; and use of non-traditional credit histories.

To be eligible for the HomeChoice, program applicants must meet certain requirements. Borrowers must be classified as disabled as established in the Americans with Disabilities Act of 1990 or be defined as handicapped by the Fair Housing Amendments of Act of 1988. Also, borrowers must be low- or moderate-income as defined by the U.S. Department of Housing and Urban Development (HUD), which varies by county. In addition, the borrower must occupy the home within 60 days of the loan's closing or completion.

Initially, HomeChoice was offered in three counties: Bartholomew, Knox, and Marion, and is now being offered in all counties of the state. IHCDA has earmarked \$1 million in revenues from its non-taxable mortgage revenue bonds (MRBs) to finance the first mortgages. Additionally, borrowers receive HOME/ADDI funded down payment assistance of 10% of the sales price or the appraised value of the property, whichever is less, up to \$14,999. Momentive Credit Counseling markets, screens applicants, and coordinates counseling for the program. They also make referrals to participating lenders.

Community Mortgage 100% Option

My Community Mortgage 100% is a partnership program with Fannie Mae that offers affordable homeownership opportunities for borrowers that are low to very low-income. The program offers a minimum contribution of \$500 from the borrower's own funds. The seller may contribute up to 3% of the sales price to help with closing costs. This program has greater flexibility in qualifying and underwriting standards. In addition, borrowers may qualify for IHCDA's down payment assistance.

HOME/ADDI down payment assistance of 5% or 10% (capped at \$3,500 and \$7,000, respectively), depending upon the buyer's income, is provided in the form of a 0% forgivable second mortgage.

Community Solutions 100

Community Solutions 100 is a partnership program with Fannie Mae that enables Teachers, Fire Fighters, Law Enforcement, and State and Municipal workers to purchase a home with as little as \$500 of their own funds. The program allows for higher loan-to-value options, lower out-of-pocket costs and more flexible underwriting criteria. The seller may contribute up to 3% of the sales price to help with closing costs. In addition, borrowers may qualify for IHCDA's down payment assistance.

HOME/ADDI down payment assistance of 5% or 10% (capped at \$3,500 and \$7,000, respectively), depending upon the buyer's income, is provided in the form of a 0% forgivable second mortgage.

HOME Investment Partnerships Program - Resale/Recapture Guidelines

In accordance with the HOME Investment Partnerships Program, 24 CFR Part 92.254(a)(4), the State of Indiana is establishing policy guidelines to ensure affordability for low-income homebuyers. Because of the diversity of program designs throughout the State, recapture provisions will be appropriate for some housing activity designs and resale provisions will be appropriate for others.

Affordability Periods

HOME-assisted housing must meet the affordability requirements listed below, beginning after project completion. Project completion, as defined by HUD, means that:

- all necessary title transfer requirements and construction work have been performed;
- the project complies with the HOME requirements, including the property meets the stricter of the Indiana State Building Code and/or local rehabilitation standards;
- the final drawdown has been disbursed for the project; and
- the project completion information has been entered into HUD's IDIS system.

Homeownership Assistance HOME amount per unit	Minimum period of affordability
under \$15,000	5 years
\$15,000 - \$40,000	10 years

over \$40,000	15 years
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Termination of Affordability Period

The affordability restrictions must terminate upon occurrence of any of the following termination events: foreclosure, transfer in lieu of foreclosure, or assignment of an FHA insured mortgage to HUD. The housing provider of HOME funds may use purchase options, rights of first refusal, or other preemptive rights to purchase the housing before foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the termination event, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the development.

Resale Guidelines

Where the program design calls for no recapture (home received only a development subsidy), the guidelines for resale will be adopted in lieu of recapture guidelines. Resale restrictions will require the seller to sell the property only to a low-income family that will use the property as their principal residence. The term “low-income family” shall mean a family whose gross annual income does not exceed 80% of the median family income for the geographic area as published annually by HUD.

The purchasing family should pay no more than 29% of its gross family income towards the principal, interest, taxes, and insurance for the property on a monthly basis. Individual grantees may, however, establish guidelines that better reflect their mission and clientele. Such guidelines should be described in the application, program guidelines, or award agreement. The housing shall remain affordable to a reasonable range of low-income buyers for the period described in the HOME regulations, as from time to time may be amended.

The homeowner selling the property will be allowed to receive a fair return on investment, which will include the homeowner’s investment and any capital improvements made to the property.

Recapture Guidelines

The maximum amount of HOME funds subject to recapture is based on the amount of HOME assistance that enabled the homebuyer to buy or lease the dwelling unit. This includes any HOME assistance that reduced the purchase price from the fair market value to an affordable price, but excludes the amount between the cost of producing the unit and the market value (i.e., development subsidy).

The amount to be recaptured is based on a prorata shared net sale proceeds calculation. If there are no proceeds, there is no recapture. Any net sale proceeds that exist would be shared between the recipient and the beneficiary based on the number of years of the affordability period that have been fulfilled, not to exceed the original HOME investment.

