State of Indiana 2015-2019 Five-year Consolidated Plan

Allocation of CDBG, HOME, ESG and HOPWA

FINAL REPORT—AMENDED

Final Report—Amended

November 10, 2016

State of Indiana 2015-2019 Consolidated Plan and 2015 Action Plan

Prepared for
State of Indiana
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2015-2019 Five-year Consolidated Plan and 2015 Annual Action Plan: CDBG, HOME, ESG, HOPWA

Executive Summary

ES-05 Executive Summary - 91.300(c), 91.320(b)

1. Introduction

The State of Indiana is eligible to receive grant funds from the U.S. Department of Housing and Urban Development (HUD) to help address housing and community development needs. These grant funds include: the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), Housing Opportunities for People with AIDS (HOPWA) and the National Housing Trust Fund (HTF). The dollars are primarily meant for investment in the State's less populated and rural areas ("nonentitlement" areas), which do not receive such funds directly from HUD.

The Indiana Office of Rural and Community Affairs (OCRA) receives and administers CDBG. The Indiana Housing & Community Development Authority (IHCDA) receives and administers HOME, ESG and HOPWA.

As a condition for receiving HUD block grant funding, the State must complete a five-year strategic plan called a Consolidated Plan for Housing and Community Development (Consolidated Plan). The Consolidated Plan identifies the State's housing and community development needs and specifies how block grant funds will be used to address the needs.

This document represents the five-year Consolidated Plan for the State of Indiana's 2015-2019 planning period. The report was completed using HUD's new electronic Consolidated Plan suite (eCon Plan). This report also contains the State's annual plan for allocating HUD block grant funds in the program year (PY) that begins in July 2015 and ends in June 2016. The 2015 action plan is designated by "AP" headings.

2. Summarize the objectives and outcomes identified in the Plan

During the 2015-2019 strategic planning period, the top-level goals that will guide funding allocations include:

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.

To achieve the goals, the State will use a combination of federal and state funds and other public and private funds for project leveraging to address the priority housing and community development needs.

For the 2015 program year, the State proposes to allocate funding to the following activities:

CDBG funds:

- $2.7 million for owner-occupied rehabilitation (allocated to IHCDA)
- $8.4 million for wastewater/drinking water improvements
- $3.2 million for public facilities improvements
- $4 million for the Stellar Communities program
- $3.5 million for storm water improvements
- $1.4 million for planning
- $1.4 million for blight clearance
- $1 million towards workforce development activities
- $1.2 million for Main Street Revitalization Program
- $655,000 for administration
- $278,000 for technical assistance
- Section 108 loan program—up to $80 million

CDBG-DR funds:

- $5.5 multifamily housing (<51% AMI)
- $4.4 million for owner occupied rehabilitation (100% AMI)
- $3.5 million for comprehensive revitalization
- $1 million for workforce development
- $11 million for stormwater improvements
- Community Revitalization through Stellar Communities program (amount TBD)

HOME funds:

- $3.2 million rental projects (competitive or Stellar Communities program funding)
- $1 million homeownership projects (competitive or Stellar Communities program funding)
- $1.5 million for Housing First projects (maximum $500,000 per award)
- $2.5 million for Rental Housing Tax Credit/HOME combos under the Qualified Allocation Plan (maximum $500,000 per award)
- $250,000 for CHDO operating and predevelopment
- $900,000 administrative uses ($550,000 internal and $350,000 organizational capacity building)
- Tenant Based Rental Assistance (TBRA) will be funded with funds remaining from program years (PYs 2013, 2014 and 2015)

ESG funds:

- $1.7 million emergency shelters with operations and essential services
- $1.45 million rental assistance for rapid re-housing
- $72,000 rental assistance associated with homeless prevention
- $124,000 outreach activities

- $270,000 for administration

HOPWA funds:

- $425,000 in TBRA
- $222,000 for housing information activities
- $170,000 short-term rental, utilities and mortgage assistance
- $90,000 support facility operations and supportive services

3. Evaluation of past performance

Both OCRA and IHCDA closely monitor the success of their programs funded with HUD block grants. Throughout the program year and as part of the Consolidated Plan process, OCRA and IHCDA consult with stakeholders to ensure that the programs developed with HUD block grant funds are meeting unmet needs and making the greatest impact. For example, for the 2013 program year OCRA and IHCDA implemented a Section 108 loan program to provide local government's access to difficult-to-obtain community capital. The State plans to continue this program during the 2015-2019 Consolidated Plan period.

The State also considers leveraging opportunities and works to design its programs to work in concert with other funding streams to advance the State's strategic goals. For example, to end long-term homelessness, ESG funds will be required to work in coordination with Continuum of Care (CoC) funds to reduce the length of time people experiencing homelessness stay in shelters.

4. Summary of Citizen Participation Process and consultation process

Residents and stakeholders had many opportunities to participate in the development of the Consolidated Plan:

- Stakeholders participated in an online survey about housing and community development needs in the areas they work and live. More than 200 stakeholders participated in the survey.
- An additional 20 stakeholder interviews were conducted with specialists in housing, community development, and local government affairs. These interviews were conducted during the 30-day public comment period to encourage feedback on the draft Consolidated Plan.
- A statistically significant survey of residents in nonentitlement areas was fielded to collect information on the greatest housing and neighborhood needs; this survey also informed the Analysis of Impediments to Fair Housing Choice (AI).
- Both stakeholders and residents had the opportunity to review the draft Consolidated Plan between April 14 and May 13, 2015. Two public hearings were held in 5 locations on April 23, 2015 to collect comments on the Draft Plan.

These efforts were supplemented with regional meetings with local officials, nonprofits, businesses and other stakeholders, conducted by OCRA and IHCDA.

5. Summary of public comments

The public comment period on the Draft 2015-2019 Consolidated Plan ran from April 14 through May 13, 2015. A public hearing was held on April 23 to receive comments on the Draft Plan; 23 people attended the hearings.

Attendees shared the following comments about the Draft Consolidated Plan during the public hearings:

- One attendee was concerned about the length of the Plan. Since it is the first time the public has reviewed the new format now required by HUD, it would have been nice to have more time to review the Plan before the public hearing. This is particularly important for persons who need the Plan transferred into alternative formats *Note: The draft plan was released 10 days in advance of the hearing.*

- In future years, could the state publish a "Save the Date" notice in January about when the hearings will be held in April?

- One attendee was concerned that migrant farm workers were no longer included as a special population in the new Plan.

- The needs of migrant farmworkers were described as severe, with many living in housing in very substandard condition, some without running water and many without modern conveniences (e.g., working appliances).

- One attendee was concerned with the lack of vouchers set aside under Money Follows the Person programs to use for independent living. Another attendee asked that Section 8 homeownership be part of the programs offered by the state's public housing authorities.

- Two attendees discussed the lack of visitable and accessible housing in the state's nonentitlement communities and called for a state visitability ordinance. One attendee shared his story: he lives in Fort Wayne and, of the 30 friends he would like to visit in the city; he can only visit one due to the difficulty getting into their homes and around their neighborhoods.

- Chemical sensitivity issues can be a problem in housing that is near agricultural areas. Landlords are not always aware of the requirement to make reasonable accommodations.

- One attendee recommended a program that would help low income homeowners with well and septic take replacements.

Written public comments received are appended to the eCon Plan and appear in Section III of this document.

6. Summary of comments or views not accepted and the reasons for not accepting them

All comments and views submitted during the 2015-2019 Consolidated Plan comment period were accepted and considered in development of the final plan.

OMB Control No: 2506-0117 (exp. 07/31/2015)

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.300(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

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Agency Role	Name
Lead Agency	Office of Community and Rural Affairs
CDBG Administrator	Office of Community and Rural Affairs
HOPWA Administrator	Indiana Housing & Community Development Authority
HOME Administrator	Indiana Housing & Community Development Authority
HOPWA-C Administrator	Indiana Housing & Community Development Authority

Table 1 – Responsible Agencies

Consolidated Plan Public Contact Information

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PR-10 Consultation - 91.110, 91.300(b); 91.315(l)

Introduction

This section describes the stakeholder consultation and citizen participation efforts to gather input into the 2015-2019 Consolidated Plan and 2015 Action Plan.

Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

OCRA community liaisons, located throughout the state, help OCRA design and direct programs that are consistent with the goals and needs of local communities. Community liaisons facilitate meetings with local officials, state and federal agencies, and nonprofit agencies and service providers.

IHCDA offers training and webinars to partner organizations on topics ranging from program application requirements to funds management to weatherization courses. IHCDA maintains a Resource Center on its website with detailed manuals that instruct its partners on how to develop and administer programs. The Lt. Governor and IHCDA's My Community, My Vision pilot program encourages high school students to become involved in their communities by collaborating with local government officials and civic leaders to envision community development projects.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness. Also describe consultation efforts to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

The IN-502 Continuum of Care (CoC) Board serves and acts as the oversight and planning body on preventing and ending homelessness for the CoC General Membership Body. The Board comprises a diverse set of geographically representative stakeholders with the knowledge and expertise to create policy priorities and make funding decisions related to homelessness. The CoC Board meets 10 times per year.

The CoC Board members represent populations in the homeless community, as well as subpopulations including chronic homeless, seriously mentally ill, chronic substance abuse, families, domestic violence, youth and veterans. There are two representatives from the Regional Planning Councils on Homelessness across the Balance of the State.

The State ESG program presents their program plans to the CoC Board, in addition to entitlement cities at their annual round table meeting.

The Executive Committee provides governance of process and the structure of the CoC IN-502 general membership and CoC Board. They oversee the MOA's with IHCDA and provide the overall communications to the CoC IN-502.

The Resource & Funding Committee oversees local, state, and federal funding for the CoC and seeks new opportunities for funding to end homelessness, such as Section 811 PRAD, McKinney Vento Competitive Applications and the Consolidated State Plan Application for the ESG funding. The Committee works with the Interagency Council, Indiana Department of Corrections, Family of Social Service Administration, Division of Mental Health and Addictions, Veterans Administration, Department of Education, and the Department of Child Services. The objective is to ensure integration of CoC and ESG under the same performance standards, meeting all the needs and gaps in the CoC.

The Performance & Outcome Committee oversees the Homeless Management Information System (HMIS) grant to provide oversight and help to develop, maintain, and update the statewide HMIS including the development and implementation of data protocols, reporting, policies and problem solving measures, and meeting all HUD benchmarks.

Describe consultation with the Continuum(s) of Care that serves the state in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS.

In determining the ESG Allocation, a request for proposals is distributed to all the Regional Planning Councils on the Homeless throughout the Balance of State, to the current sub-recipients of the ESG program and current permanent supportive housing rental assistance programs who have had experience with rental assistance. Each proposal is reviewed by at least one IHCDA Community Services staff person and by a member of a Committee under the CoC Board. Each reviewer completes a scoring tool, assigning points based on the following program design components: outreach system, commitment to the coordinated access intake point, systems coordination, organizational capacity, permanent housing placement strategy, history of administering the rental assistance programs, amount of match provided and coordination with ESG Entitlement City funds (as applicable).

The performance standards for ESG were developed in conjunction with the governing body for the Balance of State CoC Board and the Funding & Resource Committee and approved by the Balance of State CoC Board by using the national standards outlined in Section 427 of the McKinney-Vento Act, as amended by the HEARTH Act.

Describe Agencies, groups, organizations and others who participated in the process and describe consultations with housing, social service agencies and other entities

Stakeholders participated in an online survey about housing and community development needs in the areas they work and live. More than 200 stakeholders participated in the survey.

An additional 20 stakeholder interviews were conducted with specialists in housing, community development, and local government affairs. These interviews were conducted during the 30-day public comment period to encourage feedback on the draft Consolidated Plan.

OMB Control No: 2506-0117 (exp. 07/31/2015)

OCRA also met with several regional planning organizations to collect information on regional housing and community development needs and receive suggestions on how state programs could better meet these needs. This information was shared with IHCDA in development of housing programs funded by CDBG and HOME.

A summary of the organizations represented by participating stakeholders is shown in the following table.

Type of Organization/Agency/Group or Clients Represented	% Responding to Stakeholder Survey
Government services/regional planning	29.8
Affordable housing	27.7
Economic development/business services	27.3
Homeless services	23.4
Local government	223.4
Low income residents in general	22.4
Persons with disabilities	20.5
Property management/landlords	12.7
Substance abuse treatment	12.2
Seniors	11.2
Fair housing/landlord tenant services	9.3
Food provision	8.3
Veterans	7.8
HIV/AIDS	4.9

Table 2 – Agencies, groups, organizations who participated

Identify any Agency Types not consulted and provide rationale for not consulting

None; all agency types had the opportunity to participate in development of the 2015-2019 Consolidated Plan through the open stakeholder survey and public forums.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Indiana Balance of State Continuum of Care	State of Indiana Continuum of Care	ESG goals are developed in concert with CoC planning
IHCDA Strategic Plan	IHCDA	Housing priorities support the strategic plan initiative to “Create and preserve housing for Indiana's most vulnerable population.” Both housing and community development goals support self-sufficiency initiative and improve resident quality of life and strengthen communities in rural areas
2014 Roadmap	Governor of Indiana	CDBG goals and priorities support the Roadmap 2014 initiative of streamlining and improving water planning

Table 3 – Other local / regional / federal planning efforts

Describe cooperation and coordination among the State and any units of general local government, in the implementation of the Consolidated Plan (91.315(l))

As mentioned above, the state met with several regional planning organizations to collect information on regional housing and community development needs and receive suggestions on how state programs could better meet these needs.

Cooperation and coordination efforts are ongoing throughout the program year. For example, OCRA community liaisons, located throughout the state, help OCRA design and direct programs that are consistent with the goals and needs of local communities. Community liaisons facilitate meetings with local officials, state and federal agencies, and nonprofit agencies and service providers.

IHCDA offers ongoing access to and consultation with staff to help nonprofit housing developers and providers.

PR-15 Citizen Participation - 91.115, 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Residents and stakeholders had many opportunities to participate in the development of the Consolidated Plan. These are summarized below and in the following table.

- Stakeholders participated in an online survey about housing and community development needs in the areas they work and live. More than 200 stakeholders participated in the survey.
- An additional 20 stakeholder interviews were conducted with specialists in housing, community development, and local government affairs. These interviews were conducted during the 30-day public comment period to encourage feedback on the draft Consolidated Plan.
- A statistically significant survey of residents in nonentitlement areas was fielded to collect information on the greatest housing and neighborhood needs; this survey was also used to inform the Analysis of Impediments to Fair Housing Choice (AI).
- Both stakeholders and residents had the opportunity to review the draft Consolidated Plan between April 14 and May 13, 2015.

These efforts were supplemented with regional meetings with local officials, nonprofits, businesses and other stakeholders, conducted by OCRA and IHCDA.

Citizen Participation Outreach

Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
Online survey	Housing and community development professionals representing nonentitlement areas	➢ 200 stakeholders responded	Top housing needs=housing for < 30% AMI, housing for persons who are homeless, housing for seniors Top community development needs=job training programs, transportation, sidewalks and water/wastewater improvements	N/A	www.surveymonkey.com/s/2015INstakeholders
Online survey	Public Housing Authorities (PHAs)	28 PHAs responded	30% of PHAs said finding a landlord to accept vouchers is difficult; this disproportionately affects large families, residents with criminal records and residents with substance abuse challenges. The vast majority of PHAs give preferences to protected classes and other hard to house populations (e.g., persons with disabilities, homeless families)	N/A	www.surveymonkey.com/s/IndianaPHAsurvey

Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
Online survey	Indiana residents desiring to participate in Consolidated Plan development	➢ 60 residents responded	Many residents live in housing in high-crime neighborhoods because they cannot afford housing elsewhere. The most common reason residents are denied housing is low income. Greatest housing and community needs are access to transportation and tenant-based rental assistance.	N/A	www.surveymonkey.com/s/2015INresidents
Telephone survey	Statistically significant survey of residents living in nonentitlement areas	380 residents, oversampling of low income and disabled residents	Ongoing	N/A	N/A
In-depth telephone interviews	Housing and community development professionals representing nonentitlement areas	20 stakeholders participated in in-depth interviews	Ongoing	N/A	N/A
Public Hearing	All interested stakeholders and residents		Ongoing	N/A	N/A

Table 4 – Citizen Participation Outreach

Summarize how the citizen participation process impacted goal-setting

Information was collected from stakeholders and residents throughout development of the Consolidated Plan for both goal-setting and development of the Methods of Distribution. The top housing and community development needs identified in the citizen participation process were evaluated against the state's proposed five-year goals and allocation plans to ensure that the state is funding the greatest eligible needs (it is important to note that development of public transportation systems, identified as a top community development need in rural areas, is not a CDBG eligible activity). Open ended survey responses and feedback from stakeholders who were interviewed during the public comment period were also considered in program design and implementation.

Needs Assessment

NA-05 Overview

This section uses HUD pre-populated tables, supplemental data on the needs of non-homeless special needs populations and persons who are homeless and contributions from stakeholder consultation to summarize the top housing and community development needs in nonentitlement areas of Indiana.

Indiana's rural areas grew very modestly between 2000 and 2013. The state's population rose by about 375,000 people, an increase of 6 percent. Median household income increased by 16 percent but inflation increased at a faster rate (about 24% in small, Midwestern rural areas), meaning that real incomes declined.

Approximately 268,000 households in nonentitlement areas earn less than 30 percent of the median family income (also known as the area median income or AMI), which is at or below poverty level. Nearly one-third are seniors and one-fifth are households with children. Many seniors live just above the poverty level (30 to 50% AMI), but are still considered low income because they earn half of what moderate-income households earn.

Statewide, there are nearly 900,000 Indiana residents with a physical, mental, and/or developmental disability. Many of these residents are seniors: of the 898,000 Indiana residents who are disabled, 333,000 are 65 years or older (37%). Compared to the population as a whole, poverty rates are much higher for people with disabilities: 23 percent of people with a disability are in poverty compared to 16 percent of the population overall.

The primary needs of persons living with a disability are access to affordable, accessible housing options and public transportation. Another significant need is housing opportunities for persons with disabilities who are transitioning from institutions back into the community.

Stakeholders were asked their opinions about top housing and community development needs in Indiana in a survey for this Consolidated Plan. The top housing needs included: housing for persons earning less than 30 percent AMI, housing for low income households in general, housing to help persons who are homeless and housing for seniors. Top community development needs included: public transportation options, job training and water and wastewater infrastructure improvements.

A needs assessment of areas affected by disasters was completed as part of the application for CDBG supplemental disaster recovery funds. The primary needs included: storm drainage improvements, wastewater and drinking water system improvements, dam and levee improvements, economic development, clearance/demolition of damaged structures and rehabilitation of residential housing.

NA-10 Housing Needs Assessment - 24 CFR 91.305 (a,b,c)

Summary of Housing Needs

Please see NA-05 for a summary of housing needs in the State of Indiana. This section contains the pre-populated HUD tables that support the needs analysis.

Demographics	Base Year: 2000	Most Recent Year: 2011	% Change
Population	6,080,485	6,454,254	6%
Households	2,337,229	2,472,870	6%
Median Income	$41,567	$48,393	16%

Table 5 - Housing Needs Assessment Demographics

Data Source: 2000 Census (Base Year), 2007-2011 ACS (Most Recent Year)

Number of Households Table

	0-30% HAMFI	>30-50% HAMFI	>50-80% HAMFI	>80-100% HAMFI	>100% HAMFI
Total Households *	268,760	272,930	425,710	266,060	1,239,410
Small Family Households *	88,470	83,385	149,575	107,105	697,065
Large Family Households *	17,850	18,415	34,540	23,745	109,120
Household contains at least one person 62-74 years of age	35,770	48,940	84,265	51,620	210,480
Household contains at least one person age 75 or older	31,475	62,650	70,035	29,945	73,575
Households with one or more children 6 years old or younger *	55,870	47,465	71,005	47,355	141,350
* the highest income category for these family types is >80% HAMFI					

Table 6 - Total Households Table

Data Source: 2007-2011 CHAS

Housing Needs Summary Tables

1. Housing Problems (Households with one of the listed needs)

	Renter					Owner				
	0-30% AMI	**>30-50% AMI**	**>50-80% AMI**	**>80-100% AMI**	**Total**	**0-30% AMI**	**>30-50% AMI**	**>50-80% AMI**	**>80-100% AMI**	**Total**
NUMBER OF HOUSEHOLDS										
Substandard Housing - Lacking complete plumbing or kitchen facilities	3,545	2,715	2,655	765	9,680	1,755	1,585	2,135	865	6,340
Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing)	1,825	1,315	1,490	530	5,160	140	360	390	335	1,225
Overcrowded - With 1.01-1.5 people per room (and none of the above problems)	5,685	3,800	3,930	1,385	14,800	1,330	2,255	4,080	2,485	10,150
Housing cost burden greater than 50% of income (and none of the above problems)	110,660	34,855	5,465	700	151,680	51,665	38,795	25,605	6,275	122,340
Housing cost burden greater than 30% of income (and none of the above problems)	17,665	61,225	53,060	5,885	137,835	14,590	37,710	76,565	39,630	168,495

	Renter					Owner				
	0-30% AMI	**>30-50% AMI**	**>50-80% AMI**	**>80-100% AMI**	**Total**	**0-30% AMI**	**>30-50% AMI**	**>50-80% AMI**	**>80-100% AMI**	**Total**
Zero/negative Income (and none of the above problems)	16,640	0	0	0	16,640	8,970	0	0	0	8,970

Table 7 – Housing Problems Table

Data Source: 2007-2011 CHAS

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

	Renter					Owner				
	0-30% AMI	**>30-50% AMI**	**>50-80% AMI**	**>80-100% AMI**	**Total**	**0-30% AMI**	**>30-50% AMI**	**>50-80% AMI**	**>80-100% AMI**	**Total**
NUMBER OF HOUSEHOLDS										
Having 1 or more of four housing problems	121,715	42,685	13,540	3,375	181,315	54,890	42,990	32,210	9,955	140,045
Having none of four housing problems	41,695	92,510	145,945	72,165	352,315	24,850	94,745	234,020	180,560	534,175
Household has negative income, but none of the other housing problems	16,640	0	0	0	16,640	8,970	0	0	0	8,970

Table 8 – Housing Problems 2

Data Source: 2007-2011 CHAS

3. Cost Burden > 30%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	52,585	38,530	22,990	114,105	19,780	24,585	42,240	86,605
Large Related	9,930	6,620	3,010	19,560	5,040	7,180	10,065	22,285
Elderly	17,345	20,170	11,880	49,395	27,015	32,985	29,635	89,635
Other	57,365	35,775	22,845	115,985	16,790	14,020	22,235	53,045
Total need by income	137,225	101,095	60,725	299,045	68,625	78,770	104,175	251,570

Table 9 – Cost Burden > 30%

Data Source: 2007-2011 CHAS

4. Cost Burden > 50%

	Renter				Owner			
	0-30% AMI	>30-50% AMI	>50-80% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	Total
NUMBER OF HOUSEHOLDS								
Small Related	45,890	12,570	1,260	59,720	16,740	13,740	9,635	40,115
Large Related	8,295	1,615	115	10,025	4,270	3,160	1,500	8,930
Elderly	12,380	8,650	2,870	23,900	18,555	14,155	8,825	41,535
Other	51,240	13,725	2,020	66,985	13,825	8,415	5,970	28,210
Total need by income	117,805	36,560	6,265	160,630	53,390	39,470	25,930	118,790

Table 10 – Cost Burden > 50%

Data Source: 2007-2011 CHAS

5. Crowding (More than one person per room)

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
NUMBER OF HOUSEHOLDS										
Single family households	6,635	4,385	3,975	1,400	16,395	1,475	2,195	3,690	1,890	9,250

	Renter					Owner				
	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total	0-30% AMI	>30-50% AMI	>50-80% AMI	>80-100% AMI	Total
Multiple, unrelated family households	705	520	1,005	350	2,580	200	550	1,060	935	2,745
Other, non-family households	460	305	465	174	1,404	0	4	25	19	48
Total need by income	7,800	5,210	5,445	1,924	20,379	1,675	2,749	4,775	2,844	12,043

Table 11 – Crowding Information – 1/2

Data Source: 2007-2011 CHAS

Describe the number and type of single person households in need of housing assistance.

There are approximately 672,000 single person households in Indiana according the 2010 Census. Single person householders are much more likely to be 65 or older than are heads of households with more than one occupant. Of the 672,000 single households in Indiana, 240,000 are seniors living alone.

In nonentitlement areas, seniors comprise a higher proportion of single person households than in urban areas, where students and young adults living alone are more prevalent. Statewide, seniors head 17 percent of multi-person households but 35 percent of single-person households. That difference is even more pronounced in rural areas of Indiana where 43 percent of single person households are headed by a senior compared to 23 percent of larger households.

The higher proportion of seniors in nonentitlement areas means that the needs of single persons will differ from those in urban settings. The only option for seniors in rural areas may be to stay in their homes as they age. Community supports, in-home health care and home repairs and accessibility modifications will grow in demand as residents as in place.

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

The primary needs of persons living with a disability are access to affordable, accessible housing options. This can include modifications to existing structures—especially for aging homeowners who have recently become disabled—or rental subsidies to help persons with a disability living on fixed incomes to find affordable rental options. There are 898,000 Indiana residents with physical, mental, and/or developmental disabilities. Compared to the population as a whole, poverty rates are much higher for people with disabilities: 23 percent of people with a disability are in poverty compared to 16 percent of the population overall.

Of the 898,000 Indiana residents who are disabled, 333,000 are 65 years or older. As Indiana's population ages, more and more household need accessibility modifications to their homes, ranging from ramps and widening doors to installation of grab bars, raised toilets and roll-in showers. These are improvements that many low income seniors cannot afford to make.

The needs of non-seniors who are disabled are typically more severe: these residents have very high poverty rates and often have difficulty finding jobs that meet their needs. Finding affordable housing with accessibility improvements and which is near transit can be very difficult. Housing opportunities persons with disabilities transitioning from institutions back into the community is also very challenging in rural areas.

The national Center for Disease Control (CDC) tracks the incidence of Intimate Partner Violence (IPV) and Sexual Violence, which includes physical violence as well as non-physical but threatening behavior such as stalking. CDC data and similar studies consistently find the prevalence of physical violence against women to range from approximately one-quarter to one-third of adult women.

Estimates of prevalence rates from the National Intimate Partner and Sexual Violence Survey by the CDC and 2012 American Community Survey population numbers suggest that about 151,360 (6%) women and 120,897 (5%) of men in Indiana have experienced rape, physical violence, and/or stalking by an intimate partner in the past year. About 36 percent of women and 28 percent of men have experienced rape, physical violence, and/or stalking by an intimate partner at some point in their lifetimes.

What are the most common housing problems?

Severe housing cost burden—when households pay more than 50 percent of their incomes in housing costs—is the most common housing problem, affecting more than 150,000 renters and 120,000 owners in Indiana's nonentitlement areas.

Of the renters experiencing severe cost burden, nearly three-fourths have incomes of less than 30 percent of the AMI, roughly the equivalent of the poverty level. Severe cost burden is more evenly distributed across owner income categories, with 43 percent earning less than 30 percent of the AMI, 32 percent earning between 30 and 50 percent AMI and one-fourth earning more than 50 percent of AMI.

Severe cost burden affects more renters than cost burden (more than 30% of household income in housing costs), whereas more owners face cost burden.

Are any populations/household types more affected than others by these problems?

Yes, large households for cost burden. Among households earning less than 30 percent AMI, large households have the highest rate of cost burden. This is consistent with stakeholders' assessment of disproportionate needs: in the survey conducted for this Consolidated Plan, stakeholders commonly identified large households as the household group most impacted by high housing costs.

Both small and large households earning less than 30 percent AMI experience severe cost burden at higher rates than elderly households.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the

needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

The 2014 Balance of State Point-in-Time (PIT) homeless count identified 1,086 people living in transitional housing. Of these, 363 were children (33%), 87 were young adults (8%) and 636 (59%) were adults. 188 reported being victims/survivors of domestic violence; 125 had a serious mental disorder; and 117 had a serious substance abuse disorder. 134 were veterans.

If the state provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates

Identification of persons who are at-risk of homelessness is done at several points in the Continuum of Care. For youth at-risk of aging out of foster care, the State Department of Child Services (DCS) conducts an independent living assessment that determines areas of strengths and challenges for youth while in foster care.

The State Community Mental Health & Addiction Advisory Council has developed a statewide integrated supportive housing network targeting persons in institutional settings and other residential facilities who are at risk of homelessness. The partnership is comparing Medicaid data with HMIS data to identify individuals at high risk of homelessness and to target housing and service resources at these individuals. From this data, the Partnership has also developed an assessment for persons in institutional settings and other restricted living situations for risk of homelessness. This assessment is being linked to the emerging CoC coordinated access network.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

Based on the PIT surveys and counts, these characteristics include: experiencing domestic violence; serious and persistent mental illness; substance abuse challenges; needing housing affordable to poverty-level households (rental units that rent for less than $500/month).

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NA-15 Disproportionately Greater Need: Housing Problems - 91.305 (b)(2)

Introduction

This section provides data on households with disproportionate housing needs. Data are presented by race and ethnicity and income category. Racial categories and ethnicity (Hispanic) are consistent with the definitions used by the U.S. Census. Income ranges correspond to HUD income categories and are based on the area median income for a family of four, which can be found at http://www.huduser.org/portal/datasets/il.html. All data are pre-populated by HUD.

According to HUD, disproportionate need occurs when a household category has a level of need that is at least 10 percentage points higher than the level of need of all households in a particular income category. For example, if 60 percent of households earning between 50 and 80 percent of the area median income (AMI) have a housing problem, and 75 percent of Hispanics in the same income category have a housing problem, Hispanics would have a disproportionate need.

This section provides data on households with disproportionate housing problems. Households are defined by HUD to have housing problems if they live in :1) Overcrowded conditions with more than 1.5 persons per room, not including bathrooms, porches, foyers, halls, or half-rooms, 2) Housing units that lack complete kitchen or plumbing facilities; and/or 3) Pay more than 30 percent of their household income in housing costs (cost burden).

0%-30% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	231,191	44,856	20,830
White	167,537	34,942	14,369
Black / African American	43,166	7,934	3,841
Asian	3,320	243	1,300
American Indian, Alaska Native	710	174	65
Pacific Islander	29	30	0
Hispanic	12,837	1,033	980

Table 12 - Disproportionally Greater Need 0 - 30% AMI

Data Source: 2007-2011 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4.Cost Burden greater than 30%

30%-50% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	184,657	103,451	0
White	139,768	89,534	0
Black / African American	27,379	8,297	0
Asian	1,780	409	0
American Indian, Alaska Native	491	133	0
Pacific Islander	75	0	0
Hispanic	12,864	3,819	0

Table 13 - Disproportionally Greater Need 30 - 50% AMI

Data Source: 2007-2011 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4.Cost Burden greater than 30%

50%-80% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	163,282	294,823	0
White	134,333	251,228	0
Black / African American	16,233	25,009	0
Asian	1,866	2,256	0
American Indian, Alaska Native	344	558	0
Pacific Islander	20	68	0
Hispanic	8,265	12,223	0

Table 14 - Disproportionally Greater Need 50 - 80% AMI

Data Source: 2007-2011 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4.Cost Burden greater than 30%

80%-100% of Area Median Income

Housing Problems	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	53,824	228,986	0
White	45,846	200,690	0
Black / African American	4,734	16,555	0
Asian	706	2,008	0
American Indian, Alaska Native	111	292	0
Pacific Islander	0	29	0
Hispanic	2,003	6,972	0

Table 15 - Disproportionally Greater Need 80 - 100% AMI

Data Source: 2007-2011 CHAS

*The four housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than one person per room, 4.Cost Burden greater than 30%

Discussion

Households in State's nonentitlement areas earning between 30 and 50 percent of AMI have disproportionately greater housing problems according to HUD's tables. In this earning bracket, all racial and ethnic groups face disproportionately greater housing problems at a rate 15 percentage points or higher than whites. The disproportionality by race and/or ethnicity is as follows:

- African Americans and Hispanics: 16 percentage points higher;
- Asians: 20 percentage points higher;
- Native Americans: 18 percentage points higher; and
- Pacific Islanders 39 percentage points higher.

Other households with disproportionately greater need are Asians earning 0 to 30 percent of AMI (10 percentage points higher than whites), and Asians earning 50 to 80 percent of AMI (also 10 percentage points higher than whites).

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.305(b)(2).

Introduction

This section provides data on households with disproportionately severe housing problems. Severe housing problems include:1) Overcrowded households with more than 1.5 persons per room, not including bathrooms, porches, foyers, halls, or half-rooms, 2) Housing units that lack complete kitchen or plumbing facilities; and 3) Households with cost burdens of more than 50 percent of income.

0%-30% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	189,844	86,124	20,830
White	135,099	67,306	14,369
Black / African American	37,167	13,960	3,841
Asian	3,040	521	1,300
American Indian, Alaska Native	578	300	65
Pacific Islander	29	30	0
Hispanic	11,148	2,717	980

Table 16 – Severe Housing Problems 0 - 30% AMI

Data Source: 2007-2011 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4.Cost Burden over 50%

30%-50% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	75,220	213,026	0
White	57,224	172,189	0
Black / African American	9,973	25,730	0
Asian	1,066	1,120	0
American Indian, Alaska Native	201	431	0
Pacific Islander	30	45	0

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Hispanic	5,723	10,959	0

Table 17 – Severe Housing Problems 30 - 50% AMI

Data Source: 2007-2011 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4.Cost Burden over 50%

50%-80% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	39,832	418,192	0
White	31,803	353,650	0
Black / African American	3,459	37,752	0
Asian	584	3,506	0
American Indian, Alaska Native	87	820	0
Pacific Islander	10	78	0
Hispanic	3,541	16,933	0

Table 18 – Severe Housing Problems 50 - 80% AMI

Data Source: 2007-2011 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4.Cost Burden over 50%

80%-100% of Area Median Income

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Jurisdiction as a whole	10,740	271,998	0
White	8,917	237,584	0

Severe Housing Problems*	Has one or more of four housing problems	Has none of the four housing problems	Household has no/negative income, but none of the other housing problems
Black / African American	833	20,455	0
Asian	263	2,447	0
American Indian, Alaska Native	18	386	0
Pacific Islander	0	29	0
Hispanic	659	8,358	0

Table 19 – Severe Housing Problems 80 - 100% AMI

Data Source: 2007-2011 CHAS

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4.Cost Burden over 50%

Discussion

Households in facing disproportionately severe housing problems include Asians earning 30 to 50 percent of AMI (24 percentage points higher than whites) and Pacific Islanders earning 0 to 30 percent of AMI (10 percentage points higher than whites).

Hispanics earning 30 to 50 percent of AMI face severe housing problems at a rate 9 percentage points higher than whites, which is close to the HUD disproportionate definition.