The net proceeds are the total sales price minus all loan and/or lien repayments. The net proceeds will be split between the IHCDA recipient and borrower as outlined according to the forgiveness schedule below for the affordability period associated with the property. The IHCDA recipient must then repay IHCDA the recaptured funds.

5 Year Affordability Period

Number of Years Fulfilled	% of HOME Funds Recaptured
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Year 1	80%
Year 2	60%
Year 3	40%
Year 4	20%
Year 5	0%

10 Year Affordability Period

Number of Years Fulfilled	% of HOME Funds Recaptured
Year 1	90%
Year 2	80%
Year 3	70%
Year 4	60%
Year 5	50%
Year 6	40%
Year 7	30%
Year 8	20%
Year 9	10%
Year 10	0%

15 Year Affordability Period

Number of Years Fulfilled	% of HOME Funds Recaptured
Year 1	93%
Year 2	87%
Year 3	80%
Year 4	73%
Year 5	67%
Year 6	60%
Year 7	53%
Year 8	47%
Year 9	40%
Year 10	33%
Year 11	27%
Year 12	20%
Year 13	13%
Year 14	7%
Year 15	0%

Property Disposition

In situations in which units assisted by IHCDCA are not brought to completion or fail to meet their affordability commitment, IHCDCA may acquire these properties or assist other organizations in acquiring. Properties IHCDCA purchases would then be available for sale through a disposition program outside of the typical funding rounds on an as needed basis.

The disposition goals include:

- Selling assisted units quickly.

- Ensuring that all applicable HOME or CDBG requirements/regulations are met.

IHCDA would negotiate the final terms of any and all contracts or agreements with buyers selected to successfully meet the needs of IHCDA.

In situations in which an activity has been completed, IHCDA may choose to seek a waiver from HUD for the use of additional HOME funds in the development.

2006 Regional Allocation

Eligible Applicants

-

Eligible Activities

-



Program Description and Allocation Plan

Program Year 2006

Emergency Shelter Grant (ESG)

Method of Distribution

Emergency Shelter Grant funds are distributed through a competitive two-year application process. IHCD will utilize a formula allocation method to determine distribution of funds.

IHCD will weigh the following factors in each continuum of care region:

- The number of available shelter beds;
- The number of persons served from the previous year,
- The number of people identified in the most recent homeless count.

We will obtain that information from a variety of sources including the Indiana Coalition on Housing and Homeless Issues, Family and Social Services Administration – Division of Family Resources (DFR) ESG reports and recent Exhibit 1 sections from Balance of State and Entitlement Communities' last application for HUD SuperNOFA funding.

The weighted factors will then be analyzed to determine the ratio of need for each continuum of care region. For example, if it is determined that region 2 has 13% of the need determined by the weighed factors, and then region 2 would receive 13% of the available amount of ESG funds. We will fund multiple shelters in a continuum of care region up to the maximum allocated amount.

We will give preference to agencies that are currently receiving ESG funding through DFR, are in good standing and in compliance with all ESG regulations and DFR policies and procedures. In order to evaluate current recipients, in addition to the application materials submitted for funding, we will request the following items from DFR:

- 2005 Monthly Performance Reports
- Semi-Annual Report
- Final Year-End report
- Applicable monitoring reviews and related correspondence

If funding remains in a continuum of care region after evaluating current recipients and allocating funding, new applications for ESG will be evaluated by their capacity to provide unduplicated services, the level of unmet need they have demonstrated they will meet and their ability to move homeless persons through the continuum of care.

Rehabilitation dollars will be made available in the event of any unallocated ESG funds. IHCD will invite shelters with specific needs to improve the accessibility features of their shelters to submit a funding request.

Continuum of Care Regional Amounts

Each Continuum of Care region will be allocated a percentage of the available ESG funds. IHCD used the same ratio for Continuum of Care allocations that HUD uses when allocating SuperNOFA funding to Indiana.

The regional percentages are as follows:

- Region 1 - 20%
- Region 2 - 10%
- Region 3 - 9%
- Region 4 - 4%
- Region 5 - 2%
- Region 6 - 5%
- Region 7 - 6%
- Region 8- 24%
- Region 9- 1%
- Region 10- 4%
- Region 11- 4%
- Region 12- 10%

Eligible Applicants

Non-profit organizations that:

- Are organized under State or local laws;
- Have no part of its net earnings inuring to the benefit of any member, founder, contributor or individual;
- Have a functioning accounting system that is operated in accordance with generally accepted accounting principles, or had designated an entity that will maintain such an accounting system;
- Have among its purposes significant activities related to providing services or shelter to homeless persons
- Can demonstrate integration, or the willingness to partner, with the existing local or regional continuum of care

Eligible Activities

- Essential Services
- Shelter Operations
- Homeless Prevention
- Rehabilitation

EMERGENCY SHELTER GRANT 2005-2006

	NAME	Allocation
01-05-09-2338	ADAMS WELLS CO. CRISIS SHELTER	\$ 12,543.00
71-05-09-0613	AIDS MINISTRIES	\$ 20,298.00
82-05-09-0805	ALBION FELLOW BACON	\$ 12,693.00
48-05-09-0675	ALTERNATIVES	\$ 37,993.00
03-05-09-0349	ANCHOR HOUSE, INC.	\$ 18,877.00
22-05-09-0496	ARCHDIOCESE OF INDPLS, ST. ELIZABETH	\$ 31,939.00
49-05-09-0137	ARCHDIOCESE OF INDPLS/CATHOLIC SOCIAL SER	\$ 32,966.00
64-05-09-0861	CARING PLACE	\$ 22,343.00
76-05-09-0912	CENTER FOR THE HOMELESS	\$ 41,136.00
22-05-09-0781	CENTER FOR WOMEN AND FAMILY	\$ 27,543.00
49-05-09-0437	*CHILDREN'S BUREAU	\$ 12,764.00
64-05-09-0614	CHRISTIAN COMM ACTION OF PORTER CO	\$ 18,877.00
33-05-09-0990	CHRISTIAN LOVE HELP CENTER	\$ 16,712.00
49-05-09-0926	COBURN PLACE	\$ 13,193.00
03-05-09-0571	COLUMBUS REG SHEL 4 WOMEN (TURNING P	\$ 12,393.00
38-05-09-1564	COMMUNITY & FAMILY SERVICES, INC.	\$ 17,727.00
82-05-09-1673	COMMUNITY ACTION PORTER-EVAN & VAND CO	\$ 37,975.00
76-05-09-0077	COMMUNITY ANTI-VIOLENCE ALLIANCE	\$ 12,993.00
55-05-09-0954	COMMUNITY SERVICE CENTER - MORGAN CO	\$ 45,639.00
84-05-09-0862	COUNCIL ON DOMESTIC ABUSE	\$ 12,993.00
45-05-09-1488	CRISIS CENTER/A YOUTH SVICE BUREAU	\$ 13,074.00
19-05-09-0105	CRISIS CONNECTION	\$ 17,493.00
49-05-09-0489	DAYSPRINGS CENTER	\$ 30,003.00
76-05-09-0490	DISMAS INC.	\$ 20,952.00
82-05-09-1871	ECHO HOUSE CORP	\$ 34,039.00
44-05-09-1943	* ELIJAH HAVEN CRISIS	\$ 12,393.00
82-05-09-2604	EVANSVILLE GOODWILL INDUSTRIES	\$ 27,768.00
54-05-09-0771	FAM. CRISIS SHELTER OF MONTGOM CO	\$ 13,493.00
27-05-09-0494	FAMILY SERVICE SOCIETY (HANDS OF HOPE	\$ 27,489.00
18-05-09-0656	FAMILY SERVICES OF DELAWARE COUNTY	\$ 24,843.00
20-05-09-0268	FAMILY SERVICES OF ELKHART COUNTY	\$ 22,374.00
34-05-09-0456	* FAMILY SERVICES ASSOC. OF HOWARD CO.	\$ 12,393.00
02-05-09-1622	FORT WAYNE WOMEN'S BUREAU	\$ 21,989.00
45-05-09-0732	GARY COMM ON THE STAT OF WOM/ARK	\$ 30,393.00
02-05-09-1874	GENESIS OUTREACH, INC	\$ 20,389.00
27-05-09-0955	GENESIS PLACE, INC.	\$ 28,833.00
49-05-09-2273	GENNESARET FREE CLINIC	\$ 17,549.00
20-05-09-1556	GOSHEN INTERFAITH HOSP NETWORK	\$ 29,810.00
30-05-09-0618	HANCOCK HOPE HOUSE	\$ 32,806.00
10-05-09-2033	HAVEN HOUSE SERVICES	\$ 43,227.00
45-05-09-0228	HAVEN HOUSE, INC.	\$ 12,693.00
15-05-09-2046	HEART HOUSE, INC.	\$ 17,727.00
02-05-09-2743	HOPE HOUSE INC.	\$ 17,299.00
49-05-09-0500	HORIZON HOUSE, INC	\$ 43,212.00
82-05-09-0920	HOUSE OF BREAD AND PEACE (The)	\$ 15,426.00
48-05-09-2735	*HOUSE OF HOPE - MADISON COUNTY	\$ 23,489.00
67-05-09-0553	HOUSING AUTHORITY OF GREENCASTLE	\$ 22,987.00