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.305 (b)(2)

Introduction

This section provides data on households with disproportionate levels of housing cost burden according to level of cost burden. Housing cost burden occurs when households pay more than 30 percent of their gross household income toward housing costs, which includes utilities. Severe housing cost burden occurs when housing costs are 50 percent or more of gross household income.

Housing Cost Burden

Housing Cost Burden	<=30%	30-50%	>50%	No / negative income (not computed)
Jurisdiction as a whole	1,774,736	383,648	288,218	21,619
White	1,574,562	311,722	216,112	14,914
Black / African American	110,598	44,085	47,743	3,991
Asian	18,282	3,839	4,540	1,345
American Indian, Alaska Native	3,042	811	809	65
Pacific Islander	352	55	65	4
Hispanic	52,971	18,272	15,027	1,025

Table 20 – Greater Need: Housing Cost Burdens AMI

Data Source: 2007-2011 CHAS

Discussion

The HUD tables above show that the only households in the State with disproportionately greater housing cost burden are African Americans, who are severely cost burdened at a rate 13 percentage points higher than whites.

NA-30 Disproportionately Greater Need: Discussion – 91.305 (b)(2)

Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

Disproportionately greater housing cost burden occurs in all racial and ethnic households earning 30 to 50 percent of AMI. Disproportionately greater *severe* housing cost burden occurs in all racial and ethnic households earning 50 to 80 percent of AMI, with the exception of African Americans.

If they have needs not identified above, what are those needs?

In addition to cost burden, many low income households living in rural areas, regardless of race or ethnicity, need housing rehabilitation assistance. Many low income residents in rural areas are financially unable to make needed repairs. Making needed repairs not only improves residents' safety and quality of life, they help to preserve affordable housing in areas where it is limited.

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

N/A; at the state level, it is unclear if concentrations of disproportionate need exist at the neighborhood level.

NA-35 Public Housing – (Optional)

This section provides an overview of the Housing Choice Voucher (HCV) program administered by the Indiana Housing and Finance Authority (IHCDA). IHCDA does not own and operate any public housing units.

The data in the following tables were pre-populated by HUD and are based on reports filed by PHAs and data maintained by a public housing data center.

Totals in Use

	Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers in use	0	0	0	4,701	0	4,701	43	0	1,027

Table 21 - Public Housing by Program Type

***includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition**

Data Source: PIC (PIH Information Center)

Characteristics of Residents

	Program Type							
	Certificate	Mod-Rehab	Public Housing	Vouchers				
				Total	Project - based	Tenant - based	Special Purpose Voucher	
							Veterans Affairs Supportive Housing	Family Unification Program
# Homeless at admission	0	0	0	23	0	23	0	0

Program Type								
	Certificate	Mod-Rehab	Public Housing	Vouchers				
				Total	Project - based	Tenant - based	Special Purpose Voucher	
							Veterans Affairs Supportive Housing	Family Unification Program
# of Elderly Program Participants (>62)	0	0	0	888	0	859	0	0
# of Disabled Families	0	0	0	1,497	0	1,425	0	0
# of Families requesting accessibility features	0	0	0	3,973	0	3,868	2	0
# of HIV/AIDS program participants	0	0	0	0	0	0	0	0
# of DV victims	0	0	0	0	0	0	0	0

Table 22 – Characteristics of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Race of Residents

Program Type									
Race	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
White	0	0	0	3,367	0	3,281	2	0	75
Black/African American	0	0	0	574	0	557	0	0	17
Asian	0	0	0	7	0	6	0	0	0
American Indian/Alaska Native	0	0	0	22	0	21	0	0	1
Pacific Islander	0	0	0	3	0	3	0	0	0
Other	0	0	0	0	0	0	0	0	0

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 23 – Race of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Ethnicity of Residents

Program Type									
Ethnicity	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project - based	Tenant - based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
Hispanic	0	0	0	127	0	125	0	0	2
Not Hispanic	0	0	0	3,846	0	3,743	2	0	91
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 24 – Ethnicity of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

The State of Indiana does not maintain any public housing. For this Consolidated Plan, PHAs in the state were surveyed about the condition of the units they manage. In general, the PHAs who responded to the State Consolidated Survey reported that public housing and HCVs work well in the communities in which they operate and that finding a landlord who accepts Section 8 is moderately easy. In addition to more funding and vouchers, the PHAs identified tenant counseling as a need.

What are the number and type of families on the waiting lists for public housing and section 8 tenant-based rental assistance? Based on the information above, and any other information available to the jurisdiction, what are the most immediate needs of residents of public housing and Housing Choice voucher holders?

Approximately 1,000 households are on IHCDA's wait list for Section 8 tenant based rental assistance. The most immediate need of residents on the waiting list for vouchers is rental units that are affordable to residents earning less than 30 percent of AMI.

How do these needs compare to the housing needs of the population at large?

According to the stakeholders surveyed for this Consolidated Plan, housing for residents earning less than 30 percent of AMI is a top need of residents in general. This need has grown from prior years as a result of weak economic conditions and the inability of some rural areas to recover from the Great Recession.

NA-40 Homeless Needs Assessment – 91.305(c)

This section summarizes the nature and extent of homeless in Indiana, based on the most recent Point-in-Time (PIT) street and shelter count and survey from 2014. The data in the table below represent the identified homeless population for the "balance of state," which is largely small and medium sized towns in rural areas.

Nature and Extent of Homelessness: (Optional)

Race:	**Sheltered:**	**Unsheltered (optional)**
White	2,409	217
African American	690	71
Asian	15	1
American Indian/Alaskan Native	14	4
Native Hawaiian/Pacific Islander	3	0
Multi-race	50	0
Ethnicity:	**Sheltered:**	**Unsheltered (optional)**
Non-Hispanic	3,082	300
Hispanic	168	20

Table 25 – Ethnicity of Public Housing Residents by Program Type

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

The 2014 PIT count identified 236 families living in shelters, 194 families living in transitional housing, in addition to seven child only families living in shelters and transitional housing.

Veterans with families were a small proportion of shelter and transitional housing residents, with only four families living in shelters and three in transitional housing. Most homeless veterans were not residing in family households: 131 single veterans were residing in shelters and another 122 in transitional housing during the PIT count.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

Of those individuals identified as homeless and living in shelters in 2014, 76 percent identified their race as white and 95 percent were not of Hispanic descent. The largest minority group residing in shelters was African Americans, at 22 percent of sheltered homeless.

Similarly, 74 percent of those unsheltered were white; 24 percent were African American.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

The Balance of State PIT (BOS PIT) count from 2014 identified 2,183 people seeking emergency shelter and 1,086 living in transitional housing—a total of 3,489 persons experiencing homelessness on the night of the count. Of these, 60 percent resided in emergency shelters; 30 percent were living in transitional housing and 10 percent were unsheltered.

The majority of homeless individuals identified as non-Hispanic white (around 75%) and most (63%) were adults without children. Serious mental illness affected 12 percent of persons who were homeless; substance abuse, about 10 percent. The most common subpopulation was victims/survivors of domestic violence, which affected 20 percent of homeless persons.

For persons in rural areas who are homeless or at risk of homelessness, describe the nature and extent of unsheltered and sheltered homelessness with the jurisdiction.

Please see above; the narrative reflects the balance of state or rural homelessness.

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth).

These data are not available. However, as part of the BOS PIT count, a projection of homeless interventions needed was conducted. The projection estimates the following gaps in permanent housing and temporary stays:

Permanent housing: Shortage of 1,714 of DIV units, 382 of PSH and 4,726 RRH.

Temporary stays: no need for new beds.

NA-45 Non-Homeless Special Needs Assessment – 91.305 (b,d)

This section discusses the needs of non-homeless special needs populations in Indiana. For the purposes of this report, these include:

- Elderly and frail elderly,
- Persons with disabilities,
- Persons with substance abuse challenges,
- Domestic violence victims/survivors,
- Persons living with HIV/AIDS.

Describe the characteristics of special needs populations in your community:

Elderly. In Indiana, 1 percent of the total population (1.1 million residents) are aged 62 or older. Over one third (38%) of elderly residents are living with some type of disability and 8 percent are "frail elderly" (defined as an elderly person who requires assistance with three or more activities of daily living, such as bathing, walking, and performing light housework). Approximately 89,500 elderly residents are living in poverty.

People with disabilities. People with physical, mental, and/or developmental disabilities make up 14 percent of the population in Indiana. Compared to the population as a whole, poverty rates are much higher for people with disabilities. About 29 percent of people ages 18-64 with disabilities are living in poverty compared to 15 percent of the population in that age group as a whole. Similarly, 17 percent of working age people with disabilities are unemployed compared to 8 percent of all working age people.

Substance abuse challenges. Rates of alcohol and illicit drug dependence in Indiana (8.5%) are similar to the national rate (8.4%). According to estimates from the Substance Abuse and mental Health Services Administration (SAMHSA), 2.3 percent of Indiana residents (nearly 396,000 adults) need but do not receive treatment for illicit drug or alcohol use.

Domestic violence victims/survivors. Based on the 2011 National Intimate Partner and Sexual Violence Survey by the CDC and 2012 Census estimates, about 151,360 (6%) women and 120,897 (5%) of men in Indiana have experienced rape, physical violence, and/or stalking by an intimate partner in the past year. About 36 percent of women and 28 percent of men have experienced rape, physical violence, and/or stalking by an intimate partner at some point in their lifetimes.

HIV/AIDS. The number and characteristics of persons living with HIV/AIDS is discussed in detail below.

What are the housing and supportive service needs of these populations and how are these needs determined?

As Indiana's population ages, more and more household need accessibility modifications to their homes, ranging from ramps and widening doors to installation of grab bars, raised toilets and roll-in showers. These are improvements that many low income seniors cannot afford to make. Many of these homeowners also need assistance with yard work and exterior home maintenance. In addition, many seniors have high costs of medications and other home care needs which strains already limited incomes for housing and costs of daily living.

The primary housing needs of persons with disabilities is access to affordable, accessible housing. This can include modifications to existing structures—especially for aging homeowners who have recently become disabled—or rental subsidies to help persons with a disability living on fixed incomes to find affordable rental options. It is also important to provide opportunities for persons with disabilities to transition from institutions back into the community. In addition to housing opportunities, persons with disabilities my need additional supportive services such as community based health supports and access to transportation.

Although the supportive and housing services needed by IPV victims vary, generally, all need health care and counseling immediately following the event and continued mental health support to assist with the traumatic stress disorder related to the event. Victims may also require assistance with substance abuse and mental health services, both of which are common among IPV victims. Affordable housing is also critical: the National Alliance to End Homelessness argues that a “strong investment in housing is crucial [to victims of domestic violence]…so that the family or woman is able to leave the shelter system as quickly as possible without returning to the abuse.” The Alliance also reports that studies on homelessness have shown a correlation between domestic violence and homelessness.

Domestic violence can have lasting health effects. The 2010 CDC survey found that IPV victims were more likely to report frequent headaches, chronic pain, difficulty sleeping, activity limitation, poor physical health and poor mental health, at rates higher than those who did not experience IPV violence. The long term health costs of IPV is unclear, because it is difficult to separate out health care problems that are directly related to IPV. It is likely, though, that the negative impacts of IPV are felt throughout the broader community in health care costs, missed time at work and school and lasting psychological effects on children and victims.

For low income persons with HIV/AIDS, the challenge of finding affordable housing is increased by their need of medical attention and special HIV/AIDS treatment and housing is the key component to their stability and staying permanently housed. Similar to the homeless population, rental assistance can provide housing and services on where they are now in terms of all their needs. Services provided by a Care Coordination Program is a one way to provide all services that a person may need during the time of diagnosis, treatment, services and housing options.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

Indiana reported 514 new and 9,893 living cases of HIV disease in 2010. More than 55 percent of the living cases have had an AIDS diagnosis. The largest proportion of cases continues to be white males over the age of 40, although African Americans are still more disproportionately affected by the disease than any other demographic group. In a year with decreasing total case reports, African Americans experienced a 7 percent increase in new reports; new cases for Hispanics increased by 10 percent.

Geographically, areas such Lake, Porter and LaPorte counties in the northwestern part of the state have also shown steady increases the past few years.

Indiana’s various instruments to assess the needs of people with HIV have yielded results which affirm the importance of the six core service areas originally defined by HRSA. In addition to Outpatient and Ambulatory Health Services, AIDS Drug Assistance Program Treatments, Oral Health Care, Medical Case

Management, Mental Health Services, and Substance Abuse Outpatient Care, the Division has added Emergency Financial Assistance, Housing, and Medical Transportation to describe its priority service needs.

Of those living with HIV, the Indiana State Department of Health has estimated that 33 percent are not currently in care. The current continuum of care is designed to address this population by minimizing barriers and optimizing access to HIV-related medical and social services. The resources of the state's Ryan White Program grantees and other providers have been coordinated in an attempt to impact each of the priority service needs in an effective and efficient manner.

In 2013, there was a reported 5,642 persons who were living with HIV/AIDS in the areas that are covered by the State HOPWA grant. As of March 2015, health officials reported an increase with a total of 55 confirmed cases of HIV and 13 additional preliminary positive cases related to the outbreak in southeastern Indiana in the winter of 2015.

The Indiana State Health Department is working closely with local health officials, the Centers for Disease Control and Prevention (CDC), drug treatment facilities, local medical providers, and other State agencies to contain the outbreak and get HIV positive individuals treatment.

The following tables that summarize the HIV/AIDS population in Indiana were provided by HUD.

HOPWA

Current HOPWA formula use:	
Cumulative cases of AIDS reported	5,039
Area incidence of AIDS	123
Rate per population	3
Number of new cases prior year (3 years of data)	430
Rate per population (3 years of data)	2
Current HIV surveillance data:	
Number of Persons living with HIV (PLWH)	9,400
Area Prevalence (PLWH per population)	220
Number of new HIV cases reported last year	0

Table 26 – HOPWA Data

Data Source: CDC HIV Surveillance

HIV Housing Need (HOPWA Grantees Only)

Type of HOPWA Assistance	Estimates of Unmet Need
Tenant based rental assistance	1
Short-term Rent, Mortgage, and Utility	0
Facility Based Housing (Permanent, short-term or transitional)	33

Table 27 – HIV Housing Need

Data Source: HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

NA-50 Non-Housing Community Development Needs - 91.315 (f)

Describe the jurisdiction's need for Public Facilities.

Stakeholders were surveyed and interviewed about the need for public facility improvements in the towns in which they live and work. Water and wastewater improvements were identified as the top public facilities need, followed by sidewalks and infrastructure for the Internet.

How were these needs determined?

Please see above.

Describe the jurisdiction's need for Public Improvements. How were these needs determined?

The Indiana University Public Policy Institute provided OCRA with an estimate of water and wastewater capital needs for this Consolidated Plan. The estimates included capital improvements for: 1) correction of combined sewer overflows; 2) wastewater conveyance and treatment; 3) remediation of failing on-site septic systems; 4) stormwater conveyance and management; and 5) drinking water production, treatment and distribution. The estimates were based on data in the 2008 Clean Watershed Needs Survey and the 2011 Drinking Water Needs Survey (both from the Environmental Protection Agency, EPA) and the 2003 Financial Needs for Wastewater and Water Infrastructure in Indiana study, conducted for the Indiana Advisory Commission on Intergovernmental Relations.

The estimated costs to address public improvement needs on an annual basis include:

- Correction of combined sewer overflows = $269 million
- Wastewater conveyance and treatment = $179 million
- Remediation of failing on-site septic systems = $129 million
- Stormwater conveyance and management = $33 million
- Drinking water production, treatment and distribution = $334 million

Total water and wastewater needs = $877 million

Currently, annual spending to address the above needs is $337 million, leaving a funding gap of $540 million.

An impact and unmet needs assessment was conducted for the Action Plans for Disaster Recovery funds. The primary needs were in economic development (crop losses exceeding $300 million and land rehabilitation losses exceeding $200 million), impact to other Indiana businesses (greater than $400 million), repair of the Columbus Regional Hospital ($211 million) and damage to housing experienced by more than 17,000 families.

Describe the jurisdiction's need for Public Services. How were these needs determined?

Stakeholders surveyed and interviewed for this Consolidated Plan were also asked about the needs for public services, or supportive services. The top service needs identified by stakeholders included job training programs and technical assistance for identifying grant opportunities and business plan development for small/startup companies.

Housing Market Analysis

MA-05 Overview

This section uses HUD pre-populated tables, supplemental data on the housing market and contributions from stakeholder consultation to summarize the current state of the housing market in Indiana.

The top housing market needs identified by stakeholders and in the data analyzed for this section include:

- Rental units affordable to 0-30 percent AMI, or poverty-level, households (roughly housing that rents for less than $500 per month). Since 1999, the poverty rate of Indiana families more than doubled, from 5.3 percent (1999) to 11.2 percent (2013). This growth in poverty-level households in many areas has raised the need for deeply affordable rental units.

- Rental housing for all low income households.

- Housing rehabilitation for owners and renters who earn less than 80 percent of AMI (about $45,000 per year). Some of these are seniors who live on fixed incomes (Social Security, retirement savings) and have trouble affording maintenance and needed repairs, including accessibility improvements. Of the residents who had completed the online survey at the time this Consolidated Plan was prepared, 19 percent said they live in a home or apartment that needs repairs they can't afford to make. Fifteen percent of renters said their landlord refuses to make the repairs they request.

- Housing to meet the variety of needs of special populations, including quality, affordable, accessible housing for persons with disabilities; housing for persons with serious mental illness; housing for seniors; and housing for homeless families.

MA-10 Number of Housing Units – 91.310(a)

This section of the Consolidated Plan provides an overview of the type of housing units in Indiana. These data are pre-populated by HUD and include units for the entire state.

All residential properties by number of units

Property Type	Number	%
1-unit detached structure	2,027,829	73%
1-unit, attached structure	94,982	3%
2-4 units	175,009	6%
5-19 units	234,688	8%
20 or more units	107,346	4%
Mobile Home, boat, RV, van, etc.	148,943	5%
Total	2,788,797	100%

Table 28 – Residential Properties by Unit Number

Data Source: 2007-2011 ACS

Unit Size by Tenure

	Owners		Renters	
	Number	%	Number	%
No bedroom	1,685	0%	20,232	3%
1 bedroom	29,460	2%	181,884	25%
2 bedrooms	337,085	19%	295,794	41%
3 or more bedrooms	1,389,962	79%	216,768	30%
Total	1,758,192	100%	714,678	99%

Table 29 – Unit Size by Tenure

Data Source: 2007-2011 ACS

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

According to HUD's Multifamily Assistance and Section 8 Contracts Database (formerly the expiring use database), there are 238 properties (11,679 units) in nonentitlement areas of the State of Indiana with public subsidies. Just 2 percent of those units have rents below 80 percent of FMR, and another 14% of those units have rents between 80 and 100 percent of FMR. There are 2,306 units (20%) that are 202 units, specifically Supportive Housing for the Elderly.

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

There are 5,936 subsidized units (51%) whose Section 8 contracts will expire by the end of 2020. Of those, 1,682 units will expire in year 2015.

Does the availability of housing units meet the needs of the population?

No, in nonentitlement areas of the state subsidized rental housing is limited, particularly for those earning less than 30 percent AMI. There is also unmet needs for housing rehabilitation and accessibility improvements, as well as emergency shelters and transitional housing for persons experiencing homelessness.

Describe the need for specific types of housing.

Stakeholders surveyed and interviewed for this study consistently described a growing and very pronounced need for rental units affordable to 0-30 percent AMI households (roughly housing that rents for less than $500 per month). On the for-sale side, many stakeholders describe an environment where the housing market has not recovered and excess inventory of foreclosed and overbuilt homes exists.

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MA-15 Cost of Housing – 91.310(a)

Indiana remains one of the more affordable states in the U.S., with a median home value of less than $150,000 in 2011. Data from the Census' 2013 five-year American Community Survey suggest that home values may have dropped slightly from 2011 to 2013, or at the very least, not increased: the 2013 median is $122,800.

Although many rental units in the state are relatively affordable (renting below $500/month), the growth in poverty-level households in many areas has raised the need for deeply affordable rental units. Since 1999, the poverty rate of Indiana families more than doubled, from 5.3 percent (1999) to 11.2 percent (2013).

Cost of Housing

	Base Year: 2000	Most Recent Year: 2011	% Change
Median Home Value	92,500	123,300	33%
Median Contract Rent	432	555	28%

Table 30 – Cost of Housing

Data Source: 2000 Census (Base Year), 2007-2011 ACS (Most Recent Year)

Rent Paid	Number	%
Less than $500	298,142	41.7%
$500-999	375,407	52.5%
$1,000-1,499	29,915	4.2%
$1,500-1,999	6,195	0.9%
$2,000 or more	5,019	0.7%
Total	714,678	100.0%

Table 31 - Rent Paid

Data Source: 2007-2011 ACS

Housing Affordability

% Units affordable to Households earning	Renter	Owner
30% HAMFI	52,320	No Data
50% HAMFI	209,715	150,140
80% HAMFI	498,885	437,415
100% HAMFI	No Data	641,020
Total	760,920	1,228,575

Table 32 – Housing Affordability

Data Source: 2007-2011 CHAS

Is there sufficient housing for households at all income levels?

Rental housing is lacking for extremely low income households, whose needs have grown since the Great Recession according to stakeholders. The Census estimates that there are 16,000 more renters earning less than $20,000 per year in 2013 than in 2007 (includes entitlement areas). Almost 10,000 of these earn less than $5,000 per year.

Needs for owners are mostly related to the aging of residents—and their homes. Residents now living on fixed incomes (Social Security, retirement savings) have less capacity to keep up with maintenance and needed repairs, including accessibility improvements. In contrast to renters, the number of extremely low income owners has declined since 2007. Statewide, the number of owners in the state has decreased between 2007 and 2013.

How is affordability of housing likely to change considering changes to home values and/or rents?

Home prices will remain stable if the State continues to grow at the same rate as in the past decade. Rental affordability may decrease if needs continue to outpace the development of affordable rental units.

How do HOME rents/FM rent compare to Area Median rent? How might this impact your strategy to produce and preserve affordable housing?

Annually, IHCDA releases HOME income and rent limits by county, which are based on HUD's limits and are supplemented by limits for 30 percent, 40 percent and 60 percent AMI levels. Although the limits vary by county, in general, these limits are consistent with the area median rents above. IHCDA monitors its limits relative to market conditions to be sure that its programming is geared toward meeting the most critical housing needs in nonentitlement communities.

MA-20 Condition of Housing – 91.310(a)

This section summarizes condition indicators that are available from the U.S. Census and from HUD. The data are supplemented by stakeholder consultation on housing condition in rural communities, gathered through the stakeholder survey and interviews.

Definitions

IHCDA does not include a definition of substandard condition (suitable or unsuitable for rehabilitation) in its applications for rehabilitation. Instead, IHCDA relies on the assessment of organizations administering its programs to evaluate the condition needs of housing units. Eligible activities include:

- Minor repairs which can include (but are not limited to) an inoperable or faulty furnace, leaking roof, unsafe electrical wiring and plumbing, hazardous structural conditions, etc.
- Funds may be used to remedy conditions that, while not posing an immediate threat to health and safety, represent an ongoing threat to the structural integrity of a building and may eventually result in an emergency situation.

Any major household system repaired or replaced as part of the rehabilitation process must meet the stricter of the Indiana State Building Code or local building codes.

Condition of Units

Condition of Units	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
With one selected Condition	380,186	22%	308,513	43%
With two selected Conditions	8,700	0%	16,625	2%
With three selected Conditions	1,455	0%	1,185	0%
With four selected Conditions	183	0%	127	0%
No selected Conditions	1,367,668	78%	388,228	54%
Total	1,758,192	100%	714,678	99%

Table 33 - Condition of Units

Data Source: 2007-2011 ACS

Year Unit Built

Year Unit Built	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
2000 or later	247,108	14%	72,741	10%
1980-1999	453,191	26%	175,190	25%
1950-1979	647,147	37%	288,956	40%
Before 1950	410,746	23%	177,791	25%
Total	1,758,192	100%	714,678	100%

Table 34 – Year Unit Built

Data Source: 2007-2011 CHAS

Risk of Lead-Based Paint Hazard

Risk of Lead-Based Paint Hazard	Owner-Occupied		Renter-Occupied	
	Number	%	Number	%
Total Number of Units Built Before 1980	1,057,893	60%	466,747	65%
Housing Units build before 1980 with children present	132,685	8%	47,450	7%

Table 35 – Risk of Lead-Based Paint

Data Source: 2007-2011 ACS (Total Units) 2007-2011 CHAS (Units with Children present)

Need for Owner and Rental Rehabilitation

Owner and rental unit rehabilitation was a top need mentioned by stakeholders and residents who participated in development of the Consolidated Plan. Stakeholders were asked about the top unmet service needs in the nonentitlement communities they serve. One of the top needs identified was housing rehabilitation for low income homeowners (earning less than 80% AMI).

Of the residents who had completed the online survey at the time this Consolidated Plan was prepared, 19 percent said they live in a home or apartment that needs repairs they can't afford to make. Fifteen percent of renters said their landlord refuses to make the repairs they request.

Estimate~~d~~ Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards

As shown in the table above, an estimated 133,000 owner-occupied and 47,000 renter-occupied housing units in Indiana were built before 1980 and have children present. These households have the greatest risk—and potentially the greatest need for mitigation—of lead-based paint hazards.

MA-25 Public and Assisted Housing – (Optional)

This section provides additional information about the Housing Choice Voucher (HCV) program administered by the Indiana Housing and Finance Authority (IHCDA). IHCDA does not own and operate any public housing units. Responses concerning PHA units were based on the PHA survey conducted for this Consolidated Plan.

Totals Number of Units

Program Type									
	Certificate	Mod-Rehab	Public Housing	Vouchers					
				Total	Project -based	Tenant -based	Special Purpose Voucher		
							Veterans Affairs Supportive Housing	Family Unification Program	Disabled *
# of units vouchers available				4,701			43	0	1,027
# of accessible units									
*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition									

Table 36 – Total Number of Units by Program Type

Source: PIC (PIH Information Center)

Describe the supply of public housing developments, including the number and physical condition.

The State of Indiana does not own or operate any PHA developments. The PHAs participating in the Consolidated Plan survey own nearly 12,000 PHA units.

Describe the Restoration and Revitalization Needs of public housing units in the jurisdiction:

N/A; IHCDA does not own any PHA units.

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing

N/A; IHCDA does not own any PHA units.

MA-30 Homeless Facilities – 91.310(b)

Facilities and services available to the persons experiencing homeless are difficult to quantify at the state level. Many stakeholders responding to the survey conducted for the Consolidated Plan listed housing and services to serve homeless as a top priority. Recently, state agencies collaborated to develop a crosswalk of services needed in supportive housing for the state's Medicaid Rehab Option (MRO) plan. The crosswalk identified the gaps between permanent supportive housing services covered by MRO and the services not covered. The State is currently evaluating how various block grant funding sources can be targeted to address the identified gaps.

MA-35 Special Needs Facilities and Services – 91.310(c)

This section summarizes the facilities and services available to meet the needs of certain special needs residents, beginning with residents living with HIV/AIDS.

HOPWA Assistance Baseline Table

Type of HOWA Assistance	Number of Units Designated or Available for People with HIV/AIDS and their families
TBRA	132
PH in facilities	0
STRMU	217
ST or TH facilities	17
PH placement	45

Table 37 – HOPWA Assistance Baseline

Data Source: HOPWA CAPER and HOPWA Beneficiary Verification Worksheet

To the extent information is available, describe 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

HIV Care Coordination is a specialized form of HIV case management. Its mission is to assist those living with HIV disease with the coordination of a wide variety of health and social services. Case Management services are available statewide at sixteen regional sites. Care Coordination provides an individualized plan of care that includes medical, psychosocial, financial, and other supportive services, as needed. The primary goals of the program are to ensure the continuity of care, to promote self-sufficiency, and to enhance the quality of life for individuals living with HIV. The Care Coordinators are trained professionals who can offer assistance in the following areas:

- Access to health insurance to obtain medications
- This includes Medicaid, Medicare, Early Intervention Plan (EIP), AIDS Drug Assistance Plan (ADAP), Health Insurance Assistance Plan (HIAP), Indiana Comprehensive Health Insurance Association (ICHIA), Wishard Advantage, and the Ryan White Program (Parts A & C) offered through the Marion County Health Department, etc.
- Access to housing programs such as Section 8, Housing Opportunities for Persons with AIDS (HOPWA), Shelter Plus Care, etc.
- Access to emergency funds, such as Direct Emergency Financial Assistance (DEFA) to assist with rent, utilities, medications, etc.
- Access to mental health and substance abuse programs
- Referrals for optical and dental care

- Referrals to community and government programs, such as Social Security
- Referrals to local food pantries
- Referrals to support groups
- Referrals to legal assistance
- Assistance with medication management
- Assistance with transportation (e.g., bus passes)
- Access to HIV testing and prevention counseling services
- Access to HIV prevention and education services

Many of the HOPWA subrecipients also have permanent supportive housing programs that they can offer to a HIV/AIDS person if they become homeless. If the HOPWA subrecipients do not have the program, within their area, there are other permanent supportive housing programs for this population.

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

The Integrated Supportive Housing Partnership, part of the CoC, was created after the Office of Medicaid Planning and Policy received an HHS planning grant to develop a statewide integrated supportive housing network targeting persons leaving SOFs, hospitals and other residential living arrangements who are at risk of homelessness. The partnership includes state Medicaid, Mental Health, Housing, & Health agencies with CSH, IN NAMI and IU School of Public Health. The Partnership has developed comprehensive policies and financial resources to prepare a Section 811 application to provide rental assistance for an integrated supportive housing network and an outreach engagement system to triage at risk persons from systems of care to appropriate housing. A statewide system of Community Health Workers from seven FQHCs serves as the outreach teams into the health care system. The CoC with Community Health Workers identify appropriate hospital staff to identify homeless & at risk person prior to discharge.

In addition to the above, the Indiana Department of Corrections (IDOC) has a formal discharge policy. The CoC works closely with IDOC discharge reps to develop protocols so that individuals being released from correctional facilities are not discharged into homelessness. IDOC case managers develop individualized Re-Entry Accountability Plans that outline and coordinate the delivery of services necessary to ensure successful transition from incarceration to a community.

Services include: 1) enrollment in Medicaid, Food Stamps, TANF, & SSI; 2) issuance of birth certificates and BMV identification; 3) participation in workforce development programs; 4) limited rental assistance; and 5) referral to other community services. There are still people leaving corrections without stable housing. IDOC is linking their data system with the CoC Assessment–Access system and HMIS to link people to appropriate services and housing.

In some regions, faith based groups have joined up with an IDOC inreach program to mentor people while in jail and prison and continue to do so upon release, to help people use a social support network to find housing, employment and support.

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

During PY2015, $72,000 of ESG dollars will be linked to rental assistance to prevent homelessness. HOPWA will be allocated to TBRA, rental/utilities/mortgage assistance and housing information services to support persons living with HIV/AIDS who are not homeless but who need housing support.

In competitive funding programs, organizations that propose activities to help seniors age in place and/or assist persons with disabilities with housing needs will have scoring preferences for HOME awards.

MA-40 Barriers to Affordable Housing – 91.310(d)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

The State of Indiana is in the process of updating its statewide Analysis of Impediments to Fair Housing Choice (AI) to more directly address HUD's current expectations of AIs. A draft AI will be completed in fall 2015.

Stakeholders, residents and public housing authorities were asked about barriers to housing choice in the surveys they completed for this Consolidated Plan. Stakeholders mentioned very few public policies and potential negative effects on affordable housing and residential development; instead, they had many suggestions for improvements to existing housing and community development programs and practices. The most commonly mentioned suggestions included:

- Setting aside additional funding for home modifications;
- Re-establishing Section 8 homeownership program at the state and local level;
- Expanding accessibility and visitability requirements of publicly funded projects;
- Expanding the number of days families can stay in shelters;
- Fund a bedbug removal program;
- Consistently investing in small communities to build capacity and address local needs;
- Continuing and expanding liaison presence in rural areas so communities are aware of the resources available from the state; and
- Expanding investments and resources in rural areas.

MA-45 Non-Housing Community Development Assets -91.315(f)

This section summarizes economic development and employment indicators in Indiana.

Economic Development Market Analysis

Business Activity

Business by Sector	Number of Workers	Number of Jobs	Share of Workers %	Share of Jobs %	Jobs less workers %
Agriculture, Mining, Oil & Gas Extraction	16,253	16,507	1	2	1
Arts, Entertainment, Accommodations	151,538	111,076	11	11	0
Construction	73,353	50,090	5	5	0
Education and Health Care Services	225,819	141,847	16	14	-2
Finance, Insurance, and Real Estate	68,126	34,627	5	3	-1
Information	19,336	10,684	1	1	0
Manufacturing	327,427	275,825	23	28	4
Other Services	46,692	31,890	3	3	0
Professional, Scientific, Management Services	72,396	37,110	5	4	-1
Public Administration	1	1	0	0	0
Retail Trade	182,675	131,623	13	13	0
Transportation and Warehousing	62,869	47,433	4	5	0
Wholesale Trade	70,522	49,076	5	5	0
Total	1,317,007	937,789	--	--	--

Table 38- Business Activity

Data Source: 2007-2011 ACS (Workers), 2011 Longitudinal Employer-Household Dynamics (Jobs)

Labor Force

Total Population in the Civilian Labor Force	1,891,535
Civilian Employed Population 16 years and over	1,737,502
Unemployment Rate	8.14
Unemployment Rate for Ages 16-24	20.57
Unemployment Rate for Ages 25-65	5.35

Table 39 - Labor Force

Data Source: 2007-2011 ACS

Occupations by Sector	Number of People
Management, business and financial	332,659
Farming, fisheries and forestry occupations	60,093
Service	174,537
Sales and office	408,044
Construction, extraction, maintenance and repair	176,908
Production, transportation and material moving	155,789

Table 40 – Occupations by Sector

Data Source: 2007-2011 ACS

Travel Time

Travel Time	Number	Percentage
< 30 Minutes	1,119,431	68%
30-59 Minutes	424,896	26%
60 or More Minutes	100,572	6%
Total	1,644,899	100%

Table 41 - Travel Time

Data Source: 2007-2011 ACS

Education:

Educational Attainment by Employment Status (Population 16 and Older)

Educational Attainment	In Labor Force		
	Civilian Employed	Unemployed	Not in Labor Force
Less than high school graduate	103,287	17,448	85,960
High school graduate (includes equivalency)	515,203	45,812	167,786
Some college or Associate's degree	466,273	31,317	106,071
Bachelor's degree or higher	356,401	10,337	52,042

Table 42 - Educational Attainment by Employment Status

Data Source: 2007-2011 ACS

Educational Attainment by Age

	Age				
	18–24 yrs	25–34 yrs	35–44 yrs	45–65 yrs	65+ yrs
Less than 9th grade	10,456	15,652	14,756	28,762	43,910
9th to 12th grade, no diploma	58,848	37,169	34,373	75,989	71,815
High school graduate, GED, or alternative	112,206	132,072	174,391	422,730	238,519
Some college, no degree	117,126	103,312	108,947	210,425	76,407
Associate's degree	11,911	45,460	54,289	82,307	14,779
Bachelor's degree	19,782	76,299	81,793	123,251	31,037
Graduate or professional degree	1,033	21,312	32,047	84,683	33,868

Table 43 - Educational Attainment by Age

Data Source: 2007-2011 ACS

Educational Attainment – Median Earnings in the Past 12 Months

Educational Attainment	Median Earnings in the Past 12 Months
Less than high school graduate	0
High school graduate (includes equivalency)	0
Some college or Associate's degree	0
Bachelor's degree	0
Graduate or professional degree	0

Table 44 – Median Earnings in the Past 12 Months

Data Source: 2007-2011 ACS

Based on the Business Activity table above, what are the major employment sectors within the state?

The single largest employment industry in Indiana is manufacturing, responsible for 28 percent of the state's jobs, according to the Business Activity table above. This is followed by Education and Health Care at 14 percent and Retail Trade at 13 percent of all jobs.

Describe the workforce and infrastructure needs of business in the state.

The workforce needs of businesses currently operating in nonentitlement areas in Indiana vary by region and industry. Generally speaking, businesses must replace skilled incumbent workers who are rapidly approaching retirement. Many are already beyond retirement age and continue to work for various reasons. Businesses have mostly been unable to develop a pipeline of workers with the training and education to move into these skilled positions as they become available.

Replacements for these workers may come from workers who are underemployed as a result of realignment caused by globalization and technology. Others may be unemployed for similar reasons. Still others may come from the ranks of high school students who are increasingly considering seeking industry recognized certifications, applied Associate of Science degrees or other points of entry into the workforce. This is but one iteration of the current skills gap currently being expressed by many industry clusters.

Workers for new skilled jobs in technology, robotics, electrical maintenance, electronics, mechanical maintenance, computer technicians, laboratory technicians, welding and other emerging trades are also required. These workers may also come from the ranks of underemployed, unemployed, and students provided that industry recognized training can be secured.

Describe any major changes that may have an economic impact, such as planned public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

The Indiana Regional Cities Initiative was recently formed to address what the initiative reports is the single biggest threat to economic growth in the state: population stagnation. The initiative is working to develop a quality of place that can attract and retain future generations of Hoosiers by:

- **Inspiring regional development –** The state is asking Indiana regions and communities to develop vision and action plans that enhance and build cities and regions by identifying assets including talent-base, infrastructure, business climate, quality of place amenities and more.

- **Encouraging regional collaboration –** Indiana's regions are looking beyond individual cities competing to be the next hot spot in our state and asking regions to work together and focus on entire regions to deliver a network of culture and attraction.

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- **Partnering financially –** The IEDC is supporting legislation that enables the state to be a financial partner with regions that develop compelling strategic plans, thus facilitating significant investment that transforms Indiana communities into destinations for a talented workforce.

How do the skills and education of the current workforce correspond to employment opportunities in the state?

A constant refrain coming from nearly all industry sectors is "We cannot find qualified people for jobs at nearly any level." The indication is that the skills gap in Indiana is more widespread than we ever thought. Thousands of people have given up looking for work at a time when jobs are going unfilled. Matching the skills of the old economy to the needs of the new economy has become trying for all.

The unemployment rate in Indiana is 5.9 percent, compared to a pre-recession rate of 4.7 percent in 2006. The state had 194,000 unemployed workers as of February 2015. Industry can absorb thousands of additional workers provided that trained workers can be identified. The challenge before us, to identify underemployed workers with the ability to complete training, and then fill the void. Unemployed can be trained in job readiness skills and back fill the entry level or other unskilled positions.

Some secondary schools have begun to identify high school students with the gifts and talents to move into 21st Century skilled vocations. These schools are developing educational tracts that bring education, workforce development, economic development, and employers to the table to provide industry and skill specific training. It is hoped that these Career Ready tracts complete with internships will become alternate "Plan A" for many students that do not choose college.

Describe current workforce training initiatives supported by the state. Describe how these efforts will support the state's Consolidated Plan.

Please see the discussion on workforce initiatives that are part of Roadmap 2014 below. The five-year Consolidated Plan goals will support these initiatives by ensuring that nonentitlement areas have the infrastructure in place to grow, that they are places attractive to new workers and that job training activities provide economic opportunity for low and moderate income households.

Describe any other state efforts to support economic growth.

In 2014, Governor Mike Pence released his plan for economic development and growth in Indiana, Roadmap 2014. Roadmap is comprehensive set of strategic initiatives to facilitate economic growth in the state. Areas of focus and initiatives include the following:

INCREASING PRIVATE SECTOR EMPLOYMENT ⌡Eliminate business personal property tax to spur new investment ⌡Increase freedom among Indiana employers by eliminating red tape and unnecessary licensing requirements ⌡Promote entrepreneurship by making it easier for new businesses to raise capital ⌡Increase the speed of business through one-stop permitting

ATTRACTING NEW INVESTMENT IN INDIANA, WITH EMPHASIS ON MANUFACTURING, AGRICULTURE, LIFE SCIENCES, AND LOGISTICS ⌡Increase regional competitiveness through new local government transparency portal ⌡Invest $400 million in the next era of highway expansion to keep freight and people moving in Indiana ⌡Fix the agricultural land productivity factor ⌡Develop plans to raise billions of dollars in new investment in regional cities to attract jobs, businesses and people ⌡Work with private partners to create a talent initiative to attract entrepreneurs

IMPROVING THE MATH & READING SKILLS OF ELEMENTARY STUDENTS ⌡Create an Indiana Teacher Innovation Fund to support teachers who improve student outcomes through innovative work in the classroom ⌡Support teachers who move to under-performing public schools and charter schools serving low-income students ⌡Establish a voucher pre-K program for low-income families ⌡Shorten the timeframe for failing schools to become turnaround schools

INCREASING GRADUATION RATES ⌡Improve charter school performance by allowing charter school networks to manage their funds with the same flexibility as school districts ⌡Increase the supply of alternative, high-performing schools by repurposing unused educational facilities ⌡Increase the number of dropout recovery schools for adults who never completed high school

IMPROVING THE QUALITY OF THE HOOSIER WORKFORCE ⌡Create a performance-based program to equip under-skilled adults for jobs in today's economy ⌡Strengthen career pathways by conducting a statewide return-on investment assessment of career and technical education ⌡Establish the Governor's task force on the future of higher education to ensure affordability & quality through new technology and innovation

IMPROVING THE HEALTH, SAFETY AND WELL-BEING OF HOOSIER FAMILIES, ESPECIALLY CHILDREN ⌡Increase the exemption for parents and children in Indiana's tax code ⌡Expand and improve adoption in Indiana by offering parents a credit to offset adoption expenses and by removing barriers to adoption ⌡Continue to seek approval from the federal government to bring health care coverage to more Hoosiers through the innovative Healthy Indiana Plan ⌡Improve recycling in Indiana through market-based reforms ⌡Implement the first step of a unified, long-term water plan by streamlining Indiana's water quality permitting responsibilities ⌡Assist veterans by expanding access to the Military Relief Fund

The State maintains a webpage with more details about RoadMap 2014 at http://www.in.gov/gov/2680.htm

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

Housing problem concentrations were analyzed in the context of areas of racial and ethnic concentrations and concentrated areas of poverty, given the disproportionate impact identified for racial and ethnic minorities and households earning less than 50 percent of AMI (see tables NA-15 through NA-30).

Racial and ethnic concentrations of poverty (RCAPS and ECAPs) are defined by HUD as those with both minority and poverty concentrations. Specifically, HUD defines RCAPs as having a non-white population (or in the case of ECAPs, Hispanic population) of 50 percent or more and individual poverty rates exceeding 40 percent. HUD gives an alternative to the poverty rate for low poverty areas: an area can have concentrated poverty if it exceeds three times the average Census tract poverty rate.

In addition, two different poverty rates can be used to calculate RCAPs and ECAPs: individual poverty rate and family poverty rate.

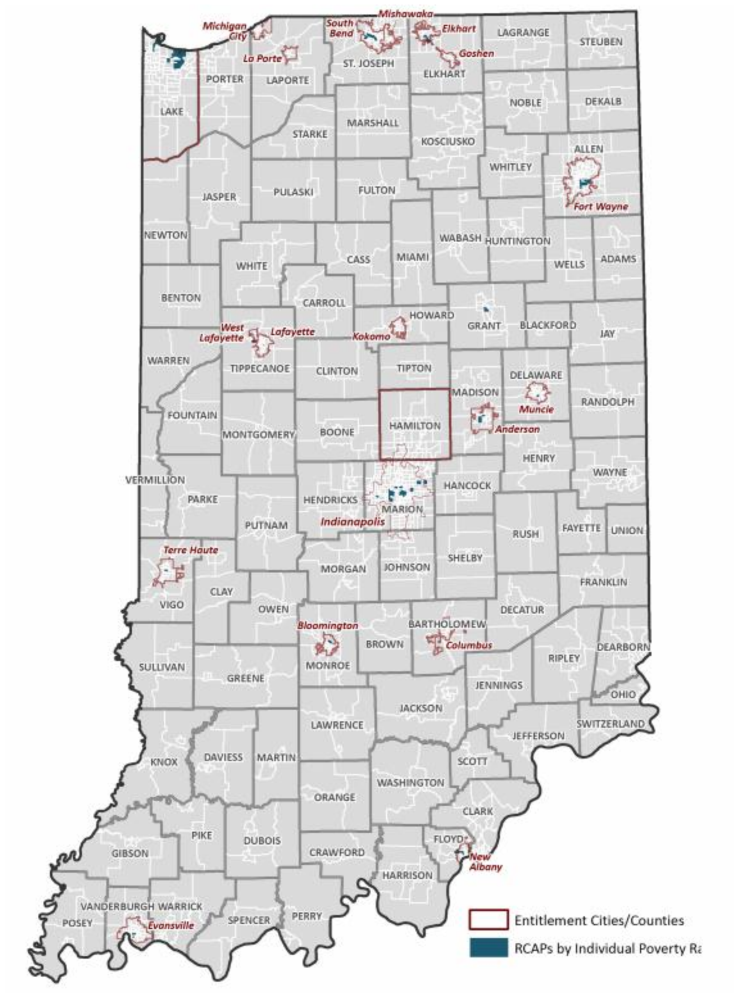
The following maps show the location of RCAPs and ECAPs—which are correlated with concentrations of multiple housing problems—in the state.

To accurately represent areas of concentration in nonentitlement areas—and to remain consistent with the alternative method of calculating concentrated poverty in low poverty areas—these maps used the 10 percentage point concentration threshold.

As shown by the maps, there are very few RCAPs using the family poverty definition. RCAPs using the individual poverty definition—displayed in the first map—are largely found around Gary/Hammond and in central Indianapolis.

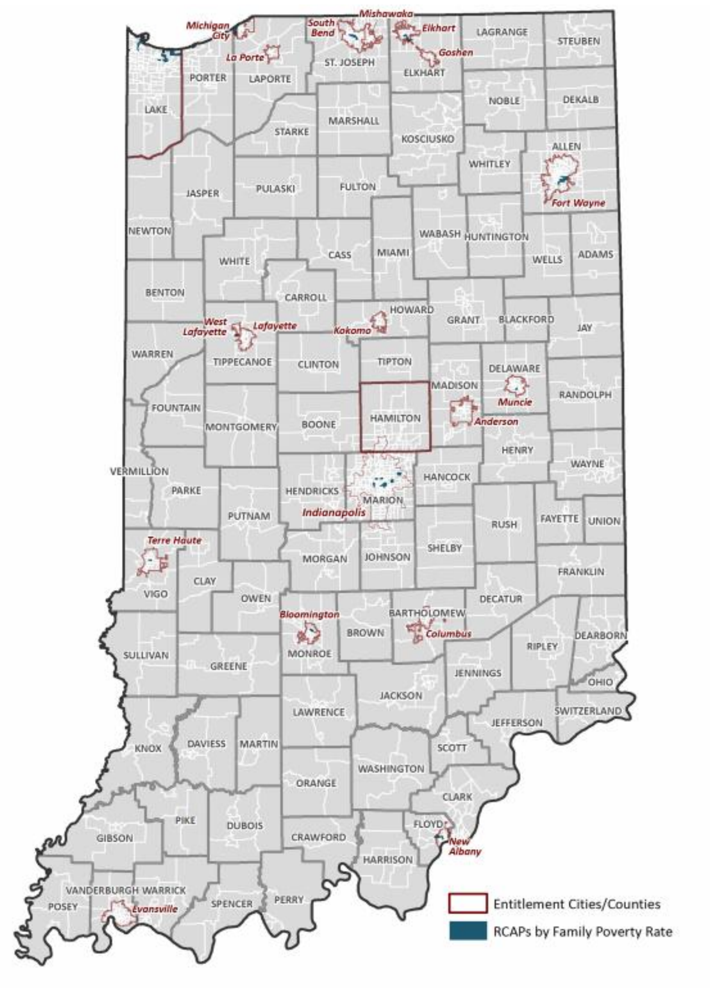
There are few ECAPs in the State, as demonstrated by the second series of maps. Those that exist are mostly located in the urban areas of Fort Wayne, South Bend, Elkhart and Indianapolis.

Racially Concentrated Areas of Poverty (RCAP), Individual Poverty Rate, State of Indiana, 2010



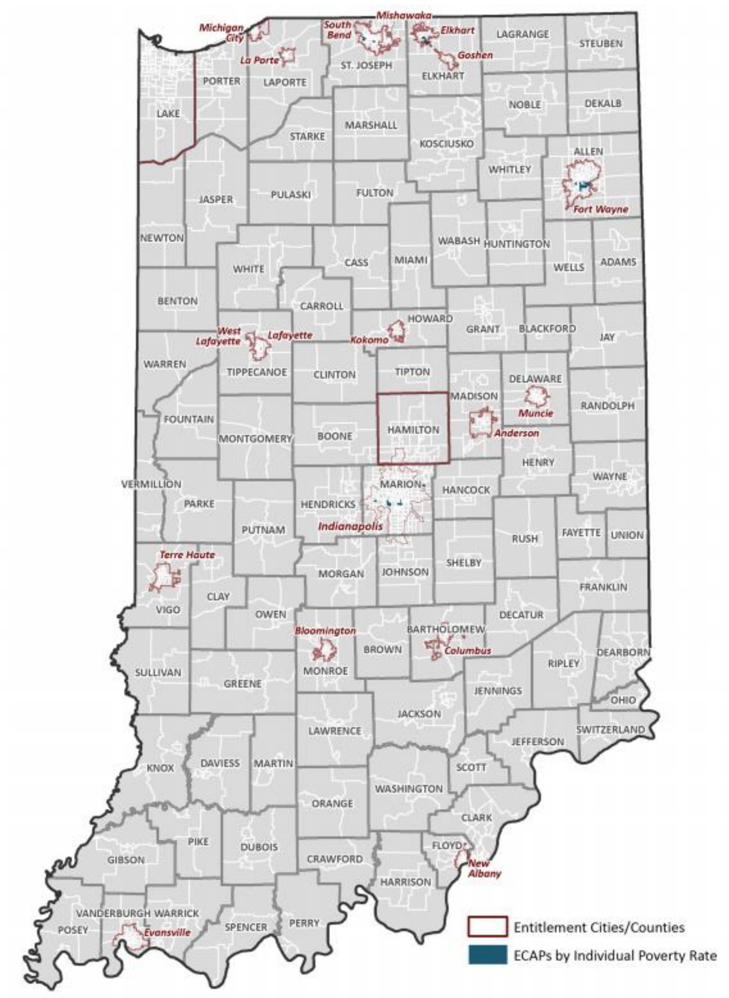
Source: 2010 Census and BBC Research & Consulting.

Racially Concentrated Areas of Poverty (RCAP), Family Poverty Rate, State of Indiana, 2010



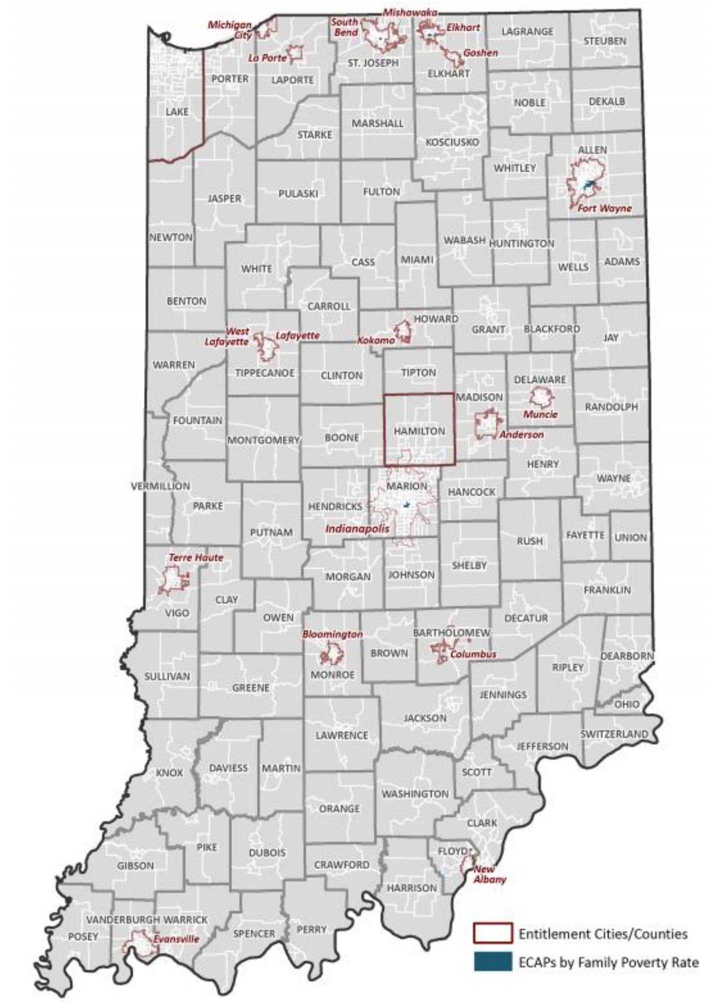
Source: 2010 Census and BBC Research & Consulting.

Ethnically Concentrated Areas of Poverty (RCAP), Individual Poverty Rate, State of Indiana, 2010



Source: 2010 Census and BBC Research & Consulting.

Ethnically Concentrated Areas of Poverty (RCAP), Family Poverty Rate, State of Indiana, 2010



Source: 2010 Census and BBC Research & Consulting.

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

The following maps show concentrations of African American and Hispanic residents at the Census tract level for all areas in the state. Two definitions of concentration are used in the maps:

1. Concentrations exist when the population of either African Americans or Hispanics is at least *20 percentage points* higher than the proportion of these populations in the county overall; and

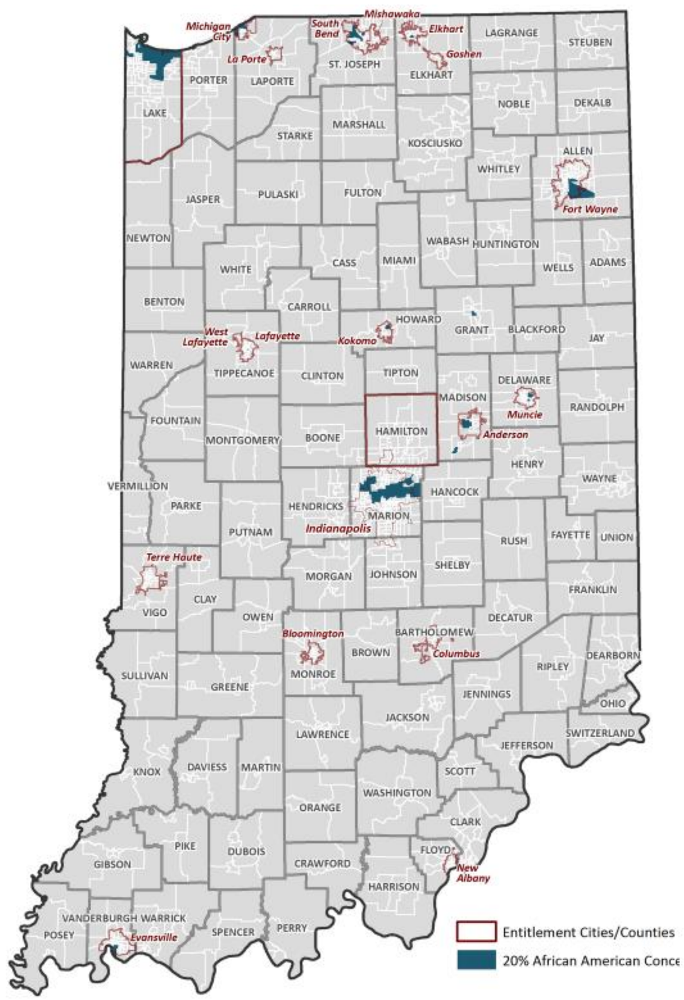
2. Concentrations exist when the population of either African Americans or Hispanics is at least *10 percentage points* higher than the proportion of these populations in the county overall (a narrower definition of concentration).

These two definitions represent the most current working definitions of concentration employed by HUD.[1]

Similar to RCAPs and ECAPs, concentrations are largely located in urban areas. Yet the 10 percentage point definition identifies African American concentrations in several rural counties in western Indiana and Hispanic concentrations in northern Indiana.

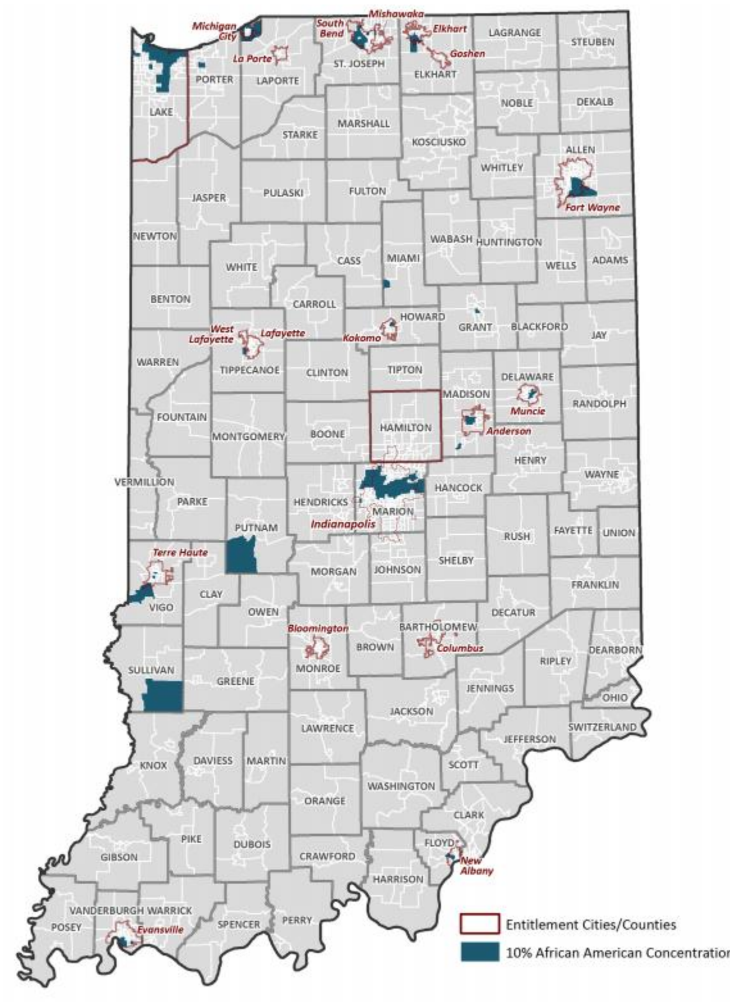
[1] It should be noted that for urban areas, HUD defines concentrations as a total minority population exceeding 50 percent.

African American Concentrations by Census Tract,
20 Percentage Point Definition, State of Indiana, 2010



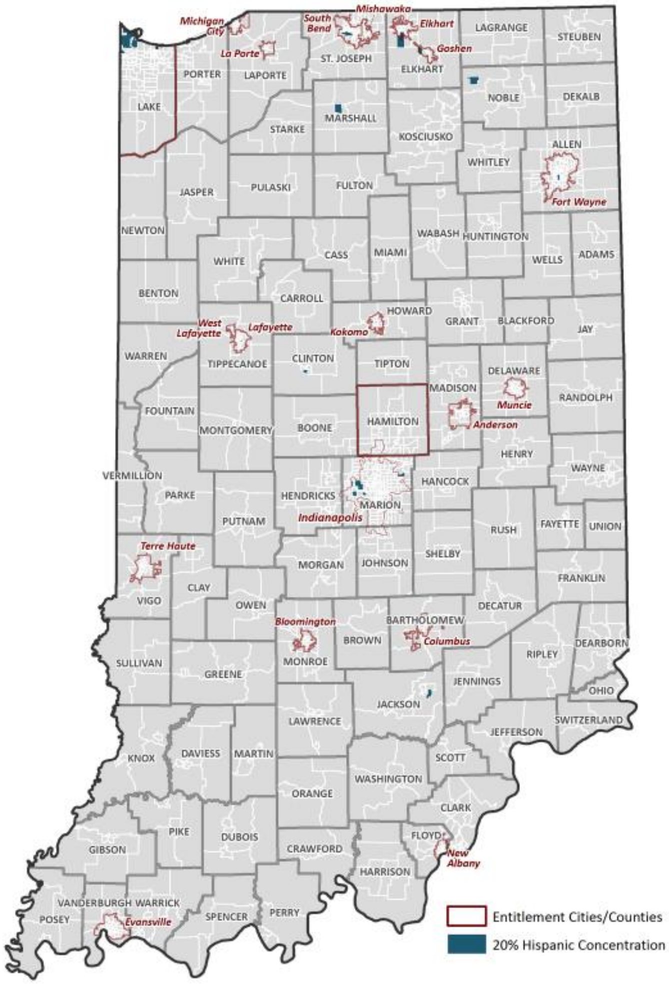
Source: 2010 Census and BBC Research & Consulting.

African American Concentrations by Census Tract,
10 Percentage Point Definition, State of Indiana, 2010



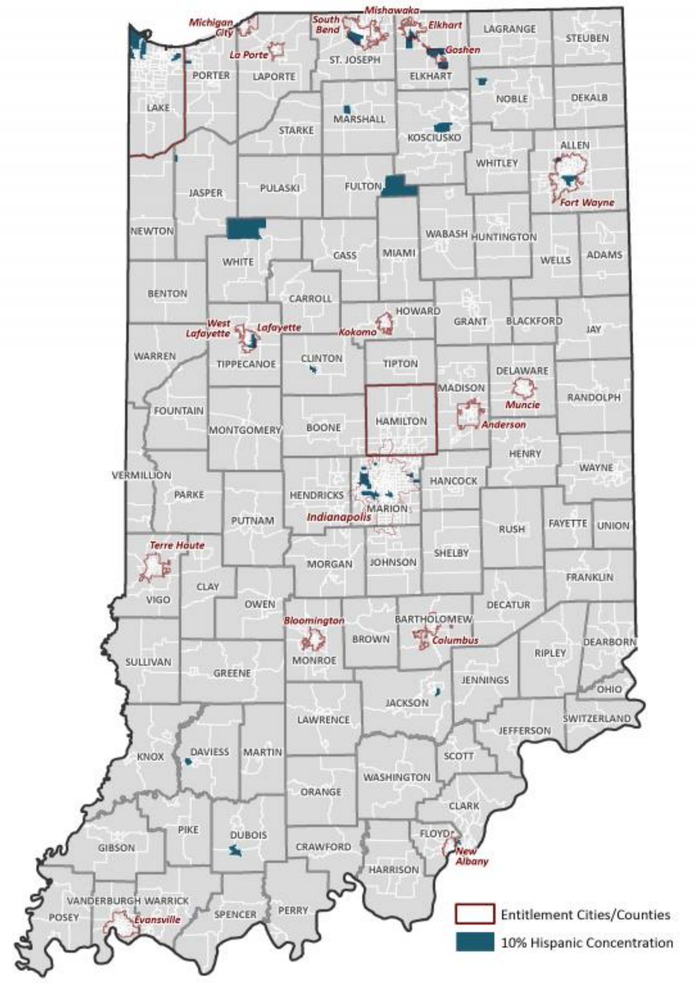
Source: 2010 Census and BBC Research & Consulting.

Hispanic Concentrations by Census Tract,
20 Percentage Point Definition, State of Indiana, 2010



Source: 2010 Census and BBC Research & Consulting.

Hispanic Concentrations by Census Tract,
10 Percentage Point Definition, State of Indiana, 2010

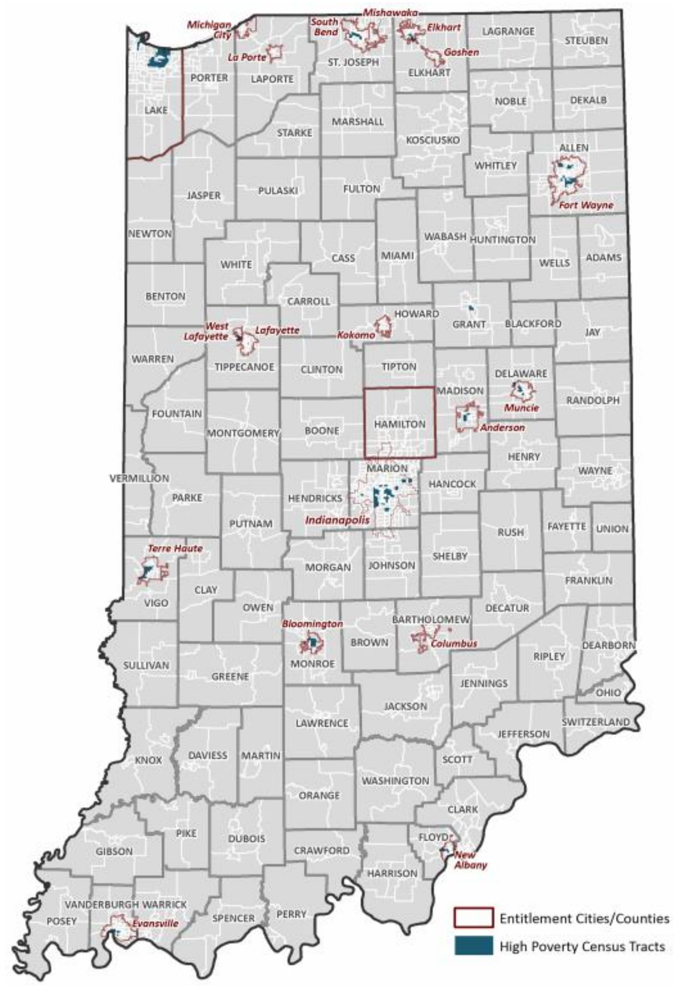


Source: 2010 Census and BBC Research & Consulting.

High poverty concentration maps are shown in the next map. Most of the high poverty Census tracts are located in urbanized areas, as are most of Indiana's racial and ethnic concentrations. Of the 94 high poverty Census tracts, 62 (66%) are also racially and/or ethnically concentrated.

Monroe, Fayette, Tippecanoe and Delaware counties have the highest poverty rates (over 20%) of all Indiana counties. Of those, none have an African American population higher than the state average and only Tippecanoe has a higher than average proportion of Hispanic residents.

High Poverty Census Tracts, State of Indiana, 2007-2011



Source: 2007-2011 ACS.

What are the characteristics of the market in these areas/neighborhoods? Are there any community assets in these areas/neighborhoods? Are there other strategic opportunities in any of these areas?

A survey of the key characteristics of the concentrated areas conducted to support the state's new Analysis of Impediments to Fair Housing Choice (AI) found that most of the concentrated areas offer inexpensive housing—often concentrations of publicly subsidized housing, along with access to supportive services and public transit. In some cases, the residents have deep cultural and familial roots in the neighborhoods; they may have settled in the neighborhoods originally due to historical segregation.

The concentrated areas in small and medium sized communities have been challenged with loss of manufacturing jobs. The strongest assets and opportunities are existing infrastructure, less expensive housing in many urban areas and states and access to major transportation systems.

Strategic Plan

SP-05 Overview

Strategic Plan Overview

The SP section of the Consolidated Plan details the State of Indiana's five-year strategic goals to address housing and community development needs with CDBG, HOME, ESG and HOPWA.

The five-year plan responds to the needs expressed by stakeholders and the public in development of the plan by:

- Addressing aging water, wastewater and stormwater systems' needs;
- Helping to revitalize rural communities and encourage economic and workforce development and growth;
- Addressing the rental housing needs of extremely low income residents;
- Allowing seniors to age-in-place and facilitating new housing opportunities for persons with disabilities,
- Addressing the needs of special needs residents, including those with HIV/AIDS and persons who are homelessness,
- Working to prevent homelessness by providing rental assistance and moving residents who are newly homeless into housing quickly,
- Helping communities affected by disasters rebuild their economies and housing.

SP-10 Geographic Priorities – 91.315(a)(1)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

The State of Indiana does not prioritize the allocation of CDBG, HOME or ESG geographically. Instead, the State identifies the greatest needs for the State and nonentitlement areas overall and this information is used to guide the funding priorities for each program year. For local needs, the State relies on the information presented in block grant program funding applications.

OCRA does include a component of scoring in their CDBG applications where the low and moderate income percentage is a weighted score; a higher percentage of low and moderate income will yield a higher score. IHCDA includes a preference for application that attempts to reach low- and very low-income levels of area median income.

ESG allocates emergency shelter and rapid re-housing activities statewide; homeless prevention and outreach activities are more targeted geographically.

The HOPWA grant does rely on a geographic allocation, determined through the Continuum of Care regions. Because IHCDA allocates HOPWA to all ISDH-established care coordination regions except Region 7, it was determined that IHCDA will fund one HOPWA project sponsor per every care coordination region. This will remain true for all care coordination regions. If a distinct eligible population with specific needs exists in a region (for example, homeless men in Lake County), IHCDA will work with the regional sponsor to tailor services to meet the needs of the population. In instances where the sponsor cannot meet these needs, the sponsor will have the ability to sub-grant a portion of its HOPWA award to another service provider.

Rationale for the priorities for allocating investments geographically

Previously 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.

SP-25 Priority Needs – 91.315(a)(2)

The priority needs that have been established for the five-year planning period include the following. These were based on stakeholder input and the housing and community development analysis conducted to support the 2015-2019 Consolidated Plan.