64-05-09-0197	HOUSING OPPORTUNITY	\$	15,276.00
03-05-09-1678	HUMAN SERVICES	\$	36,712.00
49-05-09-0560	INDIANAPOLIS INTERFAITH HOSPITALITY	\$	15,426.00
02-05-09-0927	*INTERFAITH HOSPITALITY OF FT. WAYNE	\$	19,877.00
92-05-09-2039	INTERFAITH MISSION, INC.	\$	20,289.00
49-05-09-0782	JULIAN CENTER (The)	\$	32,993.00
42-05-09-0888	KNOX.CTY.DV.	\$	12,393.00
43-05-09-0372	KOS.CTY.SHEL.ABUSE	\$	32,596.00
79-05-09-1612	LAFAYETTE TRANSITION HOUSING CENTER	\$	44,028.00
79-05-09-0913	LAFAYETTE URBAN MINISTRIES	\$	28,712.00
82-05-09-1875	LIFE CHOICE, INC.	\$	21,896.00
71-05-09-2783	LIFE TREATMENT	\$	30,599.00
	CLOSED- NO CURRENT CONTRACT		
	CLOSED - NO CURRENT CONTRACT		
53-05-09-0928	*MARTHA'S HOUSE	\$	15,276.00
79-05-09-0931	MENTAL HEALTH ASSOC - TIPP. COUNTY	\$	33,294.00
53-05-09-0561	MIDDLE WAY HOUSE	\$	18,227.00
57-05-09-0621	NOBLE HOUSE	\$	20,828.00
37-05-09-0045	NORTH CENTRAL IND. RURAL	\$	12,543.00
18-05-09-0241	OPEN DOOR COMMUNITY SERVICES, INC	\$	45,639.00
82-05-09-0475	*OZANAM FAMILY SHELTER	\$	17,712.00
88-05-09-1873	PRISONER & COMMUNITY TOGETHER	\$	12,843.00
76-05-09-0929	*PROJECT HELP OF STEUBEN CO.	\$	15,426.00
18-05-09-0504	PROJ STEPPING STONE OF MUNCIE	\$	14,126.00
22-05-09-1626	PROVIDENCE SELF SUFF. MINISTRIES, INC	\$	13,914.00
49-05-09-1872	QUEST FOR EXCELLENCE	\$	19,626.00
89-05-09-2342	RICHMOND/WAYNE CO. HALFWAY HOUSE	\$	16,299.00
28-05-09-2275	ROOSEVELT MISSION, INC.	\$	29,010.00
69-05-09-1934	SAFE PASSAGE	\$	12,393.00
49-05-09-1313	SALVATION ARMY - RUTH LILLY SOCIAL SE	\$	26,939.00
45-05-09-1554	ST. JUDE, INC.	\$	12,693.00
	CLOSED- NO CURRENT CONTRACT		
98-05-09-1313	SALVATION ARMY HARBOR LIGHT	\$	34,516.00
34-05-09-2350	COORDINATED ASSISTED MINISTRIES	\$	17,727.00
79-05-09-1313	SALVATION ARMY LAFAYETTE	\$	18,027.00
32-05-09-2277	* SHELTERING WINGS	\$	12,693.00
48-05-09-2042	STEPPING STONE 4 VET. INC.	\$	20,189.00
46-05-09-0599	STEPPING STONE SHELTER 4 WOMEN	\$	13,193.00
76-05-09-0930	*TURNING POINT OF STEUBEN CO.	\$	15,276.00
13-05-09-2043	TWIN OAKS HOUSING CORPORATION	\$	18,877.00
82-05-09-0623	UNITED CARING SHELTER	\$	24,727.00
02-05-09-0518	VINCENT HOUSE	\$	23,139.00
71-05-09-0761	YOUTH SERVICE BUREAU OF ST. JOSEPH	\$	14,165.00
82-05-09-0569	YWCA EVANSVILLE	\$	12,993.00
02-05-09-0552	YWCA FT. WAYNE	\$	12,993.00
79-05-09-0187	YWCA GREATER LAFAYETTE	\$	12,543.00
89-05-09-0716	YWCA RICHMOND	\$	13,543.00
76-05-09-0503	YWCA ST. JOE.	\$	12,742.00
	TOTAL	\$	2,076,206.00

BOLD FACILITIES - DV SHELTERS

* NEW FACILITIES

Emergency Shelter Grant Performance Based Options

Case Management/Care Plans

1. ___% (Minimum 80%) Provide information/education materials for client needs and services within 3-7 days of assessments.
2. ___% (Minimum 50%) of the adult domestic violence clients will complete a safety plan.
3. ___% (Minimum 50%) of the clients will establish a case/care plan within 7 days of admission.
4. ___% (Minimum 75%) of children ages 5 and older will have a case/care/safety plan within 7 days of admission.
5. ___% (Minimum 30%) will access transitional or permanent housing upon exit from the program (for clients who stay 30 days or more).
6. ___% (Minimum 60%) of children will reunite and be housed with their family/guardian.
7. ___% (Minimum 80%) will offer and/or be referred to an educational and job training program.
8. ___% (Minimum 50%) will increase their income or be employed upon exit from the program (for clients who stay 30 days or more in the program).
9. ___% (Minimum 80%) Inform and refer to mainstream programs. (E.g. Food Stamps, Medicaid, Medicare, VA benefits, SSI, etc.)
10. ___% (Minimum 80%) of school age children will be enrolled in school within 72 hours.
11. ___% (Minimum 50%) of the transitional residents will move from transitional to permanent housing for families/individuals that stay at least 24 months.

Homeless Prevention/Outreach

12. ___% (Minimum 80%) completes client assessments/intake within 72 hours.
13. Conduct a community outreach program at least one per quarter (four a year).