Community Development Priority Needs

Water, wastewater and storm water system improvements—High need

Sidewalk improvements—High need

Community revitalization—High need

Public facility improvements—Moderate need

Workforce development –Moderate need

Housing Priority Needs

Low and very low income households—High need

Support of comprehensive community development efforts—Moderate need

Developments that utilize existing infrastructure, buildings and/or parcels—Moderate need

Visitable homeowner housing—High need

Housing that allows homeowners to age in place and is accessible for persons with disabilities—High need

Housing that support families—Moderate need

Housing incorporating green building and energy efficiency—Moderate need

Projects that utilize minority-owned, women-owned and disadvantaged business enterprises—Moderate need

Homeless and Special Needs

Assistance to homeless shelters for operations and essentials—High need

Tenant based rental and rapid re-housing assistance—High need

SP-30 Influence of Market Conditions – 91.315(b)

Influence of Market Conditions

Affordable Housing Type	Market Characteristics that will influence the use of funds available for housing type
Tenant Based Rental Assistance (TBRA)	Increased demand for housing affordable to < 30% AMI households
TBRA for Non-Homeless Special Needs	Increased demand for housing affordable to < 30% AMI households
New Unit Production	Emphasis on small affordable developments that are accessible and visitable, which are lacking in many nonentitlement areas
Rehabilitation	Aging of population and increase in number of residents with disabilities
Acquisition, including preservation	In slow-growth communities, vacant and underutilized properties

Table 45 – Influence of Market Conditions

SP-35 Anticipated Resources - 91.315(a)(4), 91.320(c)(1,2)

The table below lists the resources anticipated to be available to assist the State fulfill its five-year Consolidated Plan housing and community development goals. It includes funds from the federal disaster recovery program.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
CDBG	**Federal**	Admin and Planning Economic Development Housing Public Improvements Public Services	**$27,777,397**	**$0**	**$0**	**$27,777,397**	**$108,000,000**	
HOME	**Federal**	Admin and Capacity Building Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA Stellar Communities	**$9,369,078**	**$0**	**PY2013, 2014 and 2015 HOME funds will be used for TBRA**	**$9,369,078**	**$36,000,000**	

OMB Control No: 2506-0117 (exp. 07/31/2015)

ESG	**Federal**	Financial Assistance (shelter operations) Rapid re-housing (rental assistance) Prevention and outreach	**$3,635,000**	**$0**	**$0**	**$3,635,000**	**$14,500,000**	
HOPWA	**Federal**	Financial assistance (facility operations) Housing information Permanent housing placement STRUM Supportive services TBRA	**$953,000**			**$953,000**	**$3,800,000**	
Housing Trust Fund	**Federal**	Multifamily rental new construction	**$2,700,000**			**$2,700,000**	**$7,100,000**	HTF funds will be dedicated to new construction of affordable rental housing. The HTF will leverage 9% LIHTC funding, thus targeting households earning less than 60% MFI.

CDBG-DR Program Income	**Federal**	Multifamily housing Owner-occupied rehabilitation Public facilities improvements Workforce development Stormwater improvements	**$5,496,481—DR 1 (Midwest Floods) $20,158,976 DR 2 (IKE)**	**$173,339**			**Program income: $3.9 million—2016 $520,550 annually, 2017-2019**	

Table 46 - Anticipated Resources

Note on CDBG-DR: The actual amounts received may be less than the figures anticipated above. Some loans were made as cash flow contingent so if the project does not cash flow, repayment will not be made. IHCDA intends to use additional funds received through repayments to fund additional multifamily activity (anticipate 100 units of multifamily housing serving 51% AMI households).

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

Anticipated matches for PY2015 include:

$7.5 million from local government contributions on all CDBG projects,

$655,000 in in-kind services match for ESG shelter operations projects,

$1 million in in-kind services match for ESG RRH projects,

$1.5 million in cash matches from ESG subrecipients,

$600,000 in public funds for HOPWA projects (e.g., Ryan White, CDBG, supportive housing),

$70,000 in private funds to support HOPWA projects (financial assistance, food pantries, Indiana AIDS fund),

$22,000 cash match from subrecipients in assisting clients (in-kind).

The HOME match will approximate $2 million, equal to 25 percent on HOME-funded projects.

OCRA match. Matching funds include local public or private sector in-kind services, cash or debt allocated to the CDBG project. The level of local matching funds for CDBG projects is 10 or 20 percent of the total estimated project costs. This percentage is computed by adding the proposed CDBG grant amount and the local matching funds amount, and dividing the local matching funds amount by the total sum of the two amounts. The current definition of match includes a maximum of 5 percent pre-approved and validated in-kind contributions. The balance of the 10 percent must be in the form of either cash or debt. Any in-kind over and above the specified 5 percent may be designated as local effort. Grant funds provided to applicants by the State of Indiana are not eligible for use as matching funds.

IHCDA match. Recent influxes of program funding from the federal government, along with several new initiatives that expand IHCDA's vision and overall mission into more comprehensive developments, sometimes pose an issue with obtaining the required level of match/leveraging funds. IHCDA will thus create a match pool, which is a collection of resources taken from closed HOME-funded projects that documented match in excess of the required 25 percent. These eligible sources of match are kept on record and may be used as match for future IHCDA-funded projects. The pool allows applicants that, after exploring all possible avenues of meeting the requirement, are left with a shortfall to still proceed with an award application.

ESG match. ESG subrecipients are required to match 100 percent of the ESG award, and can include cash, grants and in-kind donations.

CDBG housing leverage. The State of Indiana requires 10 percent leverage for most CDBG funds. IHCDA recipients have used a variety of funding sources to meet this requirement, including Federal Home Loan Bank grants, Rural Development grants, contractor contributions, cash contributions and cash from local government general funds.

HOME match. The HOME program requires a 25 percent match, which is a federal requirement. Applicants must demonstrate eligible matching funds equal to 25 percent of the amount of HOME funds requested, less administration, environmental review and CHDO operating costs. If the applicant is proposing to utilize banked match for the activity:

And it is the applicant's own banked match, the match liability on the previous award for which the match was generated must already be met and documented with IHCDA for the match to be eligible as of the application due date. Only HOME-eligible match generated on IHCDA awards made in 1999 or later are eligible to be banked.

Or, if it is another recipient's match, the applicant must provide an executed agreement with the application verifying that the recipient is willing to donate the match.

Only banked match from awards made in 1999 or later that have fully met their match liability are eligible to donate to another applicant. The award must be closed before the agreement to donate match is executed. Match cannot be sold or purchased and is provided purely at the discretion of the recipient that granted it.

Banked leverage generated on a CDBG award cannot be used as match on a future HOME award. Only banked match generated on a HOME award can be used on a future HOME award.

The HOME regulations outline the very specific types of HOME-eligible matching funds, and IHCDA must document expenditures of matching funds by individual sites. HOME recipients often use Federal Home Loan Bank grants, savings from below-market interest rate loans, and donations of property, as match for their HOME awards. Additionally, IHCDA documents the MRB financing used in the First Home program as a match.

If appropriate, describe publicly owned land or property located within the state that may be used to address the needs identified in the plan

N/A; the state does not have publicly owned land or properties that will be used to address housing and community development needs during the five-year planning period.

OMB Control No: 2506-0117 (exp. 07/31/2015)

SP-40 Institutional Delivery Structure – 91.315(k)

Describe how the service delivery system including, but not limited to, the services listed above meet the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth)

The delivery of CDBG program funds will be made through eligible applicants. These include 1) all counties, cities, incorporated towns which do not receive CDBG entitlement funding and are not located in an urban county or other area eligible for entitlement funding from HUD, and 2) all Indian tribes meeting the criteria set forth in Section 102 (a)(17) of the Federal Act.

Owner-occupied rehabilitation funds will be delivered through qualifying units of local government (nonentitlement communities) and nonprofit partners that serve nonentitlement communities.

Eligible applicants for CDBG disaster funds include not-for-profit organizations, cities, towns, or counties that are located in Indiana, whose proposed activities are consistent with the State's HUD-approved Disaster Plan and are NOT located in the one of the following ineligible CDBG Disaster (CDBG-D) counties: Blackford, Clinton, Delaware, Howard, Lagrange, Miami, Steuben, Tipton, Warren and Wells.

Rental and homeownership activities funded with HOME will be carried out through awards to non-HOME participating jurisdictions, CHDOs, nonprofit organizations, public housing authorities and joint ventures of these groups.

ESG subrecipients will be required to create MOU's with all shelter providers, housing agencies, community action agencies, township trustees, mental health centers, health clinics and homeless service providers in their proposed service area. Once available in their area, each ESG subrecipient will be required to partner with the Coordinated Access point by providing immediate housing to those persons who are unsheltered if space is available. Additionally, as part of the proposal process, subrecipients are required to develop a program design that is inclusive not only of other targeted homeless services, but also of other mainstream resources such as public housing programs, programs receiving project-based or tenant-based Section 8, Supportive Housing for persons with disabilities (Section 811), HOME Investment Partnerships Program, Temporary Assistance for Needy Families (TANF), State Children's Health Insurance Program, Head Start, Mental Health and Substance Abuse Block Grants and services funded under the Workforce Investment Act. IHCDA encourages programs to be strategic and comprehensive in their program design by requiring applicants to include all available resources to the maximum extent practicable.

Describe the strengths and gaps of the service delivery system for special needs populations and persons experiencing homelessness, including, but not limited to, the services listed above

The State has an efficient structure through which programs are delivered. Where gaps exist, these are associated with lack of funding and lack of capacity of nonprofits in rural areas to address the wide variety and growing needs of an aging population living in aging housing stock.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

Please see above.

SP-45 Goals Summary – 91.315(a)(4)

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Goal Outcome Indicator (estimated five year)
1	Improve Community Water and Wastewater Systems	2015	2019	Non-Housing Community Development		Creating livable and revitalized communities	Other: 35 wastewater projects, 35 drinking water projects
2	Support Community Revitalization	2015	2019	Non-Housing Community Development		Local economic development	Other: 15 Stellar Community projects, 25 Brownfield/Clearance projects, 10 Downtown Revitalization projects
3	Improve and Construct Public Facilities	2015	2019	Non-Housing Community Development		Local economic development	Other: 35 projects
4	Improve Stormwater Systems	2015	2019	Non-Housing Community Development		Local economic development	Other: 35 projects
5	Support Workforce Development	2015	2019	Non-Housing Community Development		Local economic development	Other: 20 Workforce Development/Skills Training projects
6	Provide Planning Grants to Local Governments/CHDOs	2015	2019	Non-Housing Community Development			Other: 200 Other
7	Support Community Capital Needs	2015	2019	Non-Housing Community Development			Other

OMB Control No: 2506-0117 (exp. 07/31/2015)

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Goal Outcome Indicator (estimated five year)
8	Support Community Development Activities	2015	2019	Non-Housing Community Development			Other
9	Create and Preserve Affordable Rental Housing	2015	2019	Affordable Housing		Provide affordable housing opportunities	Rental units constructed: 250 Rental Units rehabilitated: 250 Household Housing Units
10	Create and Preserve Affordable Owner Occupied Housing	2015	2019	Affordable Housing		Provide affordable housing opportunities	Homeowner Housing Added: 125 Household Housing Units
11	Preserve Affordable Owner-Occupied Housing, Improve Aging-in-Place and Visitable and Accessible Housing	2015	2019	Affordable Housing		Provide affordable housing opportunities	Homeowner Housing Rehabilitated: 1,100 Household Housing Units
12	Build Nonprofit Housing Developer Capacity	2015	2019	Affordable Housing		Provide affordable housing opportunities	Other: 40 Other
13	Create Permanent Supportive Housing Opportunities	2015	2019	Homeless Non-Homeless Special Needs		Reduce homelessness and improve stability	Housing for Homeless added: 1,000 Household Housing Units
14	Provide Tenant-Based Rental Assistance to Prevent Homelessness	2015	2019	Homeless Non-Homeless Special Needs		Reduce homelessness and improve stability	Tenant-based rental assistance / Rapid Rehousing: 1,000 Households Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Goal Outcome Indicator (estimated five year)
15	Support Housing Activities	2015	2019	Internal support			HOME program admin
16	Provide Operating Support for Shelters	2015	2019	Homeless Non-Homeless Special Needs		Reduce homelessness and improve stability	50,000 adults and children served
17	Provide Rapid Re-Housing	2015	2019	Homeless Non-Homeless Special Needs		Reduce homelessness and improve stability	Tenant-based rental assistance / Rapid Rehousing: 8,000 Households Assisted
18	Provide Outreach to Persons who are Homeless	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	1,200 adults and children served
19	Prevent Homelessness	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	Other: 500 Other
20	Support Homeless Activities	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	
21	Assist HIV/AIDS Residents Remain in Housing--TBRA	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	Tenant-based rental assistance / Rapid Rehousing: 580 Households Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Goal Outcome Indicator (estimated five year)
22	Assist HIV/AIDS Residents Remain in Housing--STRUM	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	STRUM: 1,200 Households Assisted
23	Provide Housing Information and Placement Services	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	Other: 900 Households Assisted
24	Support Facilities Serving HIV/AIDS Residents	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	Other: 2,000 Households Assisted
25	Provide Services to HIV/AIDS Residents	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	Other: 1,400 Households Assisted
26	Support Program Delivery--TBRA	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	Other
27	Support Program Delivery--STRUM	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	Other
28	Permanent Housing Placement	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Goal Outcome Indicator (estimated five year)
29	Address Disaster Affected Community Needs	2015	2019	Non-Homeless Special Needs		Local economic development	Other

Table 47 – Goals Summary

SP-50 Public Housing Accessibility and Involvement – 91.315(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

N/A; the state of Indiana does not own or operate any public housing units.

Activities to Increase Resident Involvement

N/A; the state of Indiana does not own or operate any public housing units.

Is the public housing agency designated as troubled under 24 CFR part 902?

N/A; the state of Indiana does not own or operate any public housing units.

Plan to remove the 'troubled' designation

N/A; the state of Indiana does not own or operate any public housing units.

SP-55 Barriers to Affordable Housing – 91.315(h)

Barriers to Affordable Housing

The State of Indiana is in the process of updating its statewide Analysis of Impediments to Fair Housing Choice (AI) to more directly address HUD's current expectations of AIs. A draft AI will be completed in fall 2015.

Stakeholders, residents and public housing authorities were asked about barriers to housing choice in the surveys they completed for this Consolidated Plan. These surveys will also be an important part of the AI. The most commonly mentioned barriers identified included:

- Cost of housing,
- Lack of rental units affordable to households earning less than 30 percent of AMI (rental units with rents below $500/month),
- Lack of fair housing knowledge among small landlords,
- Limited fair housing resources and trainings in rural areas.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

The strategies to remove or ameliorate barriers to housing choice will be part of the Fair Housing Action Plan in the 2015 state AI.

SP-60 Homelessness Strategy – 91.315(d)

This section describes the State's Homeless Strategy for identifying and assessing the needs of persons at-risk of homelessness and assessing their needs. A particular focus of the homeless strategy is addressing the needs of youth aging out of foster care and persons leaving institutional settings.

Identification of persons who are at-risk of homelessness is done at several points in the Continuum of Care (CoC). For youth at-risk of aging out of foster care, the State Department of Child Services (DCS) conducts an independent living assessment that determines areas of strengths and challenges for youth while in foster care. DCS and IHCDA have collaborated to develop a comprehensive resource map to address the needs of at-risk youth and the Indiana University public health department is developing a survey tool to help identify successful strategies to address needs of such youth. The CoC Housing & Services Committee has a sub-committee working to prevent youth matriculating from foster care from becoming homeless; this group meets regularly to develop and provide technical assistance to supportive housing projects targeting youth matriculating from foster care at risk of homelessness.

The CoC Integrated Supportive Housing Partnership was created after receiving a grant to develop a statewide integrated supportive housing network targeting persons leaving institutional settings and other residential living arrangements who are at risk of homelessness. The partnership includes state Medicaid, Mental Health, Housing, & Health agencies with CSH, IN NAMI and Indiana University School of Public Health. The Partnership is comparing Medicaid data with HMIS data to identify individuals at high risk of homelessness and to target housing and service resources at these individuals. From this data, the Partnership has also developed an assessment for persons in institutional settings and other restricted living situations for risk of homelessness. This assessment is being linked to the emerging CoC coordinated access network.

The state Community Mental Health & Addiction Advisory Council has developed a statewide integrated supportive housing network targeting persons in institutional settings and other residential facilities who are at risk of homelessness.

SP-65 Lead-based Paint Hazards – 91.315(i)

Identify actions to address LBP hazards and increase access to housing without LBP hazards. How are the actions listed above integrated into housing policies and procedures?

The Indiana Lead and Healthy Homes Program (ILHHP), of ISDH, has as its goal the elimination of lead poisoning as a public health problem, especially among young children whose health and development are most susceptible to the harmful effects of lead. The primary source of lead poisoning is lead-based paint. Effective January 1, 2010, ISDH has taken responsibility to implement and enforce the state and federal regulations concerning lead-based paint. The regulations are designed to eliminate environmental hazards by ensuring that trained lead professionals are available to conduct the safe and effective elimination of the primary sources of lead poisoning.

Addressing the problem through existing and new housing rehabilitation programs is fundamental to reach the State and federal goal of eliminating childhood lead poisoning. Each recipient of a HOME award is subject to the HUD requirements of addressing lead-based paint hazards pursuant to 24 CFR Part 35. If a risk assessment is required, then all lead-based paint issues must be addressed. Lead-based paint controls and abatement costs are eligible activities in IHCDA's HOME-funded rehabilitation programs.

Using HOME dollars, IHCDA also funds lead-hazard mitigation training as part of the CHDO operating support.

SP-70 Anti-Poverty Strategy – 91.315(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families. How is the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan?

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.

Education and skill development are an important aspect of reducing poverty. Investment in workforce development programs and facilities is an essential 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.

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.

The State also utilizes the Section 3 requirement (a provision of the Housing and Urban Development Act of 1968). Section 3 applies to employment opportunities generated (jobs created) as a result of projects receiving CDBG or HOME funding through ORCA or IHCDA, whether those opportunities are generated by the award recipient, a subrecipient, and/or a contractor. The requirements of Section 3 apply to all projects or activities associated with CDBG or HOME funding, regardless of whether the Section 3 project is fully or partially funded with CDBG/HOME. A detailed description of Section 3 requirements is included in OCRA/IHCDA's award applications and manuals. A notice of Section 3 requirements is included in bid solicitations and is covered during the award trainings.

SP-80 Monitoring – 91.330

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 minority business outreach and the comprehensive planning requirements.

CDBG (non-housing) monitoring. OCRA uses the following processes and procedures for monitoring projects receiving HUD funds:

Evaluation on program progress;

Compliance monitoring;

Technical assistance;

Project status reports;

Monitoring technical assistance visits;

Special visits; and

Continued contact with grantees by program representatives.

Monitoring. OCRA conducts a monitoring of every grant project receiving HUD funds. Two basic types of monitoring are used: off-site, or "desk" monitoring and on-site monitoring. Desk monitoring is conducted by staff for non-construction projects. Desk monitoring confirms compliance with national objective, eligible activities, procurement and financial management. On-site monitoring is a structured review conducted by OCRA staff at the locations where project activities are being carried out or project records are being maintained. One on-site monitoring visit is normally conducted during the course of a project, unless determined otherwise by OCRA staff. Grants utilizing a sub-recipient to carry out eligible activities are monitored on-site annually during the 5-year reporting period to confirm continued compliance with national objective and eligible activity requirements. In addition, if there are findings at the monitoring, the grantee is sent a letter within 3 to 5 days of monitoring visit and is given 30 days to resolve it.

CDBG (housing) monitoring. IHCDA uses the following processes and procedures for monitoring projects receiving CDBG and HOME funds:
Self-monitoring;
Monitoring reviews (on-site or desk-top);
Results of monitoring review;
Determination and responses;
Clearing issues/findings
Sanctions;
Resolution of disagreements;
Audits.

IHCDA conducts at least one monitoring of every grant project receiving CDBG and HOME funds. The recipient must ensure that all records relating to the award are available at IHCDA's monitoring. For those projects determined to need special attention, IHCDA may conduct one or more monitoring visits while award activities are in full progress. Some of the more common factors that would signal special attention include: activity appears behind schedule, previous audit or monitoring findings of recipient or administrative firm, high dollar amount of award, inexperience of recipient or administrative firm, and/or complexity of program. These visits will combine on-site technical assistance with compliance review. However, if the recipient's systems are found to be nonexistent or are not functioning properly, other actions could be taken by IHCDA, such as suspension of funding until appropriate corrective actions are taken or termination of funding altogether.

Monitoring. Two basic types of monitoring are used: on-site monitoring and desk-top monitoring.

On-site monitoring review:

Community Development Representative will contact recipient to set-up monitoring based on award expiration and completion/close-out documentation submitted and approved.

Recipient will receive a confirmation letter stating date, time, and general monitoring information.

On date of monitoring, IHCDA staff will need: files, an area to review files, and a staff person available to answer questions.

Before leaving, IHCDA staff will discuss known findings and concerns, along with any areas that are in question.

Desk-top monitoring review:

Community Development Representative or Community Development Coordinator will request information/documentation from award recipient in order to conduct the monitoring. IHCDA staff will give approximately 30 days for this information to be submitted.

IHCDA staff will review information/documentation submitted and correspond via the chief executive officer the findings of the desk-top review. However, if during the course of the review additional information and/or documentation is needed, staff will contact the award administrator.

Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

This section summarizes the resources that are expected to be available to fulfill the objectives of the 2015 Action Plan.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1			
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $
CDBG	**Federal**	Admin and Planning Economic Development Housing Public Improvements Public Services	**$27,777,397**	**$0**	**$0**	**$27,777,397**
HOME	**Federal**	Admin and Capacity Building Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA Stellar Communities	**$9,369,078**	**$0**	**PY2013, 2014 and 2015 HOME funds will be used for TBRA**	**$9,369,078**
ESG	**Federal**	Financial Assistance (shelter operations) Rapid re-housing (rental assistance) Prevention and outreach	**$3,635,000**	**$0**	**$0**	**$3,635,000**

HOPWA	**Federal**	Financial assistance (facility operations) Housing information Permanent housing placement STRUM Supportive services TBRA	**$953,000**			**$953,000**
Housing Trust Fund	**Federal**	Multifamily rental new construction	**$2,700,000**			**$2,700,000**
CDBG-DR Program Income	**Federal**	Multifamily housing Owner-occupied rehabilitation Public facilities improvements Workforce development Stormwater improvements Community Revitalization	**$5,496,481—DR 1 (Midwest Floods) $20,158,976 DR 2 (IKE)**	**$173,339**		

Table 48 - Anticipated Resources

Note on CDBG-DR: The actual amounts received may be less than the figures anticipated above. Some loans were made as cash flow contingent so if the project does not cash flow, repayment will not be made. IHCDA intends to use additional funds received through repayments to fund additional multifamily activity (anticipate 100 units of multifamily housing serving 51% AMI households).

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

OCRA match. Matching funds include local public or private sector in-kind services, cash or debt allocated to the CDBG project. The level of local matching funds for CDBG projects is 10 or 20 percent of the total estimated project costs. This percentage is computed by adding the proposed CDBG grant amount and the local matching funds amount, and dividing the local matching funds amount by the total sum of the two amounts. The current definition of match includes a maximum of 5 percent pre-approved and validated in-kind contributions. The balance of the 10 percent must be in the form of either cash or debt. Any in-kind over and above the specified 5 percent may be designated as local effort. Grant funds provided to applicants by the State of Indiana are not eligible for use as matching funds.

IHCDA match. Recent influxes of program funding from the federal government, along with several new initiatives that expand IHCDA's vision and overall mission into more comprehensive developments, sometimes pose an issue with obtaining the required level of match/leveraging funds. IHCDA will thus create a match pool, which is a collection of resources taken from closed HOME-funded projects that documented match in excess of the required 25 percent. These eligible sources of match are kept on record and may be used as match for future IHCDA-funded projects. The pool allows applicants that, after exploring all possible avenues of meeting the requirement, are left with a shortfall to still proceed with an award application.

ESG match. ESG subrecipients are required to match 100 percent of the ESG award, and can include cash, grants and in-kind donations.

CDBG housing leverage. The State of Indiana requires 10 percent leverage for most CDBG funds. IHCDA recipients have used a variety of funding sources to meet this requirement, including Federal Home Loan Bank grants, Rural Development grants, contractor contributions, cash contributions and cash from local government general funds.

HOME match. The HOME program requires a 25 percent match, which is a federal requirement. Applicants must demonstrate eligible matching funds equal to 25 percent of the amount of HOME funds requested, less administration, environmental review and CHDO operating costs. If the applicant is proposing to utilize banked match for the activity:

*And it is the applicant's own banked match, the match liability on the previous award for which the match was generated must already be met and documented with IHCDA for the match to be eligible as of the application due date. Only HOME-eligible match generated on IHCDA awards made in 1999 or later are eligible to be banked.

*Or, if it is another recipient's match, the applicant must provide an executed agreement with the application verifying that the recipient is willing to donate the match.

Only banked match from awards made in 1999 or later that have fully met their match liability are eligible to donate to another applicant. The award must be closed before the agreement to donate match is executed. Match cannot be sold or purchased and is provided purely at the discretion of the recipient that granted it.

Banked leverage generated on a CDBG award cannot be used as match on a future HOME award. Only banked match generated on a HOME award can be used on a future HOME award.

The HOME regulations outline the very specific types of HOME-eligible matching funds, and IHCDA must document expenditures of matching funds by individual sites. HOME recipients often use Federal Home Loan Bank grants, savings from below-market interest rate loans, and donations of property, as match for their HOME awards. Additionally, IHCDA documents the MRB financing used in the First Home program as a match.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

N/A.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator (estimated five year)
1	Improve Community Water and Wastewater Systems	2015	2019	Non-Housing Community Development		Creating livable and revitalized communities	CDBG $8,444,075	Other: 35 wastewater projects, 35 drinking water projects
2	Support Community Revitalization	2015	2019	Non-Housing Community Development		Local economic development	CDBG $4 million Stellar Communities, HOME TBD, $1.4 Blight Clearance, $1.2 million Main Street Revitalization	Other: 15 Stellar Community projects, 25 Brownfield/Clearance projects, 10 Downtown Revitalization projects
3	Improve and Construct Public Facilities	2015	2019	Non-Housing Community Development		Local economic development	CDBG $3.2 million	Other: 35 projects
4	Improve Stormwater Systems	2015	2019	Non-Housing Community Development		Local economic development	CDBG $3.5 million	Other: 35 projects
5	Support Workforce Development	2015	2019	Non-Housing Community Development		Local economic development	CDBG $1 million	Other: 20 Workforce Development/Skills Training projects
6	Provide Planning Grants to Local Governments/CHDOs	2015	2019	Non-Housing Community Development			CDBG $1.4 million	Other: 200 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator (estimated five year)
7	Support Community Capital Needs	2015	2019	Non-Housing Community Development			Section 108 Loan Program up to $80 million	Other
8	Support Community Development Activities	2015	2019	Non-Housing Community Development			CDBG $655,548 administration; $277,774 Technical Assistance	Other
9	Create and Preserve Affordable Rental Housing	2015	2019	Affordable Housing		Provide affordable housing opportunities	HOME $3.2 million competitive or Stellar Communities program rounds $2.5 million to support Rental Housing Tax Credits	Rental units constructed: 250 Rental Units rehabilitated: 250 Household Housing Units
10	Create and Preserve Affordable Owner Occupied Housing	2015	2019	Affordable Housing		Provide affordable housing opportunities	HOME $1,000,000	Homeowner Housing Added: 125 Household Housing Units
11	Preserve Affordable Owner-Occupied Housing, Improve Aging-in-Place and Visitable and Accessible Housing	2015	2019	Affordable Housing		Provide affordable housing opportunities	CDBG $2.7 million	Homeowner Housing Rehabilitated: 1,100 Household Housing Units
12	Build Nonprofit Housing Developer Capacity	2015	2019	Affordable Housing		Provide affordable housing opportunities	HOME $600,000	Other: 40 Other

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator (estimated five year)
13	Create Permanent Supportive Housing Opportunities	2015	2019	Homeless Non-Homeless Special Needs		Reduce homelessness and improve stability	HOME $1,500,000	Housing for Homeless added: 1,000 Household Housing Units
14	Provide Tenant-Based Rental Assistance to Prevent Homelessness	2015	2019	Homeless Non-Homeless Special Needs		Reduce homelessness and improve stability	$0 for PY2015 (funded with PY2013 and 2014 carry over	Tenant-based rental assistance / Rapid Rehousing: 1,000 Households Assisted
15	Support Housing Activities	2015	2019	Internal support			HOME $550,000	HOME program admin
16	Provide Operating Support for Shelters	2015	2019	Homeless Non-Homeless Special Needs		Reduce homelessness and improve stability	ESG $1,704,743 million	50,000 adults and children served
17	Provide Rapid Re-Housing	2015	2019	Homeless Non-Homeless Special Needs		Reduce homelessness and improve stability	ESG $1,450,000 million	Tenant-based rental assistance / Rapid Rehousing: 8,000 Households Assisted
18	Provide Outreach to Persons who are Homeless	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	ESG $123,942	1,200 adults and children served
19	Prevent Homelessness	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	ESG $72,000	Other: 500 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator (estimated five year)
20	Support Homeless Activities	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	ESG $270,000	
21	Assist HIV/AIDS Residents Remain in Housing--TBRA	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	HOPWA, $400,000 TBRA	Tenant-based rental assistance / Rapid Rehousing: 580 Households Assisted
22	Assist HIV/AIDS Residents Remain in Housing--STRUM	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	HOPWA, $165,000 rental/mortgage/utilities assistance	STRUM: 1,200 Households Assisted
23	Provide Housing Information and Placement Services	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	HOPWA $230,000	Other: 900 Households Assisted
24	Support Facilities Serving HIV/AIDS Residents	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	HOPWA $88,000	Other: 2,000 Households Assisted
25	Provide Services to HIV/AIDS Residents	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	HOPWA $1,500	Other: 1,400 Households Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator (estimated five year)
26	Support Program Delivery--TBRA	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	HOPWA $5,350	Other
27	Support Program Delivery--STRUM	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	HOPWA $3,169	Other
28	Permanent Housing Placement	2015	2019	Non-Homeless Special Needs		Reduce homelessness and improve stability	HOPWA $10,367	Other
29	Address Disaster Affected Community Needs	2015	2019	Non-Homeless Special Needs		Local economic development	$5.5 million DR1, $20 million DR2, $3.9 program income 2015, $550,000/year 2016-2019	Other

Table 47 – Goals Summary

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AP-25 Allocation Priorities – 91.320(d)

This section identifies the priorities for allocating funding in Program Year 2015. The extensive public process and stakeholder consultation efforts conducted for the Consolidated Plan and Action Plan were used to develop these priorities.

Community Development Priority Needs

Water, wastewater and storm water system improvements

Sidewalks

Community revitalization

Public facility improvements

Workforce development

Housing Priority Needs

Low and very low income households

Support of comprehensive community development efforts

Developments that utilize existing infrastructure, buildings and/or parcels

Visitable homeowner housing

Housing that allows homeowners to age in place and is accessible for persons with disabilities

Housing that support families

Housing incorporating green building and energy efficiency

Projects that utilize minority-owned, women-owned and disadvantaged business enterprises

Homeless and Special Needs

Assistance to homeless shelters for operations and essentials

Tenant based rental and rapid re-housing assistance

HOPWA only: Method of selecting project subrecipients

IHCDA will facilitate a request for qualifications (RFQ), advertised through the IHCDA website, to current HOPWA sub-recipients, other HIV/AIDS service providers, mental health centers, community action agencies and Department of Health Care Coordination Sites. The RFQ will gather information on the number of persons/households they plan to serve; housing plans, housing services, organizational capacity, financial capacity, performance goals, supportive services, and their proposed budget.

The Indiana Housing and Community Development Authority (IHCDA) is a HOPWA recipient/grantee supporting activities in areas of Indiana not supported by other HOPWA recipients/grantees.

Within the state of Indiana there are 12 HIV Care Coordination Regions as established by the Indiana State Department of Health (ISDH.) IHCDA tries to ensure that each region that does not already receive a portion of HOPWA funds from Indianapolis or neighboring states is provided with funding to assist persons who are living with HIV and/or AIDS and meet the poverty level requirements.

IHCDA expects to fund at least 8 sub-recipients to cover all Regions that are not covered by other HOPWA funds.

REGION 1

Counties Served: Lake, Porter, LaPorte

REGION 2

Counties Served: St. Joseph, Elkhart, Starke, Marshall, Pulaski, Fulton

REGION 3

Counties Served: LaGrange, Steuben, Kosciusko, Noble, DeKalb, Whitley, Allen, Wabash, Huntington, Wells, Adams

REGIONS 4, 5, 6, and 9

Counties Served (Region 4): Newton, Jasper, Benton, White, Carroll, Warren, Tippecanoe, Clinton, Fountain, and Montgomery

Counties Served (Region 5): Grant, Blackford, Jay, Delaware, and Randolph

Counties Served (Region 6): Cass, Miami, Howard, Tipton,

Counties Served (Region 9): Henry, Wayne, Rush, Fayette, Union, Decatur, Franklin, Ripley, and Dearborn, Ohio

REGION 7*

Counties Served: Boone, Hamilton, Hendricks, Hancock, Marion, Morgan, Johnson, Shelby, Madison, Putnam, and Brown. *These counties are Not served by State HOPWA grant because they are covered by Indianapolis HOPWA grant.

REGION 8

Counties Served: Vermillion, Parke, Putnam, Vigo, Clay, Sullivan

REGION 10

Counties Served: Owen, Greene, Monroe, Lawrence, Brown, Bartholomew

REGION 11

Counties Served: Jackson, Jennings, Jefferson, Switzerland, Crawford, and Orange. In 2014, Washington, Scott, Clark, Floyd and Harrison counties were covered by Kentucky HOPWA program not by the State HOPWA.

REGION 12

Counties Served: Knox, Daviess, Martin, Gibson, Pike, Dubois, Posey, Vanderburgh, Warrick, Spencer, Perry

In the 2015 year, HOPWA will be utilizing HMIS on a regular basis as required and will be able to pull their Annual Performance Reports from the software system to assist in the final report (CAPER) that IHCDA has to provide at the end of the grant period.

HOPWA will not be utilized for capitol issues such as acquisition, rehabilitation or construction of a project.

The RFQ applicants need to meet the following thresholds:

- Required to be a non-profit organization
- Required to be a current Indiana State Department of Health Care Coordination Program Site.
- Required to have no current unresolved findings with IHCDA or HUD.
- Required to attend the Regional Planning Council on Homelessness or a subcommittee in 2014
- Required to provide a Certificate of Consistency for each area that the sub-recipient provides services to clients

AP-30 Methods of Distribution – 91.320(d)&(k)

This section summarizes the Method of Distributions (MOD) used to allocate funds from the four HUD block grants--CDBG, HOME, ESG and HOPWA--to nonentitlement communities in the State of Indiana. The detailed MODs are appended to the Consolidated Plan.