Operations

14. ___% (Minimum 75%) of clients will be provided with food and/or personal care items and other necessities.
15. ___% (Minimum 50%) Grantee agrees that the adult clients will participate in evaluating the shelter's services.



Program Description and Allocation Plan

Program Year 2006

Housing Opportunities for Persons with AIDS (HOPWA)

Method of Distribution

IHCDA will allocate HOPWA funds through a non-competitive renewal process. Program Year 2005 HOPWA Project Sponsors in good standing will be invited to submit an annual plan detailing their use of the HOPWA funds for their region for the period of July 1, 2006 – June 30, 2007.

Notwithstanding the submission of the annual plan described above, IHCDA reserves the right and shall have the power to allocate funds irrespective of the submission of the annual plan, if such intended allocation is (1) in compliance with the applicable statutes; (2) in furtherance of promoting affordable housing; and (3) determined by IHCDA's Board of Directors to be in the interests of the citizens of the state of Indiana.

In order to ensure statewide access to HOPWA funds, IHCDA utilizes the Indiana State Department of Health (ISDH) HIV Care Coordination Regions. IHCDA has assigned a maximum funding amount available in each of the eleven regions of the state served by the Indiana HOPWA funds.

2006 Regional Allocation

HOPWA funds will be allocated to the HOPWA Care Coordination Regions on a formula basis assigned by utilizing ISDH's most current epidemiological data (December 2005) showing the current number of reported HIV/AIDS cases in each county. Each Care Coordination Region will receive their applicable amount of HOPWA funding based on the total number of reported HIV/AIDS cases in their service area.

However, the following counties are not served under the State program: Boone, Brown, Clark, Dearborn, Floyd, Franklin, Hamilton, Hancock, Harrison, Hendricks, Johnson, Marion, Morgan, Ohio, Putnam, Scott, Shelby and Washington

Eligible Applicants

Non-profit organizations that:

- Are organized under State or local laws;
- Have no part of its net earnings inuring to the benefit of any member, founder, contributor or individual;
- Have a functioning accounting system that is operated in accordance with generally accepted accounting principles, or had designated an entity that will maintain such an accounting system;
- Have among its purposes significant activities related to providing services or housing to persons with acquired immunodeficiency syndrome (AIDS) or related diseases;
- Can demonstrate integration, or the willingness to partner, with the existing HIV/AIDS Continuum of Care in the local region;
- Are eligible to participate in HUD programs (not on HUD's debarred list)
- Are in good standing with IHCDA (not on the suspension list or otherwise precluded from applying for funding) and current HOPWA project sponsors from PY2004.

Eligible Activities

- Acquisition/Rehabilitation/Conversion
- Housing Information
- Resource Identification
- Rental Assistance
- Rental Assistance Program Delivery
- Short-term Rent, Mortgage and Utility Assistance
- Short-term Rent, Mortgage and Utility Assistance Program Delivery
- Supportive Services
- Operating Costs
- Technical Assistance
- Administration

APPENDIX G.
Public Comments

APPENDIX G.

Public Comments

The 30-day public comment period for the FY2006 State of Indiana Consolidated Plan Update was held between April 14 and May 14, 2006. Two public hearings were conducted on April 24 and 27 in the cities of Ferdinand and Logansport. Summaries of the public comments received are included below.

Comments at Public Hearings

To be added to final.

Written Comments

To be added to final.

APPENDIX H.
HUD Regulations Cross-Walk

APPENDIX H.

HUD Regulations Cross-Walk

This appendix refers the reader to those sections in the 2006 Consolidated Plan Update that are intended to fulfill Sections 91.300 through 91.330 of HUD's regulations governing the contents of the state-level consolidated submission for community planning and development programs. Specifically, the bold and italicized text following each subsection refers to a textual location in the Consolidated Plan Update.

Subpart D – State Governments; Contents of Consolidated Plan

Sec. 91.300 General

(a) A complete consolidated plan consists of the information required in Sections 91.305 through 91.330, submitted in accordance with instructions prescribed by HUD (including tables and narratives), or in such other format as jointly agreed upon by HUD and the State.

See Appendix H, all.

(b) The State shall describe the lead agency or entity responsible for overseeing the development of the plan and the significant aspects of the process by which the consolidated plan was developed, the identity of the agencies, groups, organizations and others who participated in the process, and a description of the State's consultations with social service agencies and other entities. It also shall include a summary of the citizen participation process, public comments, and efforts made to broaden public participation in the development of the consolidated plan. *See Section I and Appendices B, C, D and G.*

Sec. 91.305 Housing and homeless needs assessment

(a) General. The consolidated plan must describe the State's estimated housing needs projected for the ensuing five-year period. Housing data included in this portion of the plan shall be based on U.S. Census data, as provided by HUD, as updated by any properly conducted local study, or any other reliable source that the State clearly identifies and should reflect the consultation with social service agencies and other entities conducted in accordance with Sec. 91.110 and the citizen participation process conducted in accordance with Sec. 91.115. For a State seeking funding under the HOPWA program, the needs described for housing and supportive services must address the needs of persons with HIV/AIDS and their families in areas outside of eligible metropolitan statistical areas. *See Sections II III, IV, and V, all.*