Distribution Methods

1	**State Program Name:**	CDBG
	Funding Sources:	State allocation of CDBG (anticipated to be $27.8 million, with $2.7 million for CDBG-OOR)
	Describe the state program addressed by the Method of Distribution.	The CDBG MOD discusses the allocation of funds to subrecipients within the State programs of: - Housing Owner-Occupied Rehab (also in IHCDA MOD), - Stellar Communities, - Planning Fund, - Main Street Revitalization, - Wastewater/Drinking Water Improvements Program, - Blight Clearance, - Public Facilities Program, - Storm Water Systems Program - Workforce Development and - Section 108.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Program criteria vary. In general, applications are accepted and awards are made on a competitive basis throughout the program year. Criteria to select applications are located in Attachments to the CDBG MOD.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Please see the attached MOD.

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	Describe how resources will be allocated among funding categories.	For the 2015 program year, the $27.8 million expected CDBG funding will be allocated among the following programs: - Stellar Communities Program--$4,000,000 - Planning Fund--$1,400,000 - Main Street Revitalization--$1,200,000 - Wastewater/Drinking Water Improvements Program--$8,444,075 - Blight Clearance--$1,400,000 - Public Facilities Program--$3,200,000 - Storm Water Systems Program--$3,500,000 and - Workforce Development (new)--$1,000,000. An additional $277,774 will be used for technical assistance and $655,548 will be allocated to cover administrative costs associated with the programs. The Section 108 program could lend up to $80 million.
	Describe threshold factors and grant size limits.	Please see the program specific grant limits and factors located in the CDBG MOD.
	What are the outcome measures expected as a result of the method of distribution?	The expected outcomes vary by program; full details are contained in the CDBG MOD. For example, the Stellar Communities Program will make grants to communities for comprehensive revitalization strategies. In these strategies, communities will identify areas of interest and types of projects, produce a schedule to complete the projects, produce cost estimates, identify local match amounts and additional funding, indicate the level of community impact and describe the significance each project will have on the overall revitalization of the town/city. These strategies will be used to produce a three-year community investment plan to identify capital and quality of life projects to be completed.
2	**State Program Name:**	CDBG--OOR
	Funding Sources:	$2.7 million in CDBG
	Describe the state program addressed by the Method of Distribution.	This program consists of CDBG funding that is allocated to IHCDA for administration of an owner occupied rehabilitation program (OOR).

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Scoring is located in the final portion of the OOR MOD. In sum, each application is evaluated based on: Project characteristics (43 points), Readiness (10 points), Capacity (30 points), Financing (10 points) and Completeness Bonus (5 points). The scoring incorporates points for projects that serve below 50% AMI households, persons with disabilities, seniors and families with children.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Please see the attached MOD for the CDBG-OOR program.
	Describe how resources will be allocated among funding categories.	$2.7 million on CDBG is allocated to IHCDA to use for owner occupied rehabilitation of units occupied by low and very low income households.
	Describe threshold factors and grant size limits.	The maximum request amount per application is $350,000. Funds must not exceed $25,000 per unit. All subsidies are secured through an affordability period. Detailed subsidy limitations and eligible activity costs are located on page 10 of the CDBG OOR MOD.
	What are the outcome measures expected as a result of the method of distribution?	The OOR program is designed to improve the quality of existing housing stock in Indiana through owner occupied rehabilitation of properties occupied by low and very low income households. Secondary benefits will include neighborhood revitalization, enabling seniors to age in place, providing accessible, quality housing for persons with disabilities, promoting healthy families and improving energy efficiency in housing.
3	**State Program Name:**	ESG
	Funding Sources:	State allocation of ESG, anticipated to be $3,635,000
	Describe the state program addressed by the Method of Distribution.	Funding through the Emergency Solutions Program assists persons and families who are homeless find shelter, avoid homelessness and transition into permanent housing.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	IHCDA plans to allocate funding to approximately 8-10 agencies to administer the ESG Rapid Rehousing and Homeless Prevention Components of the ESG program for line items: Housing Relocation & Services (financial and services), Rental assistance and administration. There will be approximately 60 agencies that will apply for emergency shelter component that includes operations, essentials, and financial assistance and approximately one-two agencies that may apply for an outreach component. No more than the maximum allowed 60 percent of ESG funds will be allocated to operations, essentials and street outreach. A request for proposals will be distributed to all the Regional Planning Councils on the Homeless throughout the State, to the current subrecipients of the ESG program, current permanent supportive housing rental assistance programs (mental health centers, housing agencies, community action agencies, non-profits) who have had experience with rental assistance. Each proposal will be reviewed by at least one IHCDA Community Services staff person and by a member of a Committee under the CoC Board. Each reviewer will complete a scoring tool, assigning points based on the following program design components: outreach system, commitment to the coordinated access intake point, systems coordination, organizational capacity, permanent housing placement strategy, history of administering the rental assistance programs, amount of match provided and coordination with ESG Entitlement City funds (as applicable). Each subrecipient will be awarded based upon the average of their proposal score and the amount of funding that will be available.
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	Please see above.

	Describe how resources will be allocated among funding categories.	No more than the maximum allowed of 60 percent of ESG funds will be allocated to operations, essentials and street outreach.
	Describe threshold factors and grant size limits.	The amount of each award could be between $50,000 - $350,000
	What are the outcome measures expected as a result of the method of distribution?	The ultimate goal of ESG is to prevent homelessness and assist families and individuals experiencing homelessness to find housing as quickly as possible. Please see the ESG MOD for the performance standards expected of ESG subrecipients.
4	**State Program Name:**	HOME
	Funding Sources:	State allocation of HOME, expected to be $9,369,078
	Describe the state program addressed by the Method of Distribution.	HOME Partnership Investments Program, which is used to fund affordable rental unit construction and rehabilitation, provide downpayment assistance to homebuyers, develop affordable owner occupied housing, rehabilitate owner occupied housing, assist special needs and homeless residents with housing needs (including through TBRA) and support the work of CHDOs.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Scoring appears in the HOME MODs for rental and homeownership programs. In sum, each application is evaluated based on: Project characteristics (38 points), Development features (25 points), Readiness (8 points for rental, 13 for homebuyer), Capacity (30 points), Financing (10 points) and Unique Features/Bonus (10 points). The scoring incorporates points for accessibility and visitability features in housing developments.
	Describe how resources will be allocated among funding categories.	Please see AP-20 for how HOME funding will be allocated among program categories.

	Describe threshold factors and grant size limits.	The maximum request amount per application is $500,000 for both rental and homebuyer projects. HOME funds used for acquisition, rehabilitation, new construction, program delivery, relocation, rent-up reserve, and developer's fee combined cannot exceed: $55,000 for a studio, $63,000 for a 1 bedroom unit, $77,000 for a 2 bedroom unit, $99,000 for a 3 bedroom unit and $109,000 for a 4+ bedroom unit. The minimum amount of HOME funds to be used for rehabilitation or new construction is $1,000 per unit. HOME funds cannot be used for reserve accounts for replacement or operating costs, but may be used as a Rent-Up Reserve. Lead hazard and homebuyer counseling are limited to $1,000 per homeowner/buyer. HOME funds may also be allocated through a non-competitive (non-scored) application for designated Stellar Communities that identify a HOME-eligible project in their approved Strategic Investment Plan.
	What are the outcome measures expected as a result of the method of distribution?	Actual outcomes will depend on the types of applications received. All programs have the same goal of improving the quality of existing housing stock in Indiana.
5	**State Program Name:**	HOPWA
	Funding Sources:	State allocation of HOPWA, expected to be $953,000
	Describe the state program addressed by the Method of Distribution.	Housing Opportunities for Persons with HIV/AIDS assists persons with HIV and AIDS with housing placement and rental subsidies.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	IHCDA will facilitate a request for qualifications (RFQ), advertised through the CoC network and posted online, for HIV/AIDS service providers. The RFQ will gather information on the number of persons/households they plan to serve, housing plans, housing services, organizational capacity, performance goals, supportive services, and their proposed budget. The RFQ applicants need to meet the following thresholds: - Required to be a non-profit organization - Required to be a current Indiana State Department of Health Care Coordination Site. - Previous experience providing HOPWA assistance. - Actively attending the local Regional Planning Council/Committees/Leadership roles within their Region. - Agencies will need to commit to utilize Coordinated Access of the Continuum of Care once it is available in their area.
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	Please see above.
	Describe how resources will be allocated among funding categories.	Funds will be made available in the following percentages of the total awards made to project sponsors: - At least 60 percent to direct housing assistance: long-term rental assistance, short term rental assistance, and facility based operations; - No more than 7 percent to sponsor administration and 3 percent to grantee administration; - No more than 35 percent to housing information and permanent housing placement activities; - No more than 35 percent to supportive services that positively affect recipients' housing stability

	Describe threshold factors and grant size limits.	Because IHCDA allocates HOPWA to all ISDH-established care coordination regions except Region 7, it was determined that IHCDA will fund one HOPWA project sponsor per every care coordination region. This will remain true for all care coordination regions. If a distinct eligible population with specific needs exists in a region (for example, homeless men in Lake County), IHCDA will work with the regional sponsor to tailor services to meet the needs of the population. In instances where the sponsor cannot meet these needs, the sponsor will have the ability to sub-grant a portion of its HOPWA award to another service provider.
	What are the outcome measures expected as a result of the method of distribution?	For HOPWA, IHCDA will use the following indicators to measure subrecipient's ability to achieve the desired outcomes: - Rental Assistance households/units - Short-term rent, mortgage and utility assistance households/units - Facility based housing operations support units - Housing information services households - Permanent housing placement services households - Supportive services - households

Table 50 - Distribution Methods by State Program

AP-35 Projects – (Optional) and AP-38 Project Summary

Please see the Method of Distribution and program application sections appended to this Consolidated Plan for a full description of the 2015 proposed allocation and funding scoring preferences. The activities and funding levels proposed for PY2015 include:

CDBG funds:

- $2.7 million for owner-occupied rehabilitation (allocated to IHCDA)
- $8.4 million for wastewater/drinking water improvements
- $3.2 million for public facilities improvements
- $4 million for the Stellar Communities program
- $3.5 million for storm water improvements
- $1.4 million for planning
- $1.4 million for blight clearance
- $1 million towards workforce development activities
- $1.2 million for Main Street Revitalization Program
- $655,000 for administration
- $278,000 for technical assistance
- Section 108 loan program—up to $80 million

CDBG-DR funds:

- $5.5 multifamily housing (<51% AMI)
- $4.4 million for owner occupied rehabilitation (100% AMI)
- $3.5 million for comprehensive revitalization
- $1 million for workforce development
- $11 million for stormwater improvements

HOME funds:

- $3.2 million rental projects (competitive or Stellar Communities program funding)
- $1 million homeownership projects (competitive or Stellar Communities program funding)
- $1.5 million for Housing First projects (maximum $500,000 per award)
- $2.5 million for Rental Housing Tax Credit/HOME combos under the Qualified Allocation Plan (maximum $500,000 per award)
- $250,000 for CHDO operating and predevelopment
- $900,000 administrative uses ($550,000 internal and $350,000 organizational capacity building)
- Tenant Based Rental Assistance (TBRA) will be funded with funds remaining from program years (PYs 2013, 2014 and 2015)

ESG funds:

- $1.7 million emergency shelters with operations and essential services
- $1.45 million rental assistance for rapid re-housing
- $72,000 rental assistance associated with homeless prevention
- $124,000 outreach activities

HOPWA funds:

- $425,000 in TBRA
- $222,000 for housing information activities
- $170,000 short-term rental, utilities and mortgage assistance
- $90,000 support facility operations and supportive services

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds? Yes.

Available Grant Amounts

Full program description can be found with the Method of Distribution for CDBG.

The State of Indiana operates a Section 108 loan funds program, the State of Indiana Community Enhancement and Economic Development Loan Program. The program is administered by OCRA and IHCDA.

Acceptance process of applications

Full program description can be found with the Method of Distribution for CDBG.

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies? Indiana does not fund local Community Strategy Areas; however, the state does have a number of programs that invest in community revitalization. These are discussed below.

Local Government Revitalization Initiatives

Please see the CDBG MOD and the new Section 108 Loan Program for more information about the State's programs to conduct community enhancement and economic development activities.

The Stellar Communities Program, funded with CDBG, makes available funds for a three-year revitalization strategy that will leverage unified State investment and funding from the partnering agencies to complete projects comprehensively. In the revitalization strategy, communities will identify areas of interest and types of projects; produce a schedule to complete projects; produce cost estimates; identify local match amounts, sources, and additional funding resources; indicate the level of community impact; and describe the significance each project will have on the overall comprehensive revitalization of the community. From this revitalization strategy, communities will produce a three-year community investment plan which will identify capital and quality of life projects to be completed during that period.

Evaluation and selection of the final two communities to the Stellar Communities Program will be based on:

- Completion of a Summary of Comprehensive Community Revitalization Strategy
- Identification of at least one project to be completed in each of the 3 program years. The total number of projects is solely limited to the community's ability to successfully complete each project;
- Documentation of all project cost estimates, local match amounts and sources, and additional funding resources.
- Completion of the site visit checklist from the resource team.
- Documentation and support for the level of need for each project and the significance of each project in the overall revitalization efforts within the community;
- Explanation of the capacity of the applicant to administer the funds; and
- Description of the long-term viability of the strategic community investment plan.

AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

The State of Indiana does not prioritize the allocation of CDBG, HOME or ESG geographically. Instead, the State identifies the greatest needs for the State and nonentitlement areas overall and this information is used to guide the funding priorities for each program year. For local needs, the State relies on the information presented in block grant program funding applications.

OCRA does include a component of scoring in their CDBG applications where the low and moderate income percentage is a weighted score; a higher percentage of low and moderate income will yield a higher score. IHCDA includes a preference for application that attempts to reach low- and very low-income levels of area median income.

ESG allocates emergency shelter and rapid re-housing activities statewide; homeless prevention and outreach activities are more targeted geographically.

The HOPWA grant does rely on a geographic allocation, determined through the Continuum of Care regions. Because IHCDA allocates HOPWA to all ISDH-established care coordination regions except Region 7, it was determined that IHCDA will fund one HOPWA project sponsor per every care coordination region. This will remain true for all care coordination regions. If a distinct eligible population with specific needs exists in a region (for example, homeless men in Lake County), IHCDA will work with the regional sponsor to tailor services to meet the needs of the population. In instances where the sponsor cannot meet these needs, the sponsor will have the ability to sub-grant a portion of its HOPWA award to another service provider.

Rationale for the priorities for allocating investments geographically

Previously 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.

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction:

One Year Goals for the Number of Households to be Supported
Homeless = 11,200 adults and children
Non-Homeless = 1,700 with rental assistance and prevention activities (ESG), 300 (HOPWA)
Special-Needs = 655 residents with HIV/AIDS

Table 51 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through
Rental Assistance = 1,700 with rental assistance and prevention activities (ESG), 300 (HOPWA)
The Production of New Units = 60
Rehab of Existing Units = 60
Acquisition of Existing Units = N/A

Table 52 - One Year Goals for Affordable Housing by Support Type

AP-60 Public Housing - 24 CFR 91.320(j)

This section describes IHCDA's efforts as a public housing authority to improve the needs of renters receiving public housing subsidies.

Actions planned during the next year to address the needs to public housing

The state does not own or operate public housing units. IHCDA will continue the Section 8 HCVP Family Self Sufficiency Program (FSS), launched during the spring of 2013. FSS is designed to enable families to achieve economic independence and self-sufficiency. By linking the Section 8 Housing Choice Voucher Program (HCVP) vouchers with the help of both private and public resources, families are able to receive job training, educational services and other much needed assistance over a five year period. The goal is to eliminate the family's need for public assistance and enhance their ability to achieve homeownership, if desired.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

N/A; the state does not own or operate public housing developments.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

IHCDA is a High Performing Section 8 Only PHA.

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

This section discusses 2015 program year activities that will benefit persons who are homeless and special needs populations.

Describe one-year goals and actions for reducing and ending homelessness including:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The State relies on its partners to conduct outreach to persons who are homeless, assess their needs and communicate these needs to the State. To that end, the State will:

- Require all HUD McKinney Vento Funded programs to utilize HMIS for all shelter or transitional housing or permanent supportive housing programs serving homeless individuals and families.
- Require all HUD McKinney Vento Funded programs to participate in the annual, statewide homeless Point-in-Time Count in late January and timely submission of this data to IHCDA.
- Require all HUD McKinney Vento Funded programs subrecipients actively participate in their Regional Planning Council on the Homeless meetings regularly (minimum 75% attendance).
- Require all HUD McKinney Vento Funded programs to participate in the Coordinated Access in their Region as it is implemented in their area.

Addressing the emergency shelter and transitional housing needs of homeless persons

In addition to the allocation of ESG to meet the needs of persons who are homeless (see AP-20), emergency shelter and transitional housing needs are addressed through the ESG's participation in their local Regional Planning Council on Homeless in their Region but also through each Committee under the CoC Board. The Committees have been updated by the new CoC Board. They are: Executive Committee, Resources and Funding Committee, Strategic Planning Committee, Performance and Outcomes Committee and Ad Hoc Committees as needed. The State ESG program is part of the work of each committee in some way or another.

The strategic objectives of the CoC Board are:

- Decrease shelter stays by increasing rapid rehousing to stable housing.
- Reduce recidivism of households experiencing homelessness.
- Decrease the number of Veterans experiencing homelessness.
- Decrease the number of persons experiencing Chronic Homelessness.
- Create new permanent supportive housing beds for chronically homeless persons.
- Increase the percentage of participants remaining in CoC funded permanent housing projects

for at least six months to 86 percent or more.

- Decrease the number of homeless households with children.
- Increase the number of rental assistance programs and services.
- Increase the percentage of participants in ESG-funded rental assistance programs that move into permanent housing to 82 percent or more.
- Increase the percentage of participants in all CoC funded transitional housing that move into permanent housing to 70 percent or more.
- Increase the percentage of participants in CoC funded projects that are employed at exit to 38 percent or higher.
- Increase persons experiencing homelessness access to mainstream resources.
- Collaborate with local education agencies to assist in the identification of homeless families and inform them of their eligibility for McKinney-Vento education services.
- Improve homeless outreach and coordinated access to housing and services.
- Improve HMIS data quality and coverage, and use data to develop strategies and policies to end homelessness.
- Develop effective discharge plans and programs for individuals leaving State Operated Facilities at risk of homelessness.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

Please see above.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

Please see above.

AP-70 HOPWA Goals – 91.320(k)(4)

Goals for the 2015 year:

The grantee/recipient plan for the sub-recipients to serve at least this number of households utilizing HOPWA:

Tenant Based Rental Assistance: Approximately 120

Permanent Housing Placements: Approximately: 8

Transitional/Short Term: Approximately 13

Short Term Rental, utilities and Mortgage assistance: Approximately 240

Supportive Services: Approximately 285

Housing Information: Approximately 180

Total Housing Subsidy provided: 395

Total HOPWA beneficiaries (this includes those with HIV/AIDS and their family members): 655

AP-75 Barriers to Affordable Housing – 91.320(i)

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The State of Indiana is in the process of updating its statewide Analysis of Impediments to Fair Housing Choice (AI) to more directly address HUD's current expectations of AIs. A draft AI will be completed in fall 2015. A review of state regulations that may affect land use, tax policies, zoning and provision of housing is currently in process. The review will also assess zoning ordinances in a sample of communities and recommend best practices for encouraging a wide variety of housing options. The stakeholder survey completed for this Consolidated Plan will help inform the regulations and policies examined in the review.

AP-85 Other Actions – 91.320(j)

This section describes a variety of other efforts the State will continue during the program year to help address housing and community development needs.

Actions planned to address obstacles to meeting underserved needs

The State faces a number of obstacles in meeting the needs outlined in the five-year Consolidated Plan:

- 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 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 also difficult to quantify local needs. Therefore, the State must rely on the number and types of funding 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. 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 many and varied communities.

To mitigate these obstacles the State will continue to provide training for the application process associated with the HUD grants to ensure equal access to applying for funds, and continually review and update its proposed allocation with current housing and community development needs, gathered through the citizen participation plan and demographic, housing market and community development research.

Actions planned to foster and maintain affordable housing

The primary activities to foster and maintain affordable housing are the State's CDBG and HOME funded activities that include the production of new units, homeownership opportunities, home rehabilitation and capacity support for affordable housing developers. Through the CDBG Program, IHCDA seeks to improve the quality of existing housing stock in Indiana. This program is designed to give preference in allocating Community Development Block Grant Owner- Occupied Repair (CDBG OOR) funding among selected developments that meet IHCDA's goals:

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 with the activity upon receipt of the award.
4. Revitalize existing neighborhoods, preferably with a comprehensive approach as part of a published community revitalization plan.
5. Propose projects that promote aging in place strategies for seniors, families with seniors, and persons with disabilities.

6. Propose projects that promote healthy family strategies for families with children under the age of 18.
7. Propose projects that are energy-efficient and are of the highest quality attainable within a reasonable cost structure.

Applicants of IHCDA's programs and funds are encouraged to engage in an array of activities necessary to attain the solutions desired by a community, such as:

- Pre-development and seed financing – limited to eligible nonprofits
- Operating capacity grants – limited to eligible nonprofits
- Permanent Supportive Housing – Applicants must participate in the Indiana Permanent Supportive Housing Institute to be considered for an IHCDA investment.
- Rental assistance
- Acquisition, rehabilitation, guarantees, refinance, or (re)construction of rental housing
- Homeownership counseling and down payment assistance
- Acquisition, rehabilitation, guarantees, refinance, or (re)construction of homebuyer housing
- Rehabilitation, modification, and energy improvements to owner-occupied housing.
- Additionally the State utilizes other programs (summarized earlier in this section) to help foster and maintain affordable housing and include:
- Affordable Housing and Community Development Fund;
- Indiana Foreclosure Prevention Network;
- Low Income Housing Tax Credits (LIHTC); and
- Section 8 voucher program.

Actions planned to reduce lead-based paint hazards

Lead-based paint hazards will primary be addressed through CDBG and HOME funded rehabilitation activities.

Actions planned to reduce the number of poverty-level families

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.

OMB Control No: 2506-0117 (exp. 07/31/2015)

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 are an important aspect of reducing poverty. Investment in workforce development programs and facilities is an essential 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.

The State also utilizes the Section 3 requirement (a provision of the Housing and Urban Development Act of 1968). Section 3 applies to employment opportunities generated (jobs created) as a result of projects receiving CDBG or HOME funding through ORCA or IHCDA, whether those opportunities are generated by the award recipient, a subrecipient, and/or a contractor. The requirements of Section 3 apply to all projects or activities associated with CDBG or HOME funding, regardless of whether the Section 3 project is fully or partially funded with CDBG/HOME. A detailed description of Section 3 requirements is included in OCRA/IHCDA's award manual. A notice of Section 3 requirements is included in bid solicitations and is covered during the award trainings.

Actions planned to develop institutional structure.

During PY2015, the state intends to continue current practices of providing planning grants, technical assistance and training, regional workshops and access to community liaisons and regional representatives.

Actions planned to enhance coordination between public and private housing and social service agencies.

Please see above.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction: This section details available program income and describes resale and recapture provisions for HOME, as well as ESG program policies.

Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed = $173,339

2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan = $0

3. The amount of surplus funds from urban renewal settlements = $0

4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan = $0

5. The amount of income from float-funded activities = $0

Total Program Income = $173,339

Other CDBG Requirements

1. The amount of urgent need activities = $0 allocated in PY2015.

2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income = 75%

OMB Control No: 2506-0117 (exp. 07/31/2015)

HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.320(k)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows: N/A

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Homebuyer Resale Provisions

When a homebuyer property is constructed, redeveloped, rehabilitated, or acquired, in whole or in part, with HOME funds and the HOME funds are provided to the homebuyer property in the form of a development subsidy and there is no direct homebuyer subsidy the recipient must implement resale requirements. A direct homebuyer subsidy consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidizes the purchase ("direct homebuyer subsidy"). The development subsidy consists of the difference between the cost of producing the unit and the market value of the property.

There are two different consequences that may be associated with a resale provisions (1) the resale provision can be triggered and its requirements must be met (as described below) or (2) an event of non-compliance can occur (as described further below).

The resale provisions are triggered if any of the following occur during the Affordability Period:

(1) the homebuyer transfers or conveys the property by deed, land contract, or otherwise;

(2) foreclosure proceedings are commenced against the property;

(3) the property is transferred by an instrument in lieu of foreclosure; or

(4) the title to the property is transferred from the homebuyer through any other involuntary means.

The resale provision requires that the property: (1) must be resold to another individual or family, whose income is at or below eighty percent (80%) of the area median income and (2) must be occupied by that individual or family as its primary residence for the remainder of the Affordability Period; and (3) must be resold at a price that is affordable, therefore a family between fifty percent (50%) and eighty percent (80%) of AMI would not pay more than twenty-nine percent (29%) of its gross income towards the principal, interest, taxes and insurance for the Real Estate on a monthly basis ("Affordable Price");; and (4) must be affordable for a reasonable range of low income families between fifty percent (50%) and eighty percent (80%) of the median area income for the geographic area published annually by HUD. The homebuyer is entitled to a fair return on its investment (as described below) upon the sale of the property. The fair return will be based on the percentage change in the Consumer Price Index for All Urban Consumers Owners' Equivalent Rent of Primary Residence category in Table I of the CPI Detailed Report (the "CPI Index") during the period of the homebuyer's ownership of the property. Accordingly, the CPI Index during the month the residence was completed (the month during which the completion reports were received by and approved by IHCDA) will be compared to the CPI Index during the month the homebuyer sells the residence to determine the percentage of the return. This percentage will be multiplied by the homebuyer's investment. Here is an example:

Original sales price=$100,000

initial homebuyer investment=$5,000

capital investment=$9,000

Percentage change in CPI=3.5%

($5,000 + $9,000) x 3.5%= $490 fair return

$5,000 + $9,000 + $490=$14,490 total return to original homebuyer at sale

$100,000 + $14,490= maximum allowable subsequent sales price.

The homebuyer's investment will include any down payment, plus any capital improvements. A capital improvement is any property enhancement that increases the overall value of the property, adapts it to new uses, or extends its life such as: adding windows, insulation, a new drive way, a new furnace, a garage, bedroom, new roof, remodeling kitchen, etc. Any capital improvement will be valued based on actual cost as documented by the homebuyer's receipts. Generally, replacing worn or dated components such as appliances or carpet would not be considered an improvement that adds value or adapts it to new uses. In certain circumstances, such as a declining housing market where home values are depreciating, the homebuyer may not receive a return on his or her investment because the home sold for less or the same price as the original purchase price and a loss on investment may constitute a fair return.

IHCDA will provide HOME assistance to the subsequent homebuyer to ensure that the original homebuyer received a fair return and that the unit is affordable to the defined low-income population.

The recipient will be required to ensure that a lien and restrictive covenant agreement, drafted by IHCDA has been executed and recorded on any HOME-assisted property. In accordance with CPD Notice 12-003, the recipient must also execute a HOME written agreement with the homebuyer before or at the time of sale. The purpose of the agreement is to ensure that all parties are aware of the provisions related to the lien and restrictive covenant agreement and HOME requirements applicable to the HOME-assisted unit (i.e., period or affordability, principal residency requirement, etc.). The recipient will be required to use IHCDA's form of Homebuyer Resale Agreement.

Non-compliance. Non-compliance occurs during the Affordability Period when an owner (1) vacates the unit or rents the unit to another household, (2) sells the unit to a buyer that is not income-eligible, (3) sells the unit to a buyer that will not agree to use the property as its principle residence for the remainder of the Affordability Period (will not sign a lien and restrictive covenant agreement), or (4) does not sell it to the buyer at a reasonable price. In the event of noncompliance, the recipient must repay the entire amount of HOME funds invested in the housing.

Under resale guidelines the Affordability Period is based upon the total amount of HOME funds invested into the property.

Total Amount of HOME Funds Invested into the Property	**Affordability Period**
Under $15,000	5 years
$15,000 to $40,000	10 years
Over $40,000	15 years

Homebuyer Recapture Guidelines

The recipient must implement recapture restrictions for any homebuyer property purchased, in whole or in part, by a homebuyer that received a direct subsidy from the recipient from HOME funds. A direct homebuyer subsidy consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidizes the purchase (e.g., down-payment or closing cost assistance, subordinate financing). **Developers, other than CHDO's, are not allowed to provide down-payment or closing cost assistance, however a developer may provide a direct subsidy by reducing the purchase price from fair market value to an affordable price.**

There are two different consequences that may be associated with a recapture provision (1) the recapture provision can be triggered (as described just below) or (2) an event of non-compliance can occur (as described further below).

The recapture provisions are triggered, if, any of the following occur during the Affordability Period:

(1) the homebuyer transfers or conveys the property by deed, land contract, or otherwise;

(2) foreclosure proceedings are commenced against the property;

(3) the property is transferred by an instrument in lieu of foreclosure; or

(4) the title to the property is transferred from the homebuyer through any other involuntary means.

Recapture provisions require that the direct homebuyer subsidy must be recaptured if any of the above-referenced events occur. The amount of the direct homebuyer subsidy shall be reduced by multiplying the direct homebuyer subsidy by the Forgiven Ratio ("defined below") in order to determine the amount that will be forgiven. The amount to be recaptured and shall be limited to the Net Proceeds of the sale. "Net Proceeds" means the sales price minus superior loan repayment (other than HOME funds) and closing costs. If there are no Net Proceeds, the amount to be recaptured will be zero and the HOME loan is considered satisfied. In the event there is significant market appreciation, once the HOME obligation is recaptured, the homebuyer can retain any appreciation. The amount recaptured cannot exceed the Net Proceeds, if any. "Forgiven Ratio" means a ratio that calculates the amount of the Direct Subsidy that is forgiven. This ratio shall be calculated by dividing the number of full months that owner occupies the property as its principal residence by the total of number of months in the Affordability Period.

The recipient will be required to ensure that a lien and restrictive covenant agreement, drafted by IHCDA has been executed and recorded on any HOME-assisted property.

In accordance with CPD Notice 12-003, the recipient must also execute a HOME written agreement with the homebuyer before or at the time of sale. The purpose of the agreement is to ensure that all parties are aware of the provisions related to the lien and restrictive covenant agreement and HOME requirements applicable to the HOME-assisted unit (i.e., period or affordability, principal residency requirement, etc.). The recipient will be required to use IHCDA's form of Homebuyer Recapture Agreement.

If there is both a development subsidy and a direct homebuyer subsidy or just a direct homebuyer subsidy, a recapture provision must be implemented. In cases where a direct homebuyer subsidy was not provided and there is only a development subsidy, resale restrictions must be executed on the property.

Non- compliance. Non-compliance occurs during the Affordability Period when any of the following occur: 1) the original homebuyer no longer occupies the unit as his or her principal residence (i.e., unit is rented or vacant), or 2) the home was sold during the Affordability Period and the recapture provisions were not enforced. In the event of noncompliance, the recipient must repay the entire amount of the HOME funds invested in the property. Net Proceeds ("as defined above") and the Forgiven Ratio ("as defined above") are not applicable when there is a non-compliance.

Under recapture guidelines the Affordability Period is based upon the total amount of the direct homebuyer subsidy that the homebuyer received in HOME funds. A direct homebuyer subsidy consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidizes the purchase (e.g., down-payment or closing cost assistance, subordinate financing).

Amount of Homebuyer Subsidy	**Affordability Period**
Under $15,000	5 years
$15,000 to $40,000	10 years
Over $40,000	15 years

Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows: N/A

3. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows: N/A.

Emergency Solutions Grant (ESG)
Reference 91.320(k)(3)

1. Include written standards for providing ESG assistance (may include as attachment).

   Please see the MOD, ESG Program Requirements, for written standards for providing ESG assistance.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

   The CoC Board created a Coordinated Access Task Force that is currently in the process of implementing a coordinated assessment system. The CoC has chosen four pilot communities to start out the process of establishing a coordinated assessment that works in each of those communities. The four cities involved are Lafayette, Fort Wayne, Bloomington, and Evansville.

   The communities will all use a common assessment tool to decrease the time it takes to complete multiple assessments at intake. This tool will be part of the Homeless Management Information System (HMIS). Persons with the highest barriers such as chronic homeless singles and families will be the priority population to assist in them receiving the best housing that is available based upon their need.

   By improving targeting of those who require support to end their homelessness and offering a light touch to those who only require it, our CoC will increase the speed of connecting individuals and families to appropriate permanent housing. As part of Coordinated Access, a shelter-diversion training including mediation skills will be taught to centralized access teams and decentralized leaders who will then train others in their region. This will improve homelessness prevention efforts as people are able to have support in building or maintaining social support networks as opposed to entering the shelter.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

   A request for proposals will be distributed to all the Regional Planning Councils on the Homeless throughout the state, to the current sub-recipients for each of the ESG programs, current permanent supportive housing rental assistance programs (mental health centers, housing agencies, community action agencies, non- profits) and other similar non-profit agencies who have had experience with rental assistance, outreach or sheltering homeless. We will have the RFP's on our website and on the CoC Balance of State website.

   Each proposal will be reviewed by at least one IHCDA Community Services staff person and by another person outside of the agency, preferably a person who is part of our CoC Board, part of the Regional Planning Councils or through one of the subcommittees under the CoC Board. Each reviewer will complete a scoring tool, assigning points based on the following program design components: strength of agencies' partnerships in the community, systems coordination, organizational capacity, financial capacity, permanent housing placement strategy, ability to assist clients in increasing income, maintain income (if applicable), history of administering the rental assistance programs, amount of match provided and coordination with ESG Entitlement City funds (as applicable). Each sub-recipient will be awarded based upon the average score of their proposal, the funding available, and the 2015 Annual Action Plan. This amount could be between $50,000 - $250,000 each.

ESG regulations require that no more than 60% of funding can be allocated to Operations and Street Outreach. Also, no more than 7.5% can be allocated to administration. The Funding & Resource Committee reviewed the RFP's for Operations, Street Outreach and Rapid Rehousing/Homeless Prevention, reviewed the allocation process and made final adjustments and recommendations and sent to the BOS CoC Board for approval. After administration portion is allocated, the CoC Board approved that no more than 55% of the allocations would be for Operations and Street Outreach activities therefore 45% would be allocated to Rapid Rehousing and Homeless Prevention activities. The Rapid Rehousing and Homeless Prevention portion would be split by providing 90% of the funds for Rapid Rehousing and only 10% would be for Homeless Prevention.

By increasing the funding in Rapid Rehousing activity line item, the BOS CoC Board is responding to HUD's request of CoC's to shorten the length of stay of homeless families/persons within our CoC. We are also identifying that there is a rental assistance need within our BOS CoC and not all areas are covered yet. We are encouraging all Regions within our BOS CoC to apply for this ESG activity line item.

IHCDA expects approximately 8-10 non-profit agencies that will apply for the ESG Rapid Rehousing and Homeless Prevention Components of the ESG program.

IHCDA expects approximately 60 non-profit agencies that will apply for the operations, essential services and financial assistance, and approximately 3 non-profit agencies who may apply for the street outreach component.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

Any ESG recipient that cannot meet the participation requirement under CFR § 576.405(a) must include a plan that meets the requirements under CFR § 576.405(b).

The State ESG recipient – IHCDA - has two previously homeless persons that are members of the CoC Board that provide guidance to our CoC Programs and their policies and procedures. Both currently live in permanent supportive housing programs. The State of Indiana recognizes the invaluable perspective of homeless and formerly homeless individuals in developing an effective client-centered program and system. The State program strongly encourages sub-recipients of the ESG program to incorporate this participation, to the maximum extent practicable, in a policy-making function of both the organization and the respective Regional Planning Council on the Homeless. The State ESG program application requires applicants to explain how homeless participation is achieved at both an organizational level and within their regional Planning Councils on the Homeless. This issue is also reviewed at each program monitoring visit.

5. Describe performance standards for evaluating ESG.

   Baseline performance measurements will be reports generated by the HMIS system and mainly from the Annual Progress Reports and the ESG reports for the 2015 year. The standards are specific to the sub-recipient's program performance outcomes.

   For 2015, ESG rental assistance program sub-recipients: At discharge from program, 70 percent persons assisted will still be permanently housing. 60 percent of persons will increase or maintain their income.

   For 2015 ESG program sub-recipients that are Emergency shelters that have activities: operations, essential services and financial assistance: 56 percent persons will discharge to permanent housing, 55 percent of person's will increase or maintain their income.

   For 2015 ESG program sub-recipients that are Transitional Housing programs that have activities: operations, essential services and financial assistance: 75 percent will discharge to permanent housing, 60 percent will increase or maintain their income.

   For 2015 ESG program sub-recipients that have outreach component: 50 percent of identified caseload will exit to a positive housing solution (shelter, transitional housing, permanent housing, etc.)

   For 2015 ESG program sub-recipients that have outreach component: 40 percent identified caseload will increase their income.

SECTION II.

Methods of Distribution

STATE OF INDIANA

STATE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM (CFDA: 14-228)

INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS

FY 2015 PROGRAM DESIGN AND METHOD OF DISTRIBUTION

GENERAL BACKGROUND INFORMATION AND NATIONAL CDBG OBJECTIVES

The State of Indiana, through the Indiana Office of Community and Rural Affairs, assumed administrative responsibility for Indiana's Small Cities Community Development Block Grant (CDBG) Program in 1982, under the auspices of the U.S. Department of Housing and Urban Development (HUD). In accordance with 570.485(a) and 24 CFR Part 91, the State must submit a Consolidated Plan to HUD by May 15th of each year following an appropriate citizen participation process pursuant to 24 CFR Part 91.325, which prescribes the State's Consolidated Plan process as well as the proposed method of distribution of CDBG funds for 2015. **The State of Indiana's anticipated allocation of federal Community Development Block Grant (CDBG) funds for FY 2015 is $28,023,644.**

This document applies to all federal Small Cities CDBG funds allocated by HUD to the State of Indiana, through its Office of Community and Rural Affairs.

The primary objective of Indiana's Small Cities CDBG Program is to assist in the development and re-development of viable Indiana communities by using CDBG funds to provide a suitable living environment and expand economic opportunities, principally for low and moderate income persons.

Indiana's program will place emphasis on making Indiana communities a better place in which to reside, work, and recreate. Primary attention will be given to activities, which promote long term community development and create an environment conducive to new or expanded employment opportunities for low and moderate income persons.

The Office of Community and Rural Affairs will pursue this goal of **investing CDBG wisely** and all applicable strategic priorities by distributing CDBG funds in a manner, which promotes exploration of all alternative resources (financial and personal) when making funding decisions respective to applications for CDBG funding.

PROGRAM AMENDMENTS

The Indiana Office of Community and Rural Affairs reserves the right to transfer up to ten percent (10%) of each fiscal year's available allocation of CDBG funds (i.e. FY 2015 as well as prior-years' reversions balances) between the programs described herein in order to optimize the use and timeliness of distribution and expenditure of CDBG funds, without formal amendment of this Consolidated Plan.

The Office of Community and Rural Affairs will provide citizens and general units of local government with reasonable notice of, and opportunity to comment on, any substantial change proposed to be made in the use of FY 2015 CDBG as well as reversions and residual available balances of prior-years' CDBG funds. "Substantial Change" shall mean the movement between programs of more than ten percent (10%) of the total allocation for a given fiscal year's CDBG funding allocation, or a major modification to programs described herein. The Office of Community and Rural Affairs, in consultation with the Indianapolis office of the US Department of Housing and Urban Development (HUD), will determine those actions, which may constitute a "substantial change".

The State (OCRA) will formally amend its FY 2015 Consolidated Plan if the Office of Community and Rural Affairs' **Method of Distribution for FY 2015 and prior-years funds** prescribed herein are to be significantly changed. The OCRA will determine the necessary changes, prepare the proposed amendment, provide the public and units of general local government with reasonable notice and opportunity to comment on the proposed amendment, consider the comments received, and make the amended FY 2015 Consolidated Plan available to the public at the time it is submitted to HUD. In addition, the Office of Community and Rural Affairs will submit to HUD the amended Consolidated Plan before the Department implements any changes embodied in such program amendment.

ELIGIBLE ACTIVITIES/FUNDABILITY

All activities, which are eligible for federal CDBG funding under Section 105 of the Federal Housing and Community Development Act of 1974, as, amended (Federal Act), are eligible for funding under the Indiana Office of Community and Rural Affairs' FY 2015 CDBG program. However, the Indiana Office of Community and Rural Affairs reserves the right to prioritize its method of funding; the Office of Community and Rural Affairs prefers to expend federal CDBG funds on activities/projects which will produce tangible results for principally low and moderate income persons in Indiana. Funding decisions will be made using criteria and rating systems, which are used for the State's programs and are subject to the availability of funds. It shall be the policy under the state program to give priority to using CDBG funds to pay for actual project costs and not to local administrative costs. **The State of Indiana certifies that not less than seventy-percent (70%) of FY 2015 CDBG funds will be expended for activities principally benefiting low and moderate income persons, as prescribed by 24 CFR 570.484, et. seq.**

ELIGIBLE APPLICANTS

1. All Indiana counties, cities and incorporated towns which do not receive CDBG entitlement funding directly from HUD or are not located in an "urban county" or other area eligible for "entitlement" funding from HUD.

2. All Indian tribes meeting the criteria set forth in Section 102 (a)(17) of the Federal Act.

In order to be eligible for CDBG funding, applicants may not be suspended from participation in the HUD-funded CDBG Programs or the Indiana Office of Community and Rural Affairs due to findings/irregularities with previous CDBG grants or other reasons. In addition, applicants may be suspended from participation in the state CDBG-funded projects administered by the Indiana Housing & Community Development Authority (IHCDA), such funds being subcontracted to the IHCDA by the Office of Community and Rural Affairs.

Further, in order to be eligible for CDBG funding, applicants may not have overdue reports, overdue responses to monitoring issues, or overdue grant closeout documents for projects funded by either the Office of Community and Rural Affairs or IHCDA projects funded using state CDBG funds allocated to the IHCDA by the Office of Community and Rural Affairs. All applicants for CDBG funding must fully expend all CDBG Program Income as defined in 24 CFR 570.489(e) prior to, or as a part of the proposed CDBG-assisted project, in order to be eligible for further CDBG funding from the State.

Other specific eligibility criteria are outlined in **General Selection Criteria** provided herein.

FY 2015 FUND DISTRIBUTION

Sources of Funds:

FY 2015 CDBG Allocation	$27,777,397
Section 108 Loan Program	$80,000,000 (up to)
CDBG Program Income	$0
Total:	**$97,777,397**

Uses of Funds:

2.	Housing Programs (IHCDA)	$2,700,000	
3.	Stellar Communities Program	$4,000,000	
4.	Planning Fund	$1,400,000	
5.	Main Street Revitalization Program	$1,200,000	
6.	Wastewater/Drinking Water Improvements Program	$8,444,075	
7.	Blight Clearance Program	$1.400,000	
8.	Public Facilities Program	$3,200,000	
9.	Storm Water Improvements Program	$3,500,000	
10.	Workforce Development Program	$1,000,000	
11.	Urgent Need Fund	$0	
12.	Technical Assistance	$ 277,774	
13.	Administration	$ 655,548	
14.	Section 108 Loan Program (CEED)	$80,000,000	(up to)
	Total:	**$107,777,397**	

(a) The State of Indiana (Office of Community and Rural Affairs) does not project receipt of any CDBG program income for the period covered by this FY 2015 Consolidated Plan. In the event the Office of Community and Rural Affairs receives such CDBG Program Income, such moneys will be placed in the Wastewater/Drinking Water Program (WDW) for the purpose of making additional competitive grants under that program. Reversions of other years' funding will be placed in the Wastewater/Drinking Water Program (WDW) for the specific year of funding reverted. The State will allocate and expend all CDBG Program Income funds received prior to drawing additional CDBG funds from the US Treasury. However, the following exceptions shall apply:

1. This prior-use policy shall not apply to housing-related grants made to applicants by the Indiana Housing & Community Development Authority (IHCDA), a separate agency, using CDBG funds allocated to the IHCDA by the Office of Community and Rural Affairs.

2. Program income generated by CDBG grants awarded by the Office of Community and Rural Affairs (State) using FY 2015 CDBG funds must be returned to the Office of Community and Rural Affairs, however, such amounts of less than $35,000 per calendar year shall be excluded from the definition of CDBG Program Income pursuant to 24 CFR 570.489.

All obligations of CDBG program income to projects/activities require prior approval by the Office of Community and Rural Affairs. This includes use of program income as matching funds for CDBG-funded grants from the IHCDA. Applicable parties should contact the Director of Grant

Services at (317) 232-1703 for application instructions and documents for use of program income prior to obligation of such funds.

Local Governments that have been inactive in using their program income are required to return their program income to the State. The State will use program income reports submitted by local governments and/or other information obtained from local governments to determine if they have been active or inactive in using their program income. Local governments that have an obligated/approved application to use their program income to fund at least one project in the previous 24 months will be considered active. Local governments that have not obtained approval for a project to utilize their program income for 24 months will be considered inactive.

Furthermore, U.S. Department of Treasury regulations require that CDBG program income cash balances on hand be expended on any active CDBG grant being administered by a grantee before additional federal CDBG funds are requested from the Office of Community and Rural Affairs. These US Treasury regulations apply to projects funded both by IHCDA and the Office of Community and Rural Affairs. Eligible applicants with CDBG program income should strive to close out all active grant projects presently being administered before seeking additional CDBG assistance from the Office of Community and Rural Affairs or IHCDA.

Eligible applicants with CDBG program income should contact the Office of Community and Rural Affairs at (317) 232-1703 for clarification before submitting an application for CDBG financial assistance.

METHOD OF DISTRIBUTION

The choice of activities on which the State (Office of Community and Rural Affairs) CDBG funds are expended represents a determination by Office of Community and Rural Affairs and eligible units of general local government, developed in accordance with the Department's CDBG program design and procedures prescribed herein. The eligible activities enumerated in the following Method of Distribution are eligible CDBG activities as provided for under Section 105(a) of the Federal Act, as amended.

All projects/activities funded by the State (Office of Community and Rural Affairs) will be made on a basis which addresses one (1) of the three (3) national objectives of the Small Cities CDBG Program as prescribed under Section 104(b)(3) of the Federal Act and 24 CFR 570.483 of implementing regulations promulgated by HUD. CDBG funds will be distributed according to the following Method of Distribution (program descriptions):

A. Housing Program: $2,700,000

The State (Office of Community and Rural Affairs) has contracted with the Indiana Housing & Community Development Authority (IHCDA) to administer funds allocated to the State's Housing Program. The Indiana Housing & Community Development Authority will act as the administrative agent on behalf of the Indiana Office of Community and Rural Affairs. Please refer to the Indiana Housing & Community Development Authority's portion of this FY 2015 Consolidated Plan for the method of distribution of such subcontracted CDBG funds from the Office of Community and Rural Affairs to the IHCDA.

B. Stellar Communities Program: $ 4,000,000

The State of Indiana will to set aside $4,000,000 of its FY 2015 CDBG funds for the Stellar Communities Program. Indiana's Stellar Communities Program is a collaborative effort of the Office of Community and Rural Affairs (OCRA), the Indiana Housing and Community Development Authority (IHCDA), and the Indiana Department of Transportation (INDOT). The Stellar Communities Program is seeking to engage two communities to achieve a three-year revitalization strategy that will leverage unified state investment and funding from the partnering agencies to complete projects comprehensively. In the revitalization strategy communities will identify areas of interest and types of projects, produce a schedule to complete projects, produce cost estimates, identify local match amounts, sources, and additional funding resources, indicate the level of community impact, and describe the significance each project will have on the overall comprehensive revitalization of the community. From this revitalization strategy, communities will produce a three-year community investment plan which will identify capital and quality of life projects to be completed during that period.

Evaluation and selection of the final two communities to the Stellar Communities Program will be based on:

- Summary of Comprehensive Community Revitalization Strategy
- Identify at least one project to be completed in each of the 3 program years. The total number of projects is solely limited to the community's ability to successfully complete the projects;
- Identify/document project cost estimates, local match amounts and sources, and additional funding resources.
- Completion of the site visit checklist from the resource team.
- Document and support the level of need for each project and the significance of each project in the overall revitalization efforts within the community;
- Capacity of the applicant to administer the funds;
- The long-term viability of the strategic community investment plan;

All projects funded by OCRA will be eligible for funding under a national objective of the Federal Act and requirements of 24 CFR 570.208 and 24 CFR 570.483 of applicable HUD regulations.

All projects funded by IHCDA with CDBG funds will be eligible for funding under a national objective of the Federal Act and requirements of 24 CFR 570.208 and 24 CFR 570.483 of applicable HUD regulations. All projects funded by IHCDA with HOME, ESG and/or HOPWA funds will meet the specific requirements set forth by those programs.

C. Planning Fund: $ 1,400,000

The State (Office of Community and Rural Affairs) will set aside $1,200,000 of its FY 2015 CDBG funds for planning-only activities, which are of a project-specific nature. The Office of Community and Rural Affairs will make planning-only grants to units of local government to carry out planning activities eligible under 24 CFR 570.205 of applicable HUD regulations. The Office of Community and Rural Affairs will award such grants on a competitive basis and grant the Office of Community and Rural Affairs will review applications monthly. The Office of Community and Rural Affairs will give priority to applications having planning activities designed to assist the applicable unit of local government in meeting its community development needs by reviewing all possible sources of funding, not simply the Office of Community and Rural Affair's grant programs..

CDBG-funded planning costs will exclude final engineering and design costs related to specific activities which are eligible activities/costs under 24 CFR 570.201-204.

The specific threshold criteria and basis for project point awards for PL grant awards are provided in Attachment D hereto. The Planning Fund (PL) Program shall have a maximum grant amounts as follows:

- Environmental infrastructure studies are limited as follows:
    - $35,000 for a study on a single utility,
    - $45,000 for a study on two utilities, and
    - $50,000 for a master utility study (water, wastewater, and storm water).
- Dam or Levee System Evaluations will be limited to $75,000.
- Comprehensive plans are limited to $40,000.
- Downtown revitalization plans are limited as follows:
    - Populations over 2,000 are limited to $40,000, and
    - Populations under 2,000 are limited to $30,000
- Economic development plans are limited to $40,000.
- Public facilities plans will be limited to $20,000.
- Historic preservation plans will be limited to $20,000.
- Environmental Remediation Plan grant amounts will be determined by OCRA on a case by case basis.

For the PL Program specifically, the amount of CDBG funds granted will be based on a $5,000 cost per project beneficiary. The specific threshold criteria and basis for project point awards for MSRP grant awards are provided in Attachment D hereto.

D. Main Street Revitalization Program: $1,200,000

The Office of Community and Rural Affairs will award Main Street Revitalization Program (MSRP) grants to eligible applicants to assist Indiana communities with activities intended to revitalize their downtown area. Each applicant must meet the following prerequisites:

1) Have a designated Indiana Main Street Organization;
2) The Main Street Organization is in good standing for meeting all the reporting requirements;
3) The Main Street Organization has attended all required workshops associated with the Indiana Main Street Program during past year;
4) The Main Street organization is functioning within the Main Street 4 Point Approach of Organization, Design, Economic Restructuring, and Promotion;
5) The Main Street organization has current Work Plans for each of its Committees that have been submitted to Indiana Main Street;
6) The Main Street Organization has a business recruitment/retention plan that is approved by the Indiana Main Street Program;
7) The project must be part of the Main Street Organization’s overall strategy;
8) The Community has completed a downtown revitalization plan within the past five years that meets OCRA’s Minimum Technical Requirements.

Applications will be accepted and awards will be made on a competitive basis. The specific threshold criteria and basis for project point awards for MSRP grant awards are provided in Attachment E hereto. The Main Street Revitalization Program (MSRP) shall have a maximum grant amount of $500,000.

For the MSRP Program specifically, the amount of CDBG funds granted will be based on a $5,000 cost per project beneficiary.

G. Wastewater/Drinking Water Improvements Program: $ 8,444,075

The State of Indiana will set aside $8,444,075 of its FY 2015 CDBG funds for the Wastewater Drinking Water (WDW) Improvements Program.

Applications will be accepted and awards made on a competitive basis one time per year. The Wastewater/Drinking Water Improvements Program (WDW) shall have a maximum grant amount according to the schedules below:

Wastewater
Projects Under $1 million in total project costs

	Rates for 4,000 gallons		
Maximum Grant Amounts	**User Rates (Over $50)**	**User Rates ($30 to $50)**	**User Rates (Under $30)**
Tier III – LMI% 62.0 and higher	$600,000	$550,000	$500,000
Tier II – LMI% 57.0 to 61.9	$550,000	$500,000	$450,000
Tier I – LMI% 51.0 to 56.9	$500,000	$450,000	$400,000

Wastewater
Projects Over $1 million in total project costs

	Rates for 4,000 gallons		
Maximum Grant Amounts	**User Rates (Over $45)**	**User Rates ($25 to $45)**	**User Rates (Under $25)**
Tier III – LMI% 62.0 and higher	$700,000	$650,000	$600,000
Tier II – LMI% 57.0 to 61.9	$650,000	$600,000	$550,000
Tier I – LMI% 51.0 to 56.9	$600,000	$550,000	$500,000

Drinking Water
Projects Under $1 million in total project costs

	Rates for 4,000 gallons		
Maximum Grant Amounts	**User Rates (Over $45)**	**User Rates ($25 to $45)**	**User Rates (Under $25)**
Tier III – LMI% 62.0 and higher	$600,000	$550,000	$500,000
Tier II – LMI% 57.0 to 61.9	$550,000	$500,000	$450,000
Tier I – LMI% 51.0 to 56.9	$500,000	$450,000	$400,000

Drinking Water
Projects Over $1 million in total project costs

	Rates for 4,000 gallons		
Maximum Grant Amounts	**User Rates (Over $45)**	**User Rates ($25 to $45)**	**User Rates (Under $25)**
Tier III – LMI% 62.0 and higher	$700,000	$650,000	$600,000
Tier II – LMI% 57.0 to 61.9	$650,000	$600,000	$550,000
Tier I – LMI% 51.0 to 56.9	$600,000	$550,000	$500,000

Applications will be accepted and awards will be made on a competitive basis. The specific threshold criteria and basis for project point awards for WWP grant awards are provided in Attachment F hereto.

For the WWP Program specifically, the amount of CDBG funds granted will be based on a $5,000 cost per project beneficiary.

All projects funded by OCRA will be eligible for funding under a national objective of the Federal Act and requirements of 24 CFR 570.208 and 24 CFR 570.483 of applicable HUD regulations.

H. Blight Clearance Program: $1,400,000

Indiana's Comprehensive Site Redevelopment Program (CSRP) is a collaborative effort between the Office of Community and Rural Affairs (OCRA) and the Indiana Finance Authority's (IFA) Brownfield Program. The CSRP funding strategy will leverage funding from the partnering agencies to address comprehensive Brownfield remediation and clearance projects.

The State of Indiana will to set aside $1,400,000 of its FY 2015 CDBG funds for the competitive Blight Clearance Program (BCP) portion of the Comprehensive Site Redevelopment Program (CSRP). Applications will be accepted and awards will be made in a single competitive round. The specific threshold criteria and basis for project point awards for BCP grant awards are provided in Attachment G hereto. The Blight Clearance Program (BCP) shall have a maximum grant amount of $350,000.

Environmental assessments and studies for the CSRP program will be applied for through the Planning Program.

All projects funded by OCRA will be eligible for funding under a national objective of the Federal Act and requirements of 24 CFR 570.208 and 24 CFR 570.483 of applicable HUD regulations.

I. Public Facilities Program: $3,200,000

The State of Indiana will to set aside $3,200,000 of its FY 2015 CDBG funds for the Public Facilities Program (PFP).

Applications will be accepted and awards will be made on a competitive basis. The specific threshold criteria and basis for project point awards for PFP grant awards are provided in Attachment H hereto.

For the PFP specifically, the amount of CDBG funds granted will be based on a $5,000 cost per project beneficiary. That maximum grant award for the Public Facilities Program is $400,000.

All projects funded by OCRA will be eligible for funding under a national objective of the Federal Act and requirements of 24 CFR 570.208 and 24 CFR 570.483 of applicable HUD regulations.

J. Stormwater Improvements Program: $3,500,000

The State of Indiana will to set aside $3,500,000 of its FY 2015 CDBG funds for the Stormwater Improvements Program (SIP).

Applications will be accepted and awards will be made on a competitive basis. The specific threshold criteria and basis for project point awards for SIP grant awards are provided in Attachment I hereto.

For the SIP Program specifically, the amount of CDBG funds granted will be based on a $5,000 cost per project beneficiary. That maximum grant award for the Stormwater Improvements Program is $500,000.

All projects funded by OCRA will be eligible for funding under a national objective of the Federal Act and requirements of 24 CFR 570.208 and 24 CFR 570.483 of applicable HUD regulations.

K. Workforce Development Program: $1,000,000

The Office of Community and Rural Affairs (OCRA) will set aside $1,000,000 of its FY 2015 CDBG funds for workforce development and skills training activities. The OCRA will make these grants to units of local government to carry out activities eligible under 24 CFR 570.201(e) of applicable HUD regulations.

Applications will be accepted and awards will be made on a competitive basis. To be eligible for WDP assistance, a public service must be either a new service or a quantifiable increase in the level of an existing service above that which has been provided by or on behalf of the unit of general local government (through funds raised by the unit or received by the unit from the State) in the 12 calendar months before the submission of the action plan. The OCRA will give priority to applications having a proven need and regional impact.

Eligible activities for the Workforce Development Program include:

- Sector-based strategies focusing on a specific need in the community/region (welding, heavy equipment operator, etc)
- Problem-focused strategies (life-skills, interviewing, basic math, etc.)

The specific threshold criteria and basis for project award for WDP grants are provided in Attachment J hereto. The Workforce Development (WDP) Program shall have a maximum grant amount of $250,000.00.

Local match contribution of at least 20% of total program costs will be required.

L. Section 108 Loan Program: Up to $80 million

During FY 2015, the State of Indiana proposes to pledge up to $80,000,000.00 of its present and future allocation(s) of Small Cities CDBG funds as security for Section 108 loan guarantees provided for under Subpart M of 24 CFR Part 570 (24 CFR 570.700). Applications may be submitted at any time during the year, as long as funds are available from HUD. The minimum loan amount is $500,000 and the maximum loan amount is $7,000,000. The state may enter into loan guarantee agreements in support of projects sponsored by an individual local government. Project must meet minimum criteria with respect to equity, collateral and underwriting standards. The CDBG Loan Guarantee Program (Section 108 Program) is an economic and community development financing tool authorized under Section 108 of Title I of the Housing and Community Development Act of 1974, as amended. The program provides a method of assisting non-entitlement local governments with certain unique and large-scale economic development projects that cannot proceed without the loan guarantee. In order to be eligible a project must meet all applicable CDBG requirements and result in significant employment opportunities and/or benefits for low- and moderate-income persons. Unlike the traditional CDBG Program, the Section 108 Program does not operate through assistance from the Office of Community and Rural Affairs (OCRA) or Indiana Housing and Community Development Authority. Rather, funds are raised through OCRA's "Pledge of Grants" to the U.S. Department of Housing and Urban Development (HUD) in order to obtain a federal guarantee of notes issued by the local government. The federally guaranteed notes are sold into private markets through public offerings conducted by HUD. By approving the project, a State pledges its future CDBG funds as the ultimate repayment source should a Section 108 loan default. The State's participation in the Section 108 program does not involve a pledge of Indiana's full faith and credit nor does it commit any funding to the local government. HUD makes the ultimate approval or denial of the federal guarantee.

Only non-entitlement communities that do not receive direct allocations of Community Development Block Grant from the U.S. Department of Housing and Urban Development may apply to the State of Indiana's Community Enhancement and Economic Development Fund, or CEED Fund, and applications for loans from the CEED fund may be only for the project types listed in the CEED Loan Program Guidelines. The total maximum amount of CEED financing that an eligible public entity may receive is limited to $7,000,000. A minimum loan request of $1,000,000 is required.

M. The Urgent Need Fund: $0

The Urgent Need Fund will be available to eligible applicants on a continuing basis. These activities must be eligible for funding under the "urgent need" national objective of the Federal Act and requirements of 24 CFR 570.208 and 24 CFR 570.483 of applicable HUD regulations.

The Urgent Need Fund will be available to eligible applicants to meet an imminent threat to the health and safety of local populations. The grants may be funded as made available through the Public Facilities Program or reversions when not budgeted from the annual allocation. Special selection factors include need, proof of recent threat of a catastrophic nature, statement of declared emergency and inability to fund through other means. Projects will be developed with the assistance of the Office of Community and Rural Affairs as a particular need arises. To be eligible, these projects and their activities must meet the "urgent need" national objective of Section 104(b)(3) of the Federal Act. Generally, projects funded are those, which need immediate attention and are, therefore, inappropriate for consideration under OCRA's regular programs. The types of projects, which typically receive funding, are municipal water systems (where the supply of potable water has been threatened by severe weather conditions) and assistance with demolition or cleanup after a major fire, flood, or other natural disaster. Although all projects will be required to meet the "urgent need" national objective, the Office of Community and Rural Affairs may choose to actually fund the project under one of the other two national objectives, if it deems it expedient to do so. Applicants must adequately document that other financial resources are not available to meet such needs pursuant to Section 104(b)(3) of the Federal Act and 24 CFR 570.483 of HUD regulations.

Only that portion of a project, which addresses an immediate need, should be addressed. This is particularly true of municipal water or sewer system projects, which tend to need major reinvestment in existing plants or facilities, in addition to the correction of the immediate need. The amount of grant award is determined by the individual circumstances surrounding the request for emergency funds. A community may be required to provide a match through cash, debt or provision of employee labor.

The eligibility of any project is at the full discretion of the Office of Community and Rural Affairs.

N. Technical Assistance Set-aside: $277,774

Pursuant to the federal Housing and Community Development Act (Federal Act), specifically Section 106(d)(5), the State of Indiana is authorized to set aside up to one percent (1%) of its total allocation for technical assistance activities. The amount set aside for such Technical Assistance in the State's FY 2015 Consolidated Plan is $277,774, which constitutes one-percent (1%) of the State's FY 2015 CDBG allocation of $27,777,397. The State of Indiana reserves the right to set aside up to one percent (1%) of open prior-year funding amounts for the costs of providing technical assistance on an as-needed basis.

The amount set aside for the Technical Assistance Program will not be considered a planning cost as defined under Section 105(a)(12) of the Federal Act or an administrative cost as defined under Section 105(a)(13) of the Federal Act. Accordingly, such amounts set aside for Technical Assistance will not require matching funds by the State of Indiana. The Department reserves the right to transfer a portion or all of the funding set aside for Technical Assistance to another program hereunder as deemed appropriate by the Office of Community and Rural Affairs, in accordance with the "Program Amendments" provisions of this document. The Technical Assistance Program is designed to provide, through direct Office of Community and Rural Affairs staff resources or by contract, training and technical assistance to units of general local government, nonprofit and for-profit entities relative to community and economic development initiatives, activities and associated project management requirements.

1. **Distribution of the Technical Assistance Program Set-aside:** Pursuant to HUD regulations and policy memoranda, the Office of Community and Rural Affairs may use alternative methodologies for delivering technical assistance to units of local government and nonprofits to carry out eligible activities, to include:

   a. Provide the technical assistance directly with Office of Community and Rural Affairs or other State staff;
   b. Hire a contractor to provide assistance;

c. Use sub-recipients such as Regional Planning Organizations as providers or securers of the assistance;
d. Directly allocate the funds to non-profits and units of general local governments to secure/contract for technical assistance.
e. Pay for tuition, training, and/or travel fees for specific trainees from units of general local governments and nonprofits;
f. Transfer funds to another state agency for the provision of technical assistance; and,
g. Contracts with state-funded institutions of higher education to provide the assistance.

2. **Ineligible Uses of the Technical Assistance Program Set-aside:** The 1% set-aside may not be used by the Office of Community and Rural Affairs for the following activities:

   a. Local administrative expenses not related to community development;
   b. Any activity that cannot be documented as meeting a technical assistance need;
   c. General administrative activities of the State not relating to technical assistance, such as monitoring state grantees, rating and ranking State applications for CDBG assistance, and drawing funds from the Office of Community and Rural Affairs; or,
   d. Activities that are meant to train State staff to perform state administrative functions, rather than to train units of general local governments and non-profits.

O. Administrative Funds Set-aside: $655,548

The State (Office of Community and Rural Affairs) will set aside $655,548 of its FY 2015 CDBG funds for payment of costs associated with administering its State Community Development Block Grant (CDBG) Program (CFDA Number 14.228). This amount ($655,548) constitutes two-percent (2%) of the State's FY 2015 CDBG allocation ($555,548), plus an amount of $100,000 ($27,777,397 X 0.02 = $555,548 + $100,000 = $655,548). The amount constituted by the 2% set aside ($555,548) is subject to the $1-for-$1 matching requirement of HUD regulations. The $100,000 supplement is not subject to state match. These funds will be used by the Office of Community and Rural Affairs for expenses associated with administering its State CDBG Program, including direct personal services and fringe benefits of applicable Office of Community and Rural Affairs staff, as well as direct and indirect expenses incurred in the proper administration of the state's program and monitoring activities respective to CDBG grants awarded to units of local government (i.e. telephone, travel, services contractual, etc.). These administrative funds will also be used to pay for contractors hired to assist the Office of Community and Rural Affairs in its consolidated planning activities.

PRIOR YEARS' METHODS OF DISTRIBUTION

This Consolidated Plan, statement of Method of Distribution is intended to amend all prior Consolidated Plans for grant years where funds are still available to reflect the new program designs. The Methods of Distribution described in this document will be in effect commencing on July 1, 2015, and ending June 30, 2015, unless subsequently amended, for all FY 2015 CDBG funds as well as remaining residual balances of previous years' funding allocations, as may be amended from time to time subject to the provisions governing "Program Amendments" herein. The existing and amended program budgets for each year are outlined below (administrative fund allocations have not changed and are not shown below). Adjustments in the actual dollars may occur as additional reversions become available.

At this time there are only nominal funds available for reprogramming for prior years' funds. If such funds should become available, they will be placed in any of the currently open programs. This will include reversions from settlement of completed grantee projects, there are no fund changes anticipated. For prior years' allocations there is no fund changes anticipated. Non-expended funds, which revert from the financial settlement of projects funded from other programs, will be placed in any open program for use in that ongoing program.

PROGRAM APPLICATION

The Planning Fund/Program (PL) will be conducted through a single-stage, continuous application process throughout the program year. The application process for the Stellar Communities Program, Wastewater/Drinking Water Program (WDW), Public Facilities Program (PFP), Stormwater Improvements Program (SIP), the Blight Clearance Program (BCP), the Main Street Revitalization Program (MSRP) and the Workforce Development Program (WDP) will be a single competitive application process. Eligible applicants will first submit a short program proposal or letter of intent for such grants. After submitting proposal, eligible projects under the Federal Act will be invited to submit a full application. For each program, the full application will be reviewed and evaluated. The Office of Community and Rural Affairs, as applicable, will provide technical assistance to the communities in the development of proposals and full applications.

An eligible applicant may submit only one application per cycle, per program. Additional applications may be submitted under the other state programs. The Office of Community and Rural Affairs reserves the right to negotiate Planning-Only grants with applicants for applications lacking a credible readiness to proceed on the project or having other planning needs to support a construction project.

OTHER REQUIREMENTS

While administrative responsibility for the Small Cities CDBG program has been assumed by the State of Indiana, the State is still bound by the statutory requirements of the applicable legislation passed by Congress, as well as federal regulations promulgated by the U. S. Department of Housing and Urban Development (HUD) respective to the State's CDBG program as codified under Title 24, Code of the Federal Register. HUD has passed on these responsibilities and requirements to the State and the State is required to provide adequate evidence to HUD that it is carrying out its legal responsibilities under these statutes.

As a result of the Federal Act, applicants who receive funds through the Indiana Office of Community and Rural Affairs selection process will be required to maintain a plan for minimizing displacement of persons as a result of activities assisted with CDBG funds and to assist persons actually displaced as a result of such activities. Applicants are required to provide reasonable benefits to any person involuntarily and permanently displaced as a result of the use of assistance under this program to acquire or substantially rehabilitate property. The State has adopted standards for determining reasonable relocation benefits in accordance with HUD regulations.

CDBG "Program Income" may be generated as a result of grant implementation. The State of Indiana may enter into an agreement with the grantee in which program income is retained by the grantee for eligible activities. Federal guidelines require that program income be spent prior to requesting additional draw downs. Expenditure of such funds requires prior approval from the Office of Community and Rural Affairs (OCRA). The State (Office of Community and Rural Affairs) will follow HUD regulations set forth under 24 CFR 570.489(e) respective to the definition and expenditure of CDBG Program Income.

All statutory requirements will become the responsibility of the recipient as part of the terms and conditions of grant award. Assurances relative to specific statutory requirements will be required as part of the application package and funding agreement. Grant recipients will be required to secure and retain certain information, provide reports and document actions as a condition to receiving funds from the program. Grant management techniques and program requirements are explained in the OCRA's CDBG Grantee Implementation Manual, which is provided to each grant recipient.

Revisions to the Federal Act have mandated additional citizen participation requirements for the State and its grantees. The State has adopted a written Citizen Participation Plan, which is available for interested citizens to review. Applicants must certify to the State that they are following a detailed Citizen Participation Plan which meets Title I requirements. Technical assistance will be provided by the Office of Community and Rural Affairs to assist program applicants in meeting citizen participation requirements.