(b) Categories of persons affected. The consolidated plan shall estimate the number and type of families in need of housing assistance for extremely low-income, low-income, moderate-income, and middle-income families, for renters and owners, for elderly persons, for single persons, for large families, for persons with HIV/AIDS and their families, and for persons with disabilities. The description of housing needs shall include a discussion of the cost burden and severe cost burden, overcrowding (especially for large families), and substandard housing conditions being experienced by extremely low-income, low-income, moderate-income and middle-income renters and owners compared to the State as a whole. *See Section III, IV and V, all.*

For any of the income categories enumerated in paragraph (b)(1) of this section, to the extent that any racial or ethnic group has disproportionately greater need in comparison to the needs of that category as a whole, assessment of that specific need shall be included. For this purpose, disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least 10 percentage points higher than the percentage of persons in the category as a whole. *See Section III, IV and V, all.*

(c) Homeless needs. The plan must describe the nature and extent of homelessness (including rural homelessness) within the State, addressing separately the need for facilities and services for homeless individuals and homeless families with children, both sheltered and unsheltered, and homeless subpopulations, in accordance with a table prescribed by HUD. This description must include the characteristics and needs of low-income individuals and families with children (especially extremely low-income) who are currently housed but threatened with homelessness. The plan also must contain a narrative description of the nature and extent of homelessness by racial and ethnic group, to the extent information is available. *See Section V, especially “Persons Experiencing Homelessness.”*

(d) Other special needs. The State shall estimate, to the extent practicable, the number of persons who are not homeless but require supportive housing, including the elderly, frail elderly, person with disabilities (mental, physical, developmental), persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and any other categories the State may specify, and describe their supportive housing needs. *See Section V, all.*

With respect to a State seeking assistance under the HOPWA program, the plan must identify the size and characteristics of the population with HIV/AIDS and their families within the area it will serve. *See Section V, especially “Persons with HIV/AIDS.”*

Lead-based paint hazards. The plan must estimate the number of housing units within the State that are occupied by low-income families or moderate-income families that contain lead-based paint hazards, as defined in this part. *See Section IV, especially the section on lead-based paint hazards.*

Sec. 91.310 Housing market analysis

(a) General characteristics. Based on data available to the State, the plan must describe the significant characteristics of the State's housing markets (including such aspects as the supply, demand and condition and cost of housing). *See Sections III and IV, all.*

(b) Homeless facilities. The plan must include a brief inventory of facilities and services that meet the needs for emergency shelter and transitional housing needs of homeless persons within the State. *See Section V, especially "Persons Experiencing Homelessness."*

(c) Special needs facilities and services. The plan must describe, to the extent information is available, the facilities and services that assist persons who are not homeless but who require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing. *See Section V, all.*

(d) Barriers to affordable housing. The plan must explain whether the cost of housing or the incentives to develop, maintain, or improve affordable housing in the State are affected by its policies, including tax policies affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on residential investment. *See Section VI, especially "Barriers to Affordable Housing."*

Sec. 91.315 Strategic plan

(a) General. For the categories described in paragraphs (b), (c), (d), and (e) of this section, the consolidated plan must do the following:

Indicate the general priorities for allocating investment geographically within the State and among priority needs.

Describe the basis for assigning the priority (including the relative priority, where required) given to each category of priority needs. *See Section VII.*

Summarize the priorities and specific objectives, describing how the proposed distribution of funds will address identified needs.

For each specific objective, identify the proposed accomplishments the State hopes to achieve in quantitative terms over a specific time period (i.e., one, two, three or more years), or in other measurable terms as identified and defined by the State. *See Section VII and Appendix F, all.*

(b) Affordable housing. With respect to affordable housing, the consolidated plan must do the following:

The description of the basis for assigning relative priority to each category of priority need shall state how the analysis of the housing market and the severity of housing problems and needs of extremely low-income, low-income, and moderate-income renters and owners identified in accordance with Sec. 91.305 provided the basis for assigning the relative priority given to each priority need category in the priority housing needs table prescribed by HUD. Family and income types may be grouped together for discussion where the analysis would apply to more than one of them; *See Section VII.*

The statement of specific objectives must indicate how the characteristics of the housing market will influence the use of funds made available for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units. *See Section VII, and Sections III and IV for supporting market analysis and needs.*

The description of proposed accomplishments shall specify the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined in Sec. 92.252 of this subtitle for rental housing and Sec. 92.254 of this subtitle for homeownership over a specific time period. *See Section VII.*

(c) Homelessness. With respect to homelessness, the consolidated plan must include the priority homeless needs table prescribed by HUD and must describe the State's strategy for the following:

Helping low-income families avoid becoming homeless;

Reaching out to homeless persons and assessing their individual needs;

Addressing the emergency shelter and transitional housing needs of homeless persons; and,

Helping homeless persons make the transition to permanent housing and independent living.