The State has required each applicant for CDBG funds to certify that it has identified its housing and community development needs, including those of low and moderate income persons and the activities to be undertaken to meet those needs.

INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS (OCRA)

The Indiana Office of Community and Rural Affairs intends to provide the maximum technical assistance possible for all of the programs to be funded from the CDBG program. Lieutenant Governor Sue Ellsperman heads the Office of Community and Rural Affairs. Principal responsibility for the CDBG program is vested in Kathleen Weissenberger, State CDBG Director. The Office of Community and Rural Affairs also has the responsibility of administering compliance activities respective to CDBG grants awarded to units of local government.

Primary responsibility for providing “outreach” and technical assistance for the Stellar Communities Program, Main Street Revitalization Fund, Wastewater/Drinking Water Program, Public Facilities Program, Stormwater Improvements Program, Comprehensive Site Redevelopment Program, Workforce Development Program and the Planning Fund process resides with the Office of Community and Rural Affairs. Primary responsibility for providing “outreach” and technical assistance for the Housing award process resides with the Indiana Housing & Community Development Authority who will act as the administrative agent on behalf of the Indiana Office of Community and Rural Affairs.

The Business Office will provide internal fiscal support services for program activities, development of the Consolidated Plan and the CAPER. The Office of Community and Rural Affairs has the responsibilities for CDBG program management, compliance and financial monitoring of all CDBG programs. The Indiana State Board of Accounts pursuant to 2 CFR 200 will conduct audits. Potential applicants should contact the Office of Community and Rural Affairs with any questions or inquiries they may have concerning these or any other programs operated by the Office of Community and Rural Affairs.

Information regarding the past use of CDBG funds is available at the:

Indiana Office of Community and Rural Affairs
State CDBG Director
One North Capitol, Suite 600
Indianapolis, Indiana 46204-2288
Telephone: 1-800-824-2476
FAX: (317) 233-6503

DEFINITIONS

Low and moderate income - is defined as 80% of the median family income (adjusted by size) for each county. For a county applicant, this is defined as 80% of the median income for the state. The income limits shall be as defined by the U. S. Department of Housing and Urban Development Section 8 Income Guidelines for “low income families.” Certain persons are considered to be “presumptively” low and moderate income persons as set forth under 24 CFR 570.208(a)(2); inquiries as to such presumptive categories should be directed to the OCRA’s Grants Management Office, Attention: Ms. Beth Goeb at (317) 232-8831.

Matching funds - local public or private sector in-kind services, cash or debt allocated to the CDBG project. The level of local matching funds required for CDBG projects is either ten-percent (10%) or twenty-percent (20%), based on program, of the **total estimated project costs**. This percentage is computed by adding the proposed grant amount and the local matching funds amount, and dividing the local matching funds amount by the total sum of the two amounts. The definition of match includes a maximum of 5% pre-approved and validated in-kind contributions. The balance of the match requirement must be in the form of either cash or debt. Any in-kind over and above the specified 5% may be designated as local effort. Other funds provided to applicants by the Office of Community and Rural Affairs are not eligible for use as matching funds.

Proposal (synonymous with “pre-application”) - A document submitted by a community which briefly outlines the proposed project, the principal parties, and the project budget and how the proposed project will meet a goal of the Federal Act. If acceptable, the community may be invited to submit a full application.

Reversions - Funds placed under contract with a community but not expended for the granted purpose because expenses were less than anticipated and/or the project was amended or canceled and such funds were returned to the Office of Community and Rural Affairs upon financial settlement of the project.

Slums or Blight - an area/parcel which: (1) meets a definition of a slum, blighted, deteriorated, or deteriorating area under state or local law (Title 36-7-1-3 of Indiana Code); and (2) meets the requirements for “area basis” slum or blighted conditions pursuant to 24 CFR 570.208(b)(1) and 24 CFR 570.483(c)(1), or “spot basis” blighted conditions pursuant to 24 CFR 570.208(b)(2) and 24 CFR 570.483(c)(2).

Urgent Need - is defined as a serious and immediate threat to health and welfare of the community. The Chief Elected Official must certify that an emergency condition exists and requires immediate resolution and that alternative sources of financing are not available. An application for CDBG funding under the “urgent need” CDBG national objective must adhere to all requirements for same set forth under 24 CFR 570.208(c) and 24 CFR 570.483(d).

ATTACHMENT B

DISPLACEMENT PLAN

1. The State shall fund only those applications, which present projects and activities, which will result in the displacement of as few persons or businesses as necessary to meet the goals and objectives of the state and local CDBG-assisted program.

2. The State will use this criterion as one of the guidelines for project selection and funding.

3. The State will require all funded communities to certify that the funded project is minimizing displacement.

4. The State will require all funded communities to maintain a local plan for minimizing displacement of persons or businesses as a result of CDBG funded activities, pursuant to the federal Uniform Relocation and Acquisitions Policies Act of 1970, as amended.

5. The State will require that all CDBG funded communities provide assistance to all persons displaced as a result of CDBG funded activities.

6. The State will require each funded community to provide reasonable benefits to any person involuntarily and permanently displaced as a result of the CDBG funded program.

GENERAL SELECTION CRITERIA

The Office of Community and Rural Affairs (OCRA) will consider the following general criteria when evaluating a project proposal. Although projects will be reviewed for this information at the proposal stage, no project will be eliminated from consideration if the criteria are not met. Instead, the community will be alerted to the problem(s) identified. Communities must have corrected any identified deficiencies by the time of application submission for that project to be considered for funding.

A. General Criteria (all programs - see exception for program income and housing projects through the IHCDA in 7 below):

1. The applicant must be a legally constituted general purpose unit of local government and eligible to apply for the state program.

2. The applicant must possess the legal capacity to carry out the proposed program.

3. If the applicant has previously received funds under CDBG, they must have successfully carried out the program. An applicant must not have any overdue closeout reports, State Board of Accounts audit findings or unresolved OCRA/IHCDA monitoring findings (where the community is responsible for resolution.) Any determination of "overdue" is solely at the discretion of the Indiana Office of Community and Rural Affairs.

4. An applicant must not have any overdue CDBG semi-annual Grantee Performance Reports, subrecipient reports or other reporting requirements of the OCRA/IHCDA. Any determination of "overdue" is solely at the discretion of the Indiana Office of Community and Rural Affairs.

5. The applicant must clearly show the manner in which the proposed project will meet one of the three national CDBG objectives and meet the criteria set forth under 24 CFR 570.483.

6. The applicant must show that the proposed project is an eligible activity under the Act.

7. The applicant must first encumber/expend all CDBG program income receipts before applying for additional grant funds from the Office of Community and Rural Affairs; EXCEPTION – these general criteria will not apply to applications made directly to the Indiana Housing & Community Development Authority (IHCDA) for CDBG-funded housing projects.

8. To be eligible to apply at the time of application submission, an applicant must not have any:

    a. Overdue grant reports, sub-recipient reports or project closeout documents; or

    b. More than two (2) open or pending CDBG grant from the Office (Indiana cities and incorporated towns);

    c. For those applicants with an open CFF, MSRP, WDW, PFP, SIP or BCP a "Notice of Release of Funds and Authorization to Incur Costs" must have been issued for the construction activities under the open CFF, MSRP, WDW, PFP, SIP or BCP contract, and a contract for construction of the principal (largest funding amount) construction line item (activity) must have been executed prior to the deadline established by OCRA for receipt of applications for funding.

    d. For those applicants who have open Planning Fund grants, the community must have final plan approved by the Office of Community and Rural Affairs prior to submission of a CFF, MSRP, SCP, WDW, PFP, CSRP or SIP application for the project.

e. An Indiana county may have four (4) open CDBG grants and apply for a fifth grant. A county may have only five (5) open CDBG grants. All criteria outlined in c and d above must be met.

9. The cost/beneficiary ratio for all CDBG funds will be maintained at $5,000. Housing related projects are to be submitted directly to the Indiana Housing & Community Development Authority (IHCDA) under its programs.

10. Required leveraging based on program (as measured against the CDBG project, see definitions) must be proposed. The Indiana Office of Community and Rural Affairs may rule on the suitability and eligibility of such leveraging.

11. The applicant may only submit one proposal or application per round per program. Counties may submit either for their own project or an “on-behalf-of” application for projects of other eligible applicants within the county. However, no application will be invited from an applicant where the purpose is clearly to circumvent the “one application per round” requirement for other eligible applicants.

12. The application must be complete and submitted by the announced deadline.

C. Housing Programs: Refer to Method of Distribution for Indiana Housing & Community Development Authority within this FY 2015 Consolidated Plan

GRANT EVALUATION CRITERIA
Planning Grant Program (PL)
750 POINTS TOTAL

Planning Grant (PL) applications must achieve a minimum score of 450 points (60%) to be eligible for award. *Planning grants do not count toward a communities maximum number of open grants.

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:

National Objective Score = % Low/Mod Beneficiaries X 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:

National Objective Score = (Total of the points received in each category below) X 2.5

___ Applicant has a Slum/Blight Resolution for project area (50 pts.)

___ The project site is a brownfield* (10 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** (10 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.

Project may either be listed on **or eligible for listing on the Indiana or National Register of Historic Places. ***Both cannot be checked.***

COMMUNITY DISTRESS FACTORS (175 POINTS):

Various factors are used to determine the distress of a community. IOCRA has partnered with Stats Indiana, an Indiana University entity to analyze and calculate the distress of Indiana's small cities, towns, counties and townships. Factors used to calculate the Community Distress points used for CDBG scoring include:

Percentage of Households with Income under Poverty Level
Median Household Income
Percent of Housing Units that are Vacant

Median Home Value

Unemployment Rate

Labor Force Participation

Local government scores, which are updated and published annually, can be found at: www.stats.indiana.edu.

LOCAL MATCH CONTRIBUTION (50 POINTS):

A maximum of 50 points based on the percentage of local funds devoted to the project. This total is determined as follows:

Total Match Points = % Eligible Local Match X 1

The points total is capped at 50 points or 50% match, i.e., a project with 50% match or greater will receive 50 points. Below 50% match, the formula calculation will apply.

Eligible local match can be local cash, debt or in-kind sources. Federal, state, and local government grants are 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, Division approximately 2 weeks prior to application submission (deadline will be announced each round).

PROJECT DESIGN FACTORS (300 POINTS):

300 points maximum awarded according to the evaluation in three areas:

Project Description – is the project clearly defined as to determine eligibility? – 50 points
Project Need - is the community need for this project clearly documented? – 125 points
Financial Impact - why is grant assistance necessary to complete this project? – 125 points

The points in these categories are awarded by the OCRA review team when evaluating the projects**. Applicants should address all Project Development Issues associated with their project type.** Applicants should work with their OCRA community liaison to identify ways to increase their project's scores in these areas.

LEVERAGING PHILANTHROPIC CAPITAL (25 POINTS):

Points are assigned based on Philanthropic contribution as a percentage of total project costs.

0- ½ %	0 pts
½ - 1%	10 pts
1-1½%	15 pts
1 ½ -2%	20 pts
2%+	25 pts

POINTS REDUCTION POLICY:

It is the policy of OCRA not to fund more than one phase or component of a single project type in different funding rounds. This applies to all project types, although it is particularly relevant to utility projects. If a community needs to phase a project in order to complete it, they should consider which phase would be most appropriate for CDBG assistance. Even if a community doesn't intentionally phase a project, OCRA will take into account previously awarded projects for the same project type. A Community that has previously been awarded a grant for the same project type will likely not be competitive and will be subject to the follow point reduction. This applies to all project types, although it is particularly relevant to utility projects.

0 – 7 years since previous funding – 50pts

Example:
Community submits and receives a PL award for a Master Utility Study in May 2009. When applying for a Water Utility Study in March of 2015, they would be subject to a point reduction of 50pts. In July of 2016 they would have no point reduction.

GRANT EVALUATION CRITERIA – 700 POINTS TOTAL
Main Street Revitalization Program (MSRP)

Main Street Revitalization Program applications (MSRP) must achieve a minimum score of 400 points to be eligible for award.

THRESHOLD REQUIREMENTS:

Each applicant must meet the following prerequisites:

1) Have a designated Indiana Main Street Organization;
2) The Main Street Organization is in good standing for meeting all the reporting requirements;
3) The Main Street Organization has attended all required workshops associated with the Indiana Main Street Program during past year;
4) The Main Street organization is functioning within the Main Street 4 Point Approach of Organization, Design, Economic Restructuring, and Promotion;
5) The Main Street organization has current Work Plans for each of its Committees that have been submitted to Indiana Main Street;
6) The Main Street Organization has a business recruitment/retention plan that is approved by the Indiana Main Street Program;
7) The project must be part of the Main Street Organization's overall strategy;
8) The Community has completed a downtown revitalization plan within the past five years that meets OCRA's Minimum Technical Requirements.

COMMUNITY DISTRESS FACTORS (175 POINTS):

Various factors are used to determine the distress of a community. IOCRA has partnered with Stats Indiana, an Indiana University entity to analyze and calculate the distress of Indiana's small cities, towns, counties and townships. Factors used to calculate the Community Distress points used for CDBG scoring include:

Percentage of Households with Income under Poverty Level
Median Household Income
Percent of Housing Units that are Vacant

Median Home Value

Unemployment Rate

Labor Force Participation

Local government scores, which are updated and published annually, can be found at: www.stats.indiana.edu.

LOCAL MATCH CONTRIBUTION (100 POINTS):

A maximum of 100 points based on the percentage of local funds devoted to the project. This total is determined as follows:

Total Match Points = % Eligible Local Match X 2

Eligible local match can be local cash, debt or in-kind sources. Federal, state, and local government grants are 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, Grant Services Division approximately 2 weeks prior to application submission (deadline will be announced each round).

MAIN STREET SCORE (50 POINTS):

Main Street Score: 50 points maximum awarded based on the characteristics listed below. The total points given are computed as follows:

___ Community is designated as a Nationally Accredited Indiana Main Street Organization. (20 pts.)

___ The Main Street Organization has a long-term Strategic Plan. (10 pts.)

___ The district is listed on the Indiana or National Register of Historic Places** (10 pts.)

___ The district is eligible for listing on the Indiana or National Register of Historic Places** (5 pts.)

___ The Main Street Organization has a fundraising plan in place. (5 pts.)

Project may either be listed on **or eligible for listing on the Indiana or National Register of Historic Places. ***Both cannot be checked.***

PROJECT DESIGN FACTORS (300 POINTS):

300 points maximum awarded according to the evaluation in three areas:

Project Description – is the project clearly defined as to determine eligibility? – 50 points
Project Need - is the community need for this project clearly documented? – 125 points
Financial Impact - why is grant assistance necessary to complete this project? – 125 points

The points in these categories are awarded by the OCRA review team when evaluating the projects**. Applicants should address all Project Development Issues associated with their project type.** Applicants should work with their OCRA community liaison to identify ways to increase their project's scores in these areas.

PROJECT SUSTAINABILITY (50 POINTS):

A maximum of 50 points for the establishment of a (or documentation of existing) permanent Main Street Fund to be used for ongoing downtown revitalization activities such as a revolving loan program, grant program, events, etc.

0 points – under $3,000 philanthropic fund
25 points - $3,000-$5,000 philanthropic fund
50 points - $5,000 or higher philanthropic fund

LEVERAGING PHILANTHROPIC CAPITAL (25 POINTS):

Points are assigned based on Philanthropic contribution as a percentage of total project costs.

0- ½ %	0 pts
½ - 1%	10 pts
1-1½%	15 pts
1 ½ -2%	20 pts
2%+	25 pts

POINTS REDUCTION POLICY:

It is the policy of OCRA not to fund more than one phase or component of a single project. If a community needs to phase a project in order to complete it, they should consider which phase would be most appropriate for CDBG assistance. Even if a community doesn't intentionally phase a project, OCRA will take into account previously awarded projects for the same project type.

A Community that has previously been awarded a grant for the same project type will likely not be competitive and will be subject to the follow point reduction.

MSRP Point Reduction Policy
0-7 years since previous funding – 50 pts

Example:
Community submits and receives a MSRP award for a streetscape project in 2015. When applying for facade rehabilitation in 2021, they would be subject to a point reduction of 50 points. In 2022 they would have no point reduction.

GRANT EVALUATION CRITERIA
600 POINTS TOTAL

Wastewater/Drinking Water Program (WDW) applications must achieve a minimum score of 300 points to be eligible for award.

COMMUNITY DISTRESS FACTORS (175 POINTS):

Various factors are used to determine the distress of a community. IOCRA has partnered with Stats Indiana, an Indiana University entity to analyze and calculate the distress of Indiana's small cities, towns, counties and townships. Factors used to calculate the Community Distress points used for CDBG scoring include:

Percentage of Households with Income under Poverty Level
Median Household Income
Percent of Housing Units that are Vacant

Median Home Value

Unemployment Rate

Labor Force Participation

Local government scores, which are updated and published annually, can be found at: www.stats.indiana.edu.

LOCAL MATCH CONTRIBUTION (100 POINTS):

A maximum of 100 points based on the percentage of local funds devoted to the project. This total is determined as follows:

Total Match Points = % Eligible Local Match X 1

The points total is capped at 100 points or 100% match, i.e., a project with 75% match will receive 75 points.

Eligible local match can be local cash, debt or in-kind sources. Federal, state, and local government grants are 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, Grant Services Division approximately 2 weeks prior to application submission (deadline will be announced each round).

PROJECT DESIGN FACTORS (300 POINTS):

300 points maximum awarded according to the evaluation in three areas:

Project Description – is the project clearly defined as to determine eligibility? – 50 points
Project Need - is the community need for this project clearly documented? – 125 points
Financial Impact - why is grant assistance necessary to complete this project? – 125 points

The points in these categories are awarded by the OCRA review team when evaluating the projects**. <u>Applicants should address all Project Development Issues associated with their project type</u>.** Applicants should work with their OCRA community liaison to identify ways to increase their project's scores in these areas.

<u>FINANCIAL GAP (25 POINTS):</u>

A maximum of 25 points awarded per $1.00 in financial gap.

OCRA GAP CALCULATION

1. Grant Amount Requested	____________
2. Debt Coverage Factor (assume 25%)	____________
3. Total Funds Needed (multiply line 1 by 1.25)	____________
4. Amortization Constant (4.5% APR)	____.00633__
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 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. <u>This amount added to the actual rates anticipated with OCRA grant funds will give you the rates needed "without OCRA grant funds".</u>

<u>POINTS REDUCTION POLICY:</u>

It is the policy of OCRA not to fund more than one phase or component of a single project type in different funding rounds. This applies to all project types, although it is particularly relevant to utility projects. If a community needs to phase a project in order to complete it, they should consider which phase would be most appropriate for CDBG assistance. Even if a community doesn't intentionally phase a project, OCRA will take into account previously awarded projects for the same project type. A Community that has previously been awarded a grant for the same project type will likely not be competitive and will be subject to the follow point reduction.

0 – 7 years since previous funding – 50pts

Example:
Community submits and receives a CDBG award for a new water tower in 2015. When applying for a project consisting of replacing water lines in 2018, they would be subject to a point reduction of 50pts. In 2020 they would be subject to a point reduction of 25pts. In 2021 they would have no point reduction.

GRANT EVALUATION CRITERIA
600 POINTS TOTAL

Blight Clearance Program (BCP) clearance/demotion applications are accepted in a single competitive round. All applications must achieve a minimum score of 360 points to be eligible for award.

COMMUNITY DISTRESS FACTORS (175 POINTS):

Various factors are used to determine the distress of a community. IOCRA has partnered with Stats Indiana, an Indiana University entity to analyze and calculate the distress of Indiana's small cities, towns, counties and townships. Factors used to calculate the Community Distress points used for CDBG scoring include:

Percentage of Households with Income under Poverty Level
Median Household Income
Percent of Housing Units that are Vacant

Median Home Value

Unemployment Rate

Labor Force Participation

Local government scores, which are updated and published annually, can be found at: www.stats.indiana.edu.

LOCAL MATCH CONTRIBUTION (50 POINTS):

A maximum of 50 points based on the percentage of local funds devoted to the project. This total is determined as follows:

Total Match Points = % Eligible Local Match X 1

The points total is capped at 50 points or 50% match, i.e., a project with 50% match or greater will receive 50 points. Below 50% match, the formula calculation will apply.

Eligible local match can be local cash, debt or in-kind sources. Federal, state, and local government grants are 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, Grant Services Division approximately 2 weeks prior to application submission (deadline will be announced each round).

PROJECT DESIGN FACTORS (300 POINTS):

300 points maximum awarded according to the evaluation in three areas:

Project Description – is the project clearly defined as to determine eligibility? – 50 points
Project Need - is the community need for this project clearly documented? – 125 points
Financial Impact - why is grant assistance necessary to complete this project? – 125 points

The points in these categories are awarded by the OCRA review team when evaluating the projects**. Applicants should address all Project Development Issues associated with their**

project type. Applicants should work with their OCRA community liaison to identify ways to increase their project's scores in these areas.

IFA REGISTRY (25 POINTS):

A maximum of 25 points awarded for projects listed on the IFA Brownfield registry (IFA program site number) which indicates prior involvement of the Indiana Brownfield Program.

SITE DEVELOPMENT PLAN (50 POINTS):

A maximum of 50 points will be awarded for projects that have a site development plan for the future use of the Brownfield site.

POINTS REDUCTION POLICY:

It is the policy of OCRA not to fund more than one phase or component of a single project type in different funding rounds. This applies to all project types, although it is particularly relevant to utility projects. If a community needs to phase a project in order to complete it, they should consider which phase would be most appropriate for CDBG assistance. Even if a community doesn't intentionally phase a project, OCRA will take into account previously awarded projects for the same project type. A Community that has previously been awarded a grant for the same project type will likely not be competitive and will be subject to the follow point reduction. This applies to all project types, although it is particularly relevant to utility projects.

0 – 7 years since previous funding – 50pts

GRANT EVALUATION CRITERIA
700 POINTS TOTAL

Public Facilities Program (PFP) applications must achieve a minimum score of 420 points to be eligible for award.

NATIONAL OBJECTIVE SCORE (100 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.

National Objective = Benefit to Low- and Moderate-Income Persons: 100 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:

National Objective Score = % Low/Mod Beneficiaries

The point total is capped at 100 points or 100% low/moderate beneficiaries, i.e., a project with 100% or greater low/moderate beneficiaries will receive 100 points. Below 100% benefit to low/moderate-income persons, the formula calculation will apply.

COMMUNITY DISTRESS FACTORS (175 POINTS):

Various factors are used to determine the distress of a community. IOCRA has partnered with Stats Indiana, an Indiana University entity to analyze and calculate the distress of Indiana's small cities, towns, counties and townships. Factors used to calculate the Community Distress points used for CDBG scoring include:

Percentage of Households with Income under Poverty Level
Median Household Income
Percent of Housing Units that are Vacant

Median Home Value

Unemployment Rate

Labor Force Participation

Local government scores, which are updated and published annually, can be found at: www.stats.indiana.edu.

LOCAL MATCH CONTRIBUTION (50 POINTS):

A maximum of 50 points based on the percentage of local funds devoted to the project. This total is determined as follows:

Total Match Points = % Eligible Local Match X 1

The points total is capped at 50 points or 50% match, i.e., a project with 50% match or greater will receive 50 points. Below 50% match, the formula calculation will apply.

Eligible local match can be local cash, debt or in-kind sources. Federal, state, and local government grants are 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, Grant Services

Division approximately 2 weeks prior to application submission (deadline will be announced each round).

PROJECT DESIGN FACTORS (300 POINTS):

300 points maximum awarded according to the evaluation in three areas:

Project Description – is the project clearly defined as to determine eligibility? – 50 points
Project Need - is the community need for this project clearly documented? – 125 points
Financial Impact - why is grant assistance necessary to complete this project? – 125 points

The points in these categories are awarded by the OCRA review team when evaluating the projects**. Applicants should address all Project Development Issues associated with their project type.** Applicants should work with their OCRA community liaison to identify ways to increase their project's scores in these areas.

LEVERAGING PHILANTHROPIC CAPITAL (25 POINTS):

Points are assigned based on Philanthropic contribution as a percentage of total project costs.

1- ½ %	0 pts
½ - 1%	10 pts
1-1½%	15 pts
1 ½ -2%	20 pts
2%+	25 pts

COMMUNITY FACILITY PHILANTHROPIC FUND (50 POINTS):

A maximum of 50 points for the establishment of a (or documentation of existing) permanent Community Facility Philanthropic Fund, to be used for ongoing operation and maintenance activities.

0 points – under $3,000 philanthropic fund
25 points - $3,000-$5,000 philanthropic fund
50 points - $5,000 or higher philanthropic fund

POINTS REDUCTION POLICY:

It is the policy of OCRA not to fund more than one phase or component of a single project type in different funding rounds. This applies to all project types, although it is particularly relevant to utility projects. If a community needs to phase a project in order to complete it, they should consider which phase would be most appropriate for CDBG assistance. Even if a community doesn't intentionally phase a project, OCRA will take into account previously awarded projects for the same project type. A Community that has previously been awarded a grant for the same project type will likely not be competitive and will be subject to the follow point reduction. This applies to all project types, although it is particularly relevant to utility projects.

0 – 7 years since previous funding – 50pts

Example:
Community submits and receives a PFP award for a new library in 2015. When applying for the construction of a library addition in 2019, they would be subject to a point reduction of 50pts. In 2021 they would be subject to a point reduction of 25pts. In 2022 they would have no point reduction.

GRANT EVALUATION CRITERIA
700 POINTS TOTAL

Stormwater Improvements Program (SIP) applications must achieve a minimum score of 420 points to be eligible for award.

NATIONAL OBJECTIVE SCORE (100 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.

National Objective = Benefit to Low- and Moderate-Income Persons: 100 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:

National Objective Score = % Low/Mod Beneficiaries

The point total is capped at 100 points or 100% low/moderate beneficiaries, i.e., a project with 100% or greater low/moderate beneficiaries will receive 100 points. Below 100% benefit to low/moderate-income persons, the formula calculation will apply.

COMMUNITY DISTRESS FACTORS (175 POINTS):

Various factors are used to determine the distress of a community. IOCRA has partnered with Stats Indiana, an Indiana University entity to analyze and calculate the distress of Indiana's small cities, towns, counties and townships. Factors used to calculate the Community Distress points used for CDBG scoring include:

Percentage of Households with Income under Poverty Level
Median Household Income
Percent of Housing Units that are Vacant

Median Home Value

Unemployment Rate

Labor Force Participation

Local government scores, which are updated and published annually, can be found at: www.stats.indiana.edu.

LOCAL MATCH CONTRIBUTION (75 POINTS):

A maximum of 75 points based on the percentage of local funds devoted to the project. This total is determined as follows:

Total Match Points = % Eligible Local Match X 1

The points total is capped at 75 points or 75% match, i.e., a project with 75% match or greater will receive 75 points. Below 75% match, the formula calculation will apply.

Eligible local match can be local cash, debt or in-kind sources. Federal, state, and local government grants are 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, Grant Services Division approximately 2 weeks prior to application submission (deadline will be announced each round).

PROJECT DESIGN FACTORS (300 POINTS):

300 points maximum awarded according to the evaluation in three areas:

Project Description – is the project clearly defined as to determine eligibility? – 50 points
Project Need - is the community need for this project clearly documented? – 125 points
Financial Impact - why is grant assistance necessary to complete this project? – 125 points

The points in these categories are awarded by the OCRA review team when evaluating the projects**. Applicants should address all Project Development Issues associated with their project type.** Applicants should work with their OCRA community liaison to identify ways to increase their project's scores in these areas.

SUSTAINABILITY (50 POINTS):

A maximum of 50 points for the establishment of, or documentation of existing sustainability plan for the ongoing operation and maintenance activities of the stormwater system.

0 points – under $3 monthly stormwater utility user rate
25 points – $3-$5 monthly stormwater utility user rate
50 points - $5 or higher monthly stormwater utility user rate

POINTS REDUCTION POLICY:

It is the policy of OCRA not to fund more than one phase or component of a single project type in different funding rounds. This applies to all project types, although it is particularly relevant to utility projects. If a community needs to phase a project in order to complete it, they should consider which phase would be most appropriate for CDBG assistance. Even if a community doesn't intentionally phase a project, OCRA will take into account previously awarded projects for the same project type. A Community that has previously been awarded a grant for the same project type will likely not be competitive and will be subject to the follow point reduction.

0 – 7 years since previous funding – 50pts

Example:
Community submits and receives a SIP award for a stormwater system project in 2015. When applying for a SIP project in 2018, they would be subject to a point reduction of 50pts. In 2020 they would be subject to a point reduction of 25pts. In 2021 they would have no point reduction.

GRANT EVALUATION CRITERIA

Workforce Development Program (WDP) applications will be reviewed for funding availability based on the evaluation criteria below:

- Program Design;
  - What is your project completion timeline?
  - What is the estimated enrollment in trainings per calendar year? What is the estimated completion of trainings per calendar year? What is the estimated number of jobs created/retained?
  - Can any survey results, studies, community input, or other data be cited to explain the need?
  - What are the conditions of the existing facility (if applicable)? Please attach color pictures with captions of current conditions. If the program will not take place in a set facility, where will the training occur?
  - Please provide documentation of the training and all other activities for the program(s).
  - Explain any staff and/or volunteer efforts for the program (i.e., is certification required)?
  - How will the program be marketed? Who is the target clientele? How will eligibility be determined? What is the screening process for applications?
  - Describe the strategy for job placement assistance.
  - What is strategy for sustaining the program?
- Local Economic Conditions;
  - What brought this project to the forefront? Who will be served (reference map as applicable)?
  - Are there any other organizations doing similar training? If so, where are they?
  - If this is the expansion of a current program, describe the expansion (i.e., new service, extended service, additional target clientele, etc.)
- Financial Impact; and
  - Attach Cash & Investments Combined Statement, Tax Sheet, and Clerk/Treasurer's breakdown of Debt Report
  - Attach Sub-recipient Financials (if applicable): financials and 5 year pro-forma
  - Explain all financial options investigated. Explain why this program is the best option for this project. Please explain the local match package.
  - Explain all fund balances for the applicant and the sub-recipient.
- Local Effort.
  - Who are the partners/organizations committed to providing programs and services? A partnership agreement from all outside agencies is required along with the organization's mission statement and key staff resumes.
  - Explain all previous efforts to address this issue
- Local Match Contribution
  - What resources are being contributed to the program? Where is the local match coming from?
  - Eligible local match can be local cash, debt or in-kind sources. Federal, state, and local government grants are considered eligible match.
  - In-kind sources may provide eligible local match for the project. Use of in-kind donations as eligible match requires approval from the Indiana Office of Community and Rural Affairs, State CDBG Director <u>approximately 2 weeks prior to application submission.</u>

CITIZEN PARTICIPATION PLAN
INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS (STATE)

The State of Indiana, Office of Community and Rural Affairs, pursuant to 24 CFR 91.115, 24 CFR 570.431 and 24 CFR 570.485(a) wishes to encourage maximum feasible opportunities for citizens and units of general local government to provide input and comments as to its Methods of Distribution set forth in the Office of Community and Rural Affairs' annual Consolidated Plan for CDBG funds submitted to HUD as well as the Office of Community and Rural Affairs' overall administration of the State's Small Cities Community Development Block Grant (CDBG) Program. In this regard, the Office of Community and Rural Affairs will perform the following:

1. Require each unit of general local government to comply with citizen participation requirements for such governmental units as specified under 24 CFR 570.486(a), to include the requirements for accessibility to information/records and to furnish citizens with information as to proposed CDBG funding assistance as set forth under 24 CFR 570.486(a)(3), provide technical assistance to representatives of low-and-moderate income groups, conduct a minimum of two (2) public hearings on proposed projects to be assisted by CDBG funding, such hearings being accessible to handicapped persons, provide citizens with reasonable advance notice and the opportunity to comment on proposed projects as set forth in Title 5-3-1 of Indiana Code, and provide interested parties with addresses, telephone numbers and times for submitting grievances and complaints.

2. Consult with local elected officials and the Office of Community and Rural Affairs Grant Administrator Networking Group in the development of the Method of distribution set forth in the State's Consolidated Plan for CDBG funding submitted to HUD.

3. Publish a proposed or "draft" Consolidated Plan and afford citizens and units of general local government the opportunity to comment thereon.

4. Furnish citizens and units of general local government with information concerning the amount of CDBG funds available for proposed community development and housing activities and the range/amount of funding to be used for these activities.

5. Hold one (1) or more public hearings respective to the State's proposed/draft Consolidated Plan, on amendments thereto, duly advertised in newspapers of general circulation in major population areas statewide pursuant to I.C. 5-3-1-2 (B), to obtain the views of citizens on proposed community development and housing needs. The Consolidated Plan Committee published the enclosed legal advertisement to thirteen (13) regional newspapers of general circulation statewide respective to the public hearings held on the 2015 Consolidated Plan. In addition, this notice was distributed by email to over 1,000 local officials, non-profit entities, and interested parties statewide in an effort to maximize citizen participation in the FY 2015 consolidated planning process:

The Republic, Columbus, IN
The Corydon Democrat and Clarian News, Corydon, IN
Indianapolis Star, Indianapolis, IN
The Journal-Gazette, Fort Wayne, IN
The Salem Leader and Salem Democrat, Salem, IN
Scott County Journal, Scottsburg, IN
The News and Tribune, Jeffersonville, IN
The Chronicle-Tribune, Wabash, IN
Gary Post Tribune, Gary, IN
Tribune Star, Terre Haute, IN
Journal & Courier, Lafayette, IN
Evansville Courier, Evansville, IN
South Bend Tribune, South Bend, IN
Palladium-Item, Richmond, IN
The Times, Munster, IN
The Star Press, Muncie, IN

6. Provide citizens and units of general local government with reasonable and timely access to records regarding the past and proposed use of CDBG funds.

7. Make the Consolidated Plan available to the public at the time it is submitted to HUD, and;

8. Follow the process and procedures outlined in items 2 through 7 above with respect to any amendments to a given annual CDBG Consolidated Plan and/or submission of the Consolidated Plan to HUD.

In addition, the State also will solicit comments from citizens and units of general local government on its CDBG Performance Review submitted annually to the U.S. Department of Housing and Urban Developments (HUD). Prior to its submission of the Review to HUD, the State will advertise regionally statewide (pursuant to I.C. 5-3-1) in newspapers of general circulation soliciting comments on the Performance and Evaluation Report.

The State will respond within thirty (30) days to inquiries and complaints received from citizens and, as appropriate, prepare written responses to comments, inquiries or complaints received from such citizens.

IHCDA CDBG and CDBG-D OOR Application Policy

Part 1: Application Process

1.1 Overview

The purpose of the CDBG Owner-Occupied Rehabilitation and Repair Program is to provide subsidies in the form of grants to selected applicants for the rehabilitation of owner-occupied housing for low to moderate-income people. Through this program, IHCDA seeks to improve the quality of the existing housing stock in Indiana.