For all of the above, see Section V, "Persons Experiencing Homelessness," Section VII for related strategies, and Appendix F for allocated funds.

(d) Other special needs. With respect to supportive needs of the non-homeless, the Consolidated Plan must describe the priority housing and supportive service needs of persons who are not homeless but require supportive housing (i.e., elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and public housing residents). *See Section V, all, Section VII for related strategies, and Appendix F for allocated funds.*

(e) Non-housing community development plan. If the State seeks assistance under the Community Development Block Grant program, the consolidated plan must describe the State's priority non-housing community development needs that affect more than one unit of general local government and involve activities typically funded by the State under the CDBG program. These priority needs must be described by CDBG eligibility category, reflecting the needs of persons of families for each type of activity. This community development component of the plan must state the State's specific long-term and short-term community development objectives (including economic development activities that create jobs), which must be developed in accordance with the statutory goals described in Sec. 91.1 and the primary objective of the CDBG program to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for low-income and moderate-income persons. *See Section III, Section VII for related strategies, and actions, and Appendix F for allocated funds.*

(f) Barriers to affordable housing. The consolidated plan must describe the State's strategy to remove or ameliorate negative effects of its policies that serve as barriers to affordable housing, as identified in accordance with Sec. 91.310. *See Section VII, especially "Barriers to Affordable Housing."*

(g) Lead-based paint hazards. The consolidated plan must outline the actions proposed or being taken to evaluate and reduce lead-based paint hazards, and describe how the lead-based paint hazard reduction will be integrated into housing policies and programs. *See Section IV, especially the section on lead-based paint hazards.*

(h) Anti-poverty strategy. The consolidated plan must describe the State's goals, programs, and policies for reducing the number of poverty level families and how the State's goals, programs, and policies for reducing the number of poverty level families and how the State's goals, programs, and policies for producing and preserving affordable housing, set forth in the housing component of the consolidated plan, will be coordinated with other programs and services for which the State is responsible and the extent to which they will reduce (or assist in reducing) the number of poverty level families, taking into consideration factors over which the State has control. *See Section VII, "Anti-Poverty Strategy."*

(i) Institutional structure. The consolidated plan must explain the institutional structure, including private industry, nonprofit organizations, and public institutions, through which the State will carry out its housing and community development plan, assessing the strengths and gaps in that delivery system. The plan must describe what the State will do to overcome gaps in the institutional structure for carrying out its strategy for addressing its priority needs. *See Section VII.*

(j) Coordination. The consolidated plan must describe the State's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health, and service agencies. With respect to the public entities involved, the plan must describe the means of cooperation and coordination among the State and any units of general local government in the implementation of its consolidated plan. *See Section VII.*

(k) Low-income housing tax credit use. The consolidated plan must describe the strategy to coordinate the Low-income Housing Tax Credit with the development of housing that is affordable to low-income and moderate-income families. *See Section VII.*

(I) Public housing resident initiatives. For a State that has a State housing agency administering public housing funds, the consolidated plan must describe the State's activities to encourage public housing residents to become more involved in management and participate in homeownership. *See Section VII for strategies for increasing homeownership and Appendix F for other related strategies.*

Sec. 91.320 Action plan

The action plan must include the following:

(a) Form application. Standard Form 424. *See Appendix A.*

(b) Resources

Federal resources. The consolidated plan must describe the federal resources expected to be available to address the priority needs and specific objectives identified in the strategic plan, in accordance with Sec. 91.315. These resources include grant funds and program income. *See Section VII and Appendix F, all.*

Other resources. The consolidated plan must indicate resources from private and non-federal public sources that are reasonably expected to be made available to address the needs identified in the plan. The plan must explain how federal funds will leverage those additional resources, including a description of how matching requirements of the HUD programs will be satisfied. Where the State deems it appropriate, it may indicate publicly owned land or property located within the State that may be used to carry out the purposes stated in Sec. 91.1.

(c) Activities. A description of the State's method for distributing funds to local governments and nonprofit organizations to carry out activities, or the activities to be undertaken by the State, using funds that are expected to be received under formula allocations (and related program income) and other HUD assistance during the program year and how the proposed distribution of funds will address the priority needs and specific objectives described in the consolidated plan. *See Appendix F.*

(d) Geographic distribution. A description of the geographic areas of the State (including areas of minority concentration) in which it will direct assistance during the ensuing program year, giving the rationale for the priorities for allocating investment geographically. *See Section VII for the State's overall distribution plan and Appendix F for program distribution plans.*

(e) Homeless and other special needs activities. Activities it plans to undertake during the next year to address emergency shelter and transitional housing needs of homeless individuals and families (including subpopulations), to prevent low-income individuals and families with children (especially those with incomes below 30 percent of median) from becoming homeless, to help homeless persons make the transition to permanent housing and independent living, and to address the special needs of persons who are not homeless identified in accordance with Sec. 91.315(d). *See Section VII for related strategies.*

(f) Other actions. Actions it plans to take during the next year to address obstacles to meeting underserved needs, foster and maintain affordable housing (including the coordination of Low-Income Housing Tax Credits with the development of affordable housing), remove barriers to affordable housing, evaluate and reduce lead-based paint hazards, reduce the number of poverty level families, develop institutional structure, and enhance coordination between public and private housing and social service agencies and foster public housing resident initiatives. (See Sec. 91.315 (a), (b), (f), (g), (h), (i), (j), (k) and (l).) *See Section VII for related strategies.*

(g) Program-specific requirements. In addition, the plan must include the following specific information:

CDBG. *See Appendix F, CDBG documentation.*

HOME. *See Appendix F, HOME documentation.*

ESG. The State shall state the process for awarding grants to State recipients and a description of how the State intends to make its allocation available to units of local government and nonprofit organizations. *See Appendix F, ESG documentation.*

HOPWA. The State shall state the method of selecting project sponsors. *See Appendix F, HOPWA documentation.*

Sec. 91.325 Certifications

See Appendix A for all Certifications.

(a) General. *For all items in 91.325 (a)-(d), see Appendix A.*

Affirmatively furthering fair housing. Each State is required to submit a certification that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the State, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

Anti-displacement and relocation plan. The State is required to submit a certification that it has in effect and is following a residential anti-displacement and relocation assistance plan in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug-free workplace. The State must submit a certification with regard to drug-free workplace required by 24 CFR part 24, subpart F.

Anti-lobbying. The State must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

Authority of State. The State must submit a certification that the consolidated plan is authorized under State law and that the State possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan. The State must submit a certification that the housing activities to be undertaken with CDBG, HOME, ESG and HOPWA funds are consistent with the strategic plan.

Acquisition and relocation. The State must submit a certification that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR part 24.

Section 3. The State must submit a certification that it will comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

(b) Community Development Block Grant program. For States that seek funding under CDBG, the following certifications are required:

Citizen participation. A certification that the State is following a detailed citizen participation plan that satisfies the requirements of Sec. 91.115, and that each unit of general local government that is receiving assistance from the State is following a detailed citizen participation plan that satisfies the requirements of Sec. 570.486 of this title. *Also see Appendix B.*

Consultation with local governments.

Community development plan. A certification that this consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the statute authorizing the CDBG program, as described in 24 CFR 570.2, and requirements of this part and 24 CFR part 570.

Use of funds.

Compliance with anti-discrimination laws. A certification that the grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

Excessive force.

Compliance with laws. A certification that the State will comply with applicable laws.

(c) Emergency Shelter Grant program.

For States that seek funding under the Emergency Shelter Grant program, a certification is required by the State that it will ensure that its State recipients comply with the following criteria:

In the case of assistance involving major rehabilitation or conversion, it will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for not less than a 10-year period;

In the case of assistance involving rehabilitation less than that covered under paragraph (d)(1) of this section, it will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for not less than a three-year period;

In the case of assistance involving essential services (including but not limited to employment, health, drug abuse or education) or maintenance, operation, insurance, utilities and furnishings, it will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure as long as the same general population is served;

Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary;

It will assist homeless individuals in obtaining appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living, and other federal, State, local and private assistance available for such individuals;

It will obtain matching amounts required under Sec. 576.71 of this title;

It will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project except with the written authorization of the person responsible for the operation of that shelter;

To the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining and operating facilities assisted under this program, in providing services assisted under the program, and in providing services for occupants of facilities assisted under the program; and

It is following a current HUD-approved consolidated plan.

(d) HOME program. Each State must provide the following certifications:

If it plans to use program funds for tenant-based rental assistance, a certification that rental-based assistance is an essential element of its consolidated plan.

A certification that it is using and will use HOME funds for eligible activities and costs, as described in sections 92.205 through 92.209 of this subtitle and that it is not using and will not use HOME funds for prohibited activities, as described in Sec. 92.214 of this subtitle.

A certification that before committing funds to a project, the State or its recipients will evaluate the project in accordance with guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other federal assistance than is necessary to provide affordable housing.

Housing Opportunities for Persons With AIDS. For States that seek funding under the Housing Opportunities for Persons With AIDS program, a certification is required by the State.

Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Any building or structure purchased, leased, rehabilitated, renovated or converted with assistance under that program shall be operated for not less than 10 years specified in the plan, or for a period of not less than three years in cases involving non-substantial rehabilitation or repair of a building or structure.

(e) HOPWA program. For States that seek funding under the Housing Opportunities for Persons with AIDS program, a certification is required by the State that:

Activities funded under the program will meet the urgent needs that are not being met by available public and private sources; and

Any building or structure purchased, leased, rehabilitated, renovated, or converted with assistance under that program shall be operated for not less than 10 years specified in the plan, or for a period of not less than three years in cases involving non-substantial rehabilitation or repair of a building or structure.

Sec. 91.330 Monitoring

The consolidated plan must describe the standards and procedures that the State will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including the comprehensive planning requirements.

See Appendix F.