This program is designed to allocate Community Development Block Grant funds to be used for Owner-Occupied Repair ("OOR") among selected applicants who have projects that meet IHCDA's requirements and goals for the program:

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 with the activity upon receipt of the award.
4. Propose to revitalize existing neighborhoods, preferably through a comprehensive approach (i.e. as part of a published and adopted community revitalization plan).
5. Propose projects that promote aging in place strategies for seniors, families with seniors, and persons with disabilities.
6. Propose projects that promote healthy family strategies for families with children under the age of 18.
7. Propose projects that are energy-efficient and are of the highest quality attainable within a reasonable cost structure.
8. Propose the use of Minority Business Enterprise and/or Women-Owned Business Enterprise and Indiana contractors, employees, and products when applicants are planning and undertaking housing activities.

1.2 Funding Round Timelines

Note: This is an anticipated schedule and is subject to change or extension.

Fiscal Year 2015 Round:

Application Webinar	May, 2015
Application Due Date	July 31, 2015
Award Announcements	October 22, 2015

1.3 Application Webinar

An application webinar will be conducted prior to each application deadline. During the webinar, the IHCDA Real Estate Production Department staff will describe the requirements of the OOR program, threshold and scoring criteria, how to complete the required forms, and how to utilize the FTP site. **Local**

2015 CDBG AND CDBG-D OOR APPLICATION POLICY

Units of Government and Not-for-Profit entities intending to apply are required to attend the Application Webinar.

1.4 Technical Assistance

The applicant may, but is not required, to schedule a technical assistance meeting with its regional IHCDA Real Estate Production Analyst to discuss both the proposed project and IHCDA's application process. Technical assistance may be required at IHCDA's discretion if the applicant does not have experience with IHCDA awards or if past performance was poor. Applicants are urged to contact their Real Estate Production Analyst early in the planning process to obtain guidance and technical assistance.

1.5 Application Submission

The applicant must submit the following items to IHCDA's Real Estate Department Coordinator:

- Via FTP site:
  - One completed copy of the final application forms
  - All supporting documents required in the tabs
- Via hard copy:
  - One completed copy of the final application forms with original signatures

All required application items are due no later than 5:00 p.m. Eastern Standard Time, on or before the due date. Applications received after the deadline will be returned to the applicant via certified mail. Faxed applications will not be accepted.

Instructions on how to utilize the FTP site will be explained during the Application Webinar. The hard copy of the final application forms should be sent to:

Indiana Housing and Community Development Authority
ATTN: Real Estate Department Coordinator
RE: CDBG and CDBG-D OOR Application
30 South Meridian Street, Suite 1000
Indianapolis, IN 46204

All applicants must retain a copy of this application package for their records. Applicants that receive funding will be bound by the information contained herein.

IHCDA will send an email confirmation to the applicant contact within one week of submission notifying the applicant of receipt by IHCDA. Please notify the Real Estate Department Coordinator if the applicant would like to add an additional contact person for communications regarding the 2015 CDBG and CDBG-D OOR Application.

1.6 Application Review

Each application must address only one project. Applications are reviewed in a three-step process:

Step One - Completeness	On or before the application deadline, the applicant must provide all required documents, signatures and attachments.
Step Two - Threshold	The application must meet each of the applicable threshold criteria.
Step Three - Scoring	Applications that pass the completeness and threshold reviews are then scored according to IHCDA's published scoring criteria. IHCDA will release a preliminary score sheet to allow applicants an opportunity to provide feedback as to where supporting documentation might be located within the application file or provide clarification regarding any formulas used to calculate points. Please note that IHCDA will not allow any new scoring documentation to be submitted after the initial application has been submitted.

After threshold and scoring review, IHDCA staff may contact an applicant to request clarification of information contained in the pending application. The applicant will have the opportunity to respond on or before the due date provided by IHCDA. If the applicant does not respond to the clarification request and therefore threshold and/or scoring item(s) are still in question, the application will be disqualified. Additionally, aapplications may have no more than three outstanding threshold and/or scoring clarifications after the second review or the application will be disqualified. Points will be awarded to those applications where no clarifications are required.

Funded applications will be announced at the published IHCDA Board Meeting date. Confirmation letters and score sheets will be uploaded to the FTP site by the close of business on the day of the Board Meeting. Applications that are not funded will be notified by IHCDA via a denial letter and score sheets being uploaded to the FTP site by the close of business on the day of the Board Meeting. Applications not funded will **not** be rolled over into the next funding round.

1.7 Minimum Score Requirement

An application must score at least 60 points to be considered for funding.

1.8 CDBG & HOME Program Manual 3rd Edition

The CDBG & HOME Program Manual outlines the requirements for administering IHCDA's CDBG awards. A complete copy of the CDBG & HOME Program Manual is available on IHCDA's website at this location: http://www.in.gov/myihcda/files/CDBG_and_HOME_Program_Manual_3rd_Edition.pdf

1.9 Award Compliance Trainings

IHCDA will offer a training to explain the various aspects of the regulatory requirements for administering the award. Topics covered will include funds management, required record keeping, and forms and reports that must be submitted to IHCDA. In addition, IHCDA staff will be available to provide one-on-one award trainings upon request. All new applicants, and those who have had difficulty administering awards in the past, are strongly encouraged to take advantage of these trainings.

Part 2: Eligible Applicants

2.1 Eligible Applicants

Community Development Block Grant (CDBG)	Cities, Town, and Counties (Non-CDBG Entitlement Community)	Community Housing Development Organization (CHDO)	501(c)3 and 501(c)4 Not-for-Profit Organizations	Joint Venture Partnerships	For Profit Entities organized under the State of Indiana
Owner-Occupied Rehabilitation	✓	Not eligible.	Not eligible.	Not eligible.	Not eligible.
Community Development Block Grant Disaster (CDBG-D)	Cities, Town, and Counties (Non-CDBG Entitlement Community)	Community Housing Development Organization (CHDO)	501(c)3 and 501(c)4 Not-for-Profit Organizations	Joint Venture Partnerships	For Profit Entities organized under the State of Indiana
Owner-Occupied Rehabilitation	✓	Not eligible.	✓	Not eligible.	Not eligible.

CDBG OOR Funds

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, and/or townships are encouraged to participate in activities as sub-recipients 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	Indianapolis**	LaPorte	New Albany
Bloomington	Elkhart	Goshen	Kokomo	Michigan City	South Bend
Columbus	Evansville	Hamilton County*	Lafayette	Mishawaka	Terre Haute
	Fort Wayne	Hammond	Lake County	Muncie	West Lafayette

*The Town of Sheridan is excluded when the housing activity is outside of Hamilton County. The Town of Arcadia is excluded.

**Excluding the Marion County Cities of Beech Grove, Lawrence, Speedway, and Southport. The Town of Cumberland is excluded when the housing activity is located outside of Marion County.

CDBG Disaster OOR Funds

Eligible applicants include not-for-profit 501(c)3 or 501(c)4 organizations, cities, towns, or counties that are located in Indiana, whose proposed activities are consistent with the State's HUD-approved Disaster Plan and are NOT located in the one of the following ineligible CDBG Disaster (CDBG-D) counties:

Blackford	Clinton	Delaware	Howard	Lagrange
Miami	Steuben	Tipton	Warren	Wells

2.2 Ineligible Applicants

IHCDA reserves the right to disqualify from funding any application that has either an applicant, a subrecipient, administrator, preparer or related party of any of the aforementioned that has a history of disregarding the policies, procedures, or staff directives associated with administering any program through IHCDA. This also applies to programs administered by any other State, Federal, or affordable housing entities, including but not limited to the Indiana Office of Community and Rural Affairs, the U.S. Department of Housing and Urban Development ("HUD"), the U.S. Department of Agriculture - Rural Development, or the Federal Home Loan Bank.

Additionally, any entity currently on IHCDA's suspension or debarment list is ineligible to submit an application. IHCDA's Suspension and Debarment Policy can be found in the CDBG & HOME Program Manual Chapter 17.

2.3 Religious and Faith-Based Organizations

i. Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the OOR program. Neither the Federal Government nor a State or local government receiving funds under the OOR program shall discriminate against an organization on the basis of the organization's religious character or affiliation. Recipients and subrecipients of program funds shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.

ii. Beneficiaries. In providing services supported in whole or in part with federal financial assistance, and in their outreach activities related to such services, program participants shall not discriminate against current or prospective program beneficiaries on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.

iii. Separation of explicitly religious activities. Recipients and subrecipients of OOR program funds that engage in explicitly religious activities, including activities that involve overt religious content such as worship, religious instruction, or proselytization, must perform such activities and offer such services outside of programs that are supported with federal financial assistance separately, in time or location, from the programs or services funded under this part, and participation in any such explicitly religious activities must be voluntary for the program beneficiaries of the HUD-funded programs or services.

iv. Religious identity. A faith-based organization that is a recipient or subrecipient of OOR program funds is eligible to use such funds as provided under the regulations of this part without impairing its independence, autonomy, expression of religious beliefs, or religious character. Such organization will retain its independence from federal, State, and local government, and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct program funds to support or engage in any explicitly religious activities, including activities that involve overt religious content, such as worship, religious instruction, or proselytization, or any manner prohibited by law. Among other things, faith-based organizations may use space in their facilities to provide program-funded services, without removing or altering religious art, icons, scriptures, or other religious symbols. In addition, a OOR program-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

v. Alternative provider. If a program participant or prospective program participant of the OOR program supported by HUD objects to the religious character of an organization that provides services under the program, that organization shall, within a reasonably prompt time after the objection, undertake reasonable efforts to identify and refer the program participant to an alternative provider to which the prospective program participant has no objection. Except for services provided by telephone, the Internet, or similar means, the referral must be to an alternate provider in reasonable geographic proximity to the organization making the referral. In making the referral, the organization shall comply with applicable privacy laws and regulations. Recipients and subrecipients shall document any objections from program participants and prospective program participants and any efforts to refer such participants to alternative providers in accordance with the requirements of §92.508(a)(2)(xiii). Recipients shall ensure that all subrecipient agreements make organizations receiving program funds aware of these requirements.

vi. Structures. Program funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for explicitly religious activities. Program funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. When a structure is used for both eligible and explicitly religious activities, program funds may not exceed the cost of those portions of the acquisition, new construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to the OOR program. Sanctuaries, chapels, or other rooms that a OOR program-funded religious congregation uses as its principal place of worship, however, are ineligible for OOR program-funded improvements. Disposition of real property after the term of the grant, or any change in the use of the property during the term of the grant, is subject to government wide regulations governing real property disposition (see 24 CFR parts 84 and 85).

vii. Supplemental funds. If a State or local government voluntarily contributes its own funds to supplement federally funded activities, the State or local government has the option to segregate the federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.

Part 3: Eligible Activities & Program Requirements

3.1 Eligible Activities

This program seeks to have a long-term impact on the availability and quality of the affordable housing stock in Indiana. The program is intended for the rehabilitation of owner-occupied housing.

- To be eligible for owner-occupied repair (OOR), the homeowner beneficiary must be low-income and must occupy the property as a principal residence. A household owns a property if that household:
  - Has fee simple title to the property; or
  - Maintains a 99-year leasehold interest in the property; or
  - Owns a condominium; or
  - Owns or has a membership in a cooperative or mutual housing project that constitutes homeownership under state law; or
  - A life estate, if the person who has the life estate has the right to live in the housing for the remainder of his or her life and does not pay rent.
  - Ownership **does not** include life estates (unless meeting the criteria listed above) and land contracts/contracts for deeds.
- Eligible repairs
  - Minor repairs which can include (but are not limited to) an inoperable or faulty furnace, leaking roof, unsafe electrical wiring and plumbing, hazardous structural conditions, etc.
  - Any major household system repaired or replaced as part of the rehabilitation process must meet the stricter of the Indiana State Building Code or local building codes.
  - Funds may be used to remedy conditions that, while not posing an immediate threat to health and safety, represent an ongoing threat to the structural integrity of a building and may eventually result in an emergency situation.
    - Owner Occupied Repairs are subject to a repair Priority List (see CDBG & HOME program manual) when determining scope of work.
- Rehabilitation of owner-occupied manufactured homes. Manufactured homes are eligible if they meet IHCDA's Manufactured Housing Policy or if rehabilitation will bring the unit up to these standards:
  - A single dwelling unit designed and built in a factory, installed as a permanent residence, which bears a seal certifying that it was built in compliance with the Federal Manufactured Housing Construction and Safety Standards law and which also complies with the following specifications:
    - Shall have been constructed after January 1, 1981, and must exceed nine hundred and fifty (950) square feet of occupied space per I.C. 36-7-4-1106 (d);
    - Is attached to a permanent foundation of masonry construction and has a permanent perimeter enclosure constructed in accordance with the One and Two Family Dwelling Code;
    - Has wheels, axles and towing chassis removed;
    - Has a pitched roof;
    - Consists of two (2) or more sections which, when joined, have a minimum dimension of 20' X 47.5' enclosing occupied space; and

- Is located on land held by the beneficiary in fee-simple title or 99-year leasehold and is the principal residence of the beneficiary.
- All other manufactured or mobile homes that do not meet the aforementioned criteria are ineligible to receive rehabilitation assistance funded by IHCDA.

3.2 Ineligible Activities

Eligible housing activities **do not** include:

- Creation of secondary housing attached to a primary unit;
- Acquisition, rehabilitation, or construction of nursing homes, convalescent homes, hospitals, residential treatment facilities, correctional facilities, or student dormitories;
- The provision of project-based tenant rental assistance;
- Rehabilitation of mobile homes, unless they meet the criteria listed above;
- Acquisition, rehabilitation, or new construction if any part of a project or its land is located within the boundaries of a one hundred (100)-year floodplain. A flood determination must be provided for each parcel associated with the project; and
- Rehabilitation of multi-family or single-family rental housing.

IHCDA **does not** fund:

- Requests from individuals, political, social, or fraternal organizations;
- Endowments, special events, arts, or international projects;
- Scholarships requested by individuals;
- Institutions that discriminate on the basis of race, color, national origin, sex, religion, familial status, disability, sexual orientation, or gender identity in policy or in practice;
- Projects in furtherance of sectarian religious activities, impermissible lobbying, legislative or political activities; and
- Medical research or medical profit-making enterprises.

3.3 OOR Program Requirements

The proposed OOR project must follow these minimum requirements, and all other requirements set forth in the CDBG & HOME Program Manual, to be eligible for funding. For further details on each requirement, please see IHCDA's CDBG & HOME Program Manual. The link and the appropriate chapters are included.

CDBG AND CDBG-D REQUIREMENTS

- Recipients must comply with all regulatory requirements listed in 24 CFR Part 570.
- The homeowner beneficiary must be income eligible. Each household must have an annual income equal to or less than 80% of the area median family income for the target area. The HUD Part 5 definition of income applies. (IHCDA CDBG & HOME Program Manual, Income Verification Chapter 8)
- Income verification is valid for a period of six months. If more than six months pass between income verification and contract execution a new income verification must be completed. (IHCDA CDBG & HOME Program Manual, Income Verification Chapter 8)
- The homeowner beneficiary must own the property and must occupy the property as a principal residence. (IHCDA CDBG & HOME Program Manual, Policy Requirements Chapter 1)

  - If there is a long-term lease agreement on the property, a 99-year lease must be recorded in the county recorder's office of the county in which the property is located prior to award document preparation.
  - Ownership does not include life estates and land contracts/contracts for deeds.
- All IHCDA-assisted units must be inspected twice during the award period. The first inspection, by a licensed, or IHCDA approved, third party building inspector, will occur at the completion of the documented scope of work and prior to the IHCDA Inspector's final physical inspection. The final inspection conducted by an IHCDA inspector must be done following the independent inspection, upon completion of construction on each unit and correction of any findings from the first inspection. (IHCDA CDBG & HOME Program Manual, Construction Standards & Physical Inspections Chapter 14)
- Provide a minimum of two (2) public hearings, each at a different stage of the process, for the purpose of obtaining citizens' input and responding to proposals and questions. (IHCDA CDBG & HOME Program Manual, Policy Requirements Chapter 1)
- The match/leverage requirement for both the CDBG and CDBG-D programs is ten percent (10%) of the total amount of CDBG or CDBG-D funds drawn minus administration costs. (IHCDA CDBG & HOME Program Manual, Policy Requirements Chapter 1)
- All applicants are required to complete the environmental review record (ERR) and submit it, in hardcopy, with application submission as an application Threshold item. The resulting IHCDA Release of Funds is required before fully executed award documents are released and before proceeding with the project. (IHCDA CDBG & HOME Program Manual, Environmental Review Chapter 11). For more information, contact the IHCDA Design and Construction Review Manager.
- Award recipients will be required to provide proof of adequate builder's risk insurance, property insurance, and/or contractor liability insurance during construction and property insurance following construction for the assisted property throughout the affordability period of the award. Additionally, owner-occupied rehabilitation program regulations require that adequate property insurance be maintained throughout the affordability period. (IHCDA CDBG & HOME Program Manual, Procurement Procedures Chapter 10)
- The recipient must follow competitive procurement procedures when procuring all materials, supplies, equipment, and construction or professional services related to the CDBG award. (IHCDA CDBG & HOME Program Manual, Procurement Procedures Chapter 10)
- Each recipient of a CDBG award is subject to the HUD requirements of addressing lead-based paint hazards pursuant to 24 CFR Part 35. If a risk assessment is required, then all lead-based paint issues must be addressed. (IHCDA CDBG & HOME Program Manual, Lead Based Paint Chapter 2)
- Each recipient of a CDBG award is subject to the requirements of the Uniform Relocation Act. See the IHCDA's CDBG & HOME Program Manual Chapter 4 on URA for guidance on the regulatory requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended, the Federal regulations at 49 CFR Part 24, and the requirements of Section 104(d) of Title I of the Housing and Community Development Act of 1974, as amended.
- Every recipient must demonstrate that it will complete an action to affirmatively further fair housing during the time frame of an award. (IHCDA CDBG & HOME Program Manual, Fair Housing and Civil Rights Chapter 5.)

- Recipients receiving $200,000 or more in construction funding from all CPD programs (i.e. CDBG, HOME, NSP, HOPWA, ESG, etc.) in a program year must comply with the Section 3 requirements. Section 3 provides preference to low- and very-low-income residents of the local community (regardless of race or gender) and the businesses that substantially employ these persons, for new employment, training, and contracting opportunities resulting from HUD-funded projects. (IHCDA CDBG & HOME Program Manual, Section 3 Chapter 7)
- Persons who, as a result of national origin, do not speak English as their primary language and who have limited ability to speak, read, write, or understand English ("limited English proficient persons" or "LEP") may be entitled to language assistance under Title VI in order to receive a particular service, benefit, or encounter. In accordance with Title VI of the Civil Rights Act of 1964 (Title VI) and its implementing regulations, the recipient must agree to take reasonable steps to ensure meaningful access to activities funded by federal funds by LEP persons. Any of the following actions could constitute "reasonable steps", depending on the circumstances: acquiring translators to translate vital documents, advertisements, or notices, acquiring interpreters for face to face interviews with LEP persons, placing advertisements and notices in newspapers that serve LEP persons, partnering with other organizations that serve LEP populations to provide interpretation, translation, or dissemination of information regarding the project, hiring bilingual employees or volunteers for outreach and intake activities, contracting with a telephone line interpreter service, etc.

CDBG-D SPECIFIC REQUIREMENTS

- Each homeowner beneficiary assisted with CDBG-D funds must execute a Duplication of Benefits Affidavit ("Affidavit"). A copy of this affidavit must be attached to the applicant's award agreement with IHCDA as Appendix A. This Affidavit must be maintained in the applicant's client files.

3.4 Affordability Requirements

All CDBG and CDBG-D subsidies must be secured throughout the affordability period by a recorded lien and restrictive covenant agreement created by IHCDA. The affordability period begins on the date the activity is completed. To be considered completed, the project must be completed, completion and close out documents submitted and approved, final monitoring is completed and, when any findings or concerns are resolved, all of the funds are drawn and/or de-obligated. During the affordability period the home must remain the owner's principal place of residency. (IHCDA CDBG & HOME Program Manual, Lien and Restrictive Covenants & Affordability Requirements Chapter 15)

The following Affordability Periods apply to both CDBG & CDBG-D activities:

Amount of CDBG or CDBG-D subsidy per unit:	Affordability Period
Under $5,000	1 year
$5,000.01 - $10,000	2 years
Over $10,000.	3 years

- If the homebuyer no longer utilizes the property as its principal residence during the affordability period described above, the amount to be recaptured is a prorated amount of the subsidy. The proration shall be based on the length of time the homebuyer has occupied the property as its principal residence in relation to the Affordability Period. However, if the homeowner sells the property to another a low-income family that will use the property as its principal residence throughout the remainder of the affordability period, the homeowner will not be required to repay the funds. The term "low income family" shall mean a family whose gross annual income does not exceed eighty percent (80%) of the median family income for the geographic area published annually by HUD.. The recipient must execute a lien and restrictive covenant prepared by IHCDA. The recipient must use the lien and restrictive covenant agreement contained in the award package for each particular award. **The recipient may not use old liens from previous awards.** The recipient is ultimately responsible for repaying IHCDA any CDBG or CDBG-D funds invested into any unit that does not meet the affordability requirements throughout the Affordability Period. The Affordability Period is based upon the total amount of CDBG or CDBG-D funds invested into the unit as shown in the chart above. (IHCDA CDBG & HOME Program Manual, Lien and Restrictive Covenants & Affordability Requirements Chapter 15).

Part 4: Subsidy Limitations & Eligible Activity Costs

4.1 Subsidy & Budget Limitations

The maximum request amount per application is $350,000.

CDBG and CDBG-D funds may not exceed $25,000 per unit for the rehab budget line item.

Combined CDBG and CDBG-D funds budgeted for program delivery, award administration, and environmental review cannot exceed twenty percent (20%) of the CDBG award.

4.2 Eligible Activity Costs

The bolded items listed below are included in the application budget. The requirements set forth in Sections 4.3 – 4.9 apply to both CDBG and CDBG-D funding. If you have a question about which line item an expense goes under, contact your IHCDA Real Estate Production Analyst.

4.3 RETAINAGE POLICY - IHCDA will hold the final $5,000.00 of an award until the completion reports, match documentation, and closeout documentation has been received and approved. Closeout documentation will not be approved until the final monitoring and final inspection have been completed and all findings and/or concerns associated with them have been resolved.

4.4 REHABILITATION – Eligible costs include:

- Hard costs associated with rehabilitation activities for owner-occupied repairs. Examples of eligible repairs are an inoperable or faulty furnace, leaking roof, unsafe electrical wiring and plumbing, hazardous structural conditions, etc.
- Lead-based paint interim controls and abatement costs.
- Mold remediation.
- Utility connections and related infrastructure costs - off-site connections from the property line to the adjacent street are eligible when it is deemed a threat to health and safety.
- Improvements to infrastructure when there will be no rehabilitation work done on the actual house to be served.

4.5 PROGRAM DELIVERY - Program delivery costs are those costs that can be directly tracked by address. They include soft costs and client-related costs that are reasonable and necessary for the implementation and completion of the proposed activity. This line item along with administration and environmental review cannot exceed twenty percent (20%) of the CDBG request. Recipients are allowed to draw down this line item as costs are incurred.

Eligible costs include:

- Engineering/Architectural Plans
- Credit reports
- Client in-take / Income verification
- Plans, specifications, work write-ups
- Title Searches
- Impact fees
- Inspections
- Cost estimates
- Building permits
- Recording fees

- Demolition permits
- Travel to and from the site
- Legal and accounting fees

4.6 RELOCATION - This includes relocation payments and other relocation assistance for permanently and/or temporarily relocated individuals, families, businesses, nonprofit organizations, and farm operations where assistance is required and appropriate. Relocation payments include replacement housing payments, payments for moving expenses, and payments for reasonable out-of-pocket expenses for temporary relocation purposes. For additional information on relocation and displacement, please refer to the information provided in the IHCDA's CDBG & HOME Program Manual.

4.7 LEAD HAZARD TESTING – Costs associated with lead hazard testing includes Risk Assessment, Clearance Test, etc. The limits for this line item are $1,000.00 per unit.

4.8 ADMINISTRATION - The administration line item includes those costs directly related to administering the IHCDA award and complying with the regulations associated with these funds. This line item along with program delivery and environmental review cannot exceed twenty percent (20%) of the CDBG request and generally is between $5,000 and $10,000. Recipients are allowed to draw down this line item as costs are incurred. Costs associated with preparing an application for funding through IHCDA are not eligible for reimbursement through a CDBG award.

Eligible costs include:

- Postage
- Office materials and supplies
- Photocopying
- Office rent and utilities
- Travel related to the housing activity
- Communication costs
- Lead based paint training
- Staff time or professional services related to reporting, compliance, monitoring, or financial management
- Training related to the housing activity

4.9 ENVIRONMENTAL REVIEW – This line item includes expenses associated with the Environmental Review Release of Funds process. This does not refer to a Phase I Environmental Assessment. Those expenses should be included in the Program Delivery line item. This line item along with program delivery and administration cannot exceed twenty percent (20%) of the CDBG request. Eligible costs for this line item are generally between $2,000 and $5,000 and include professional services, publication costs, photocopying, and postage. For further information regarding this activity, please read the Environmental Review Guide found in Chapter 11 of the IHCDA CDBG & HOME Program Manual or contact the IHCDA Design and Construction Review Manager.

4.10 Ineligible Activity Costs

- Commercial development costs - CDBG awards cannot be used to underwrite any portion of commercial development costs.
- Replacement Reserves – Funds used to initially capitalize a reserve fund used for major capital repairs to a permanent supportive or rental housing facility. These funds cannot be applied to a CDBG award. These funds can be capitalized either through operating cash flow or through the development budget on the Uses of Funds exhibit.

- Operating Reserves – Funds used to initially capitalize a reserve fund that covers operating expenses when there are rental income shortfalls over the life of a permanent supportive or rental development. This line item must be included on the Uses of Funds exhibit. These funds cannot be applied to a CDBG award.
- Developer's Fee – CDBG funds cannot be used to pay developer's fees.
- Costs associated with preparing an application for funding through IHCDA.
- Purchase or installation of luxury items, such as swimming pools or hot tubs.
- Purchase or installation of equipment, furnishings, tools, or other personal property that is not an integral structural feature, such as window air conditioner units or washers and dryers.
- Purchase or installation of stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners.
- Providing tenant based rental assistance.
- Mortgage default/delinquency correction or avoidance.
- Loan guarantees.
- Annual contributions for operation of public housing.
- Costs associated with any financial audit of the recipient.

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Part 5: Completeness & Threshold Criteria

Each proposed project must satisfy the Federal requirements of the CDBG OOR program and any additional requirements established by IHCDA. To be considered for funding, an applicant must meet all of the criteria listed below.

5.1 Completeness

Timeliness – All documentation must be turned in by the application due date.

i. On or before the application deadline, the applicant must provide all documentation as instructed in this Application Policy as well as required documentation listed in the CDBG and CDBG-D OOR Application Forms.

ii. If IHCDA requests additional information from the applicant, all requests are due on or before the date provided by IHCDA staff.

Any forms that are late will be denied review and will be sent back to the applicant.

Responsiveness – All questions must be answered and all supporting documentation must be provided.

i. The applicant must provide all documentation as requested (i.e. uploaded or hard copies, labeled correctly, etc.)

ii. Required pages with original signatures.

5.2 Threshold

All documentation must be issued/dated within six months of the Application deadline. A Threshold checklist can be found in the CDBG and CDBG-D OOR Application forms.

1) Feasibility
   - Turn in the CDBG and CDBG-D OOR Application and supporting documents via the FTP site and send one original copy of the signed application forms to IHCDA in a complete and timely fashion.
   - Completed Environmental Review
     i) Submit completed Environmental Review forms. Instructions and forms can be found in Chapter 11 of the IHCDA Compliance Manual, here: http://www.in.gov/myihcda/2490.htm
     ii) A floodplain determination must be submitted for each parcel.
   - Project Narrative – answer questions describing your project found in the Narrative Tab in the application forms.
   - Sources and Uses – Complete the following:
     i) Sources and Uses tab in the application forms.
     ii) Submit supporting documentation in Tab E, including any:
        (1) Signed letters of commitment with funding terms and amounts, dated within six months of application due date.
        (2) Supporting documentation for in-kind donations to demonstrate value.
   - Budget – Complete budget tab in the application forms.

2) Eligibility

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- Not for Profit Corporations
  i) Provide proof the organization is in good standing. Submit a copy of the Certificate of Existence from the Indiana Secretary of State that is no more than six months old.
  ii) If the proposed project previously received any funding directly from FEMA or the Army Corps of Engineers submit an originally signed Duplication of Benefits from, in the Duplication of Benefits Tab within the application forms.

3) Notifications
- Application Cover Page in application forms - Submit a copy of the System of Award Management (SAM) registration in Tab A. https://www.sam.gov/portal/SAM/#1
- Application Summary Tab in application forms – Turn in Letter from Highest Elected Official in Tab C if a Not for Profit.
- Application Summary Tab in application forms - If project received funding directly from HUD or Rural Development, the applicant must send a notification letter to the appropriate HUD or Rural Development Office. Provide a copy of the letter along with proof of sending in Tab E.

4) Development Requirements
- All other development funding must be committed prior to submitting an application for HOME funding to IHCDA. Fill out the Sources and Uses tab in the application forms. Submit any required supporting documentation in Tab E.
- Commit to assist households at or below eighty percent (80%) of the Area Median Income for the County. Answer question 9 in the Application Summary Tab in the application forms.
- Match Requirement - The match requirement for the CDBG and CDBG-D OOR program is 10% of the total amount of CDBG or CDBG-D OOR funds requested minus administration costs. Match must be committed prior to submitting an application for CDBG OOR funding to IHCDA and to pass threshold review. Provide the following:
  i) Turn in the Match Spreadsheet in Tab E.
  ii) Fill out Leverage tab in application forms.
  iii) Submit supporting documentation in Tab E.

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Part 6: Scoring

If an application meets all applicable requirements, it will be evaluated and scored based on:

Scoring Category	Points Possible
Project Characteristics	43
Readiness	10
Capacity	30
Financing	10
Completeness Bonus	5
Total Possible Points	**98**

When there is a scoring criteria based on the county being served and there are multiple counties, the applicant should add up the scores from each county and average them, rounding to the nearest whole number.

6.1 Project Characteristics Category Maximum PointsPossible:43

There are 43 total possible points for this scoring category, which describes the proposed OOR project. The points can be achieved through the following sub-categories: Constituency Served, Targeted Population, Comprehensive Community Development, and Services.

1) *Constituency Served* *Maximum Number of Points: 8*
   If the development commits to servings beneficiaries in IHCDA-assisted units with maximum incomes lower than required by the CDBG and CDBG-D program and maintains housing costs at affordable rates, points will be awarded in accordance with the following chart. Percentages are of the area median income (AMI) for the county in which the development is to be located. There is a maximum of eight points in this category, and therefore points cannot be combined by serving different AMI levels. In order to get maximum points for a percentage of population served, the project needs to commit to the percentages listed in the chart below at the designated AMI levels. Awarded recipients will be held to the unit commitment in their award agreement. Changes to the AMI levels will require prior IHCDA approval.

Constituency Served	Points
20% of Population served at or below 30% AMI	8
30% of Population served at or below 40% AMI	6
40% of Population served at or below 50% AMI	4

2) *Targeted Populations* *Maximum Number of Points: 10*
   Points will be awarded to applicants that target populations with special housing needs in accordance with the following charts. A project may address only one targeted population in one OOR project and therefore may receive a maximum of ten points in this category. Details of the target populations can be found within this section. Specific definitions can be found in the Glossary.

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Target Population: Aging in Place	Points
50% - 100% of Population served 55 and Older and/or Disabled	10
Below 50% of Population served 55 and Older and/or Disabled	0

Aging in Place (AIP) refers to making our living environment safe and adaptable so that everyone can remain independent and continue to thrive in their homes and community even as circumstances change. Therefore AIP not only refers to elderly persons but also to persons with physical and mental disabilities.

In order to receive points for AIP, OOR projects must satisfy the following criteria:

- Households will qualify for the AIP target population if there is at least one elderly person living in the home or if there is at least one physically or mentally disabled person living in the home.
- The modifications made to the home with IHCDA OOR funding must be for accessibility, livability, and visitability.

Target Population: Families with Children	Points
50% - 100% of Population served is Families with Children	10
Below 50% of Population served is Families with Children	0

3) *Comprehensive Community Development* *Maximum Number of Points: 13*

Projects with a Comprehensive Community Development focus are a part of a broader, more complete approach to area improvement. These projects have the capability of contributing to fundamental change within the targeted area. Points will be awarded to applicants whose projects contribute to the revitalization of existing areas.

In order to score points in this category, applicants will submit a Comprehensive Community Development Plan. Specific points will be awarded based on the chart below. <u>Note that if a plan does not meet the first two requirements, Role of Housing and Implementation Date, then the plan will not qualify for any points in this category.</u>

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	1 Point	2 Points	3 Points	Required Documentation
Role of Housing *	• Plan makes reference to Housing as a goal	• Plan makes reference to Housing as a goal • Plan Specifically makes reference to the creation or need for affordable housing or the IHCDA CDBG OOR program	• Plan makes reference to Housing as a goal • Plan Specifically makes reference to the creation or need for affordable housing or the IHCDA CDBG OOR program • Plan provides evidence as to how the project is part of a larger revitalization effort	Page numbers of the plan making reference to: • Role of Housing • Reference to the creation or need for affordable housing or IHCDA CDBG OOR program • Part of a larger revitalization effort • Narrative about efforts leading to the creation of the plan
Implementation Date *	Plan was created/adopted between 9 -15 years ago	Plan was created/adopted between 4 - 8 years ago	Plan was created/adopted between 0 - 3 years ago	Submit electronic copy of entire completed plan with date of creation or adoption • Include page number of date of plan and/or adoption documentation
Target Area	Project targets a region or county, the region or county is referenced in the plan	Project targets a city or town, the city or town is referenced in the plan	Project targets a neighborhood or specific area, the neighborhood or specific area is referenced in the plan	-Submit a scaled map of the target area that includes the project area and clearly labeled boundaries and specific site(s) with a map key labeling the site address(es). Attach in Tab F.

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Plan Components	Plan includes only one of the below components: • Implementation measures along with specific, current, and ongoing time frames for achievement • An evaluation of current area conditions •Public/community participation and narrative about efforts leading to the creation of the plan	Plan includes two of the below components: • Implementation measures along with specific, current, and ongoing time frames for achievement • An evaluation of current area conditions •Public/community participation and narrative about efforts leading to the creation of the plan	Plan includes all of the below components: • Implementation measures along with specific, current, and ongoing time frames for achievement • An evaluation of current area conditions •Public/community participation and narrative about efforts leading to the creation of the plan	Page numbers of the plan making reference to: •Implementation measures • Current area conditions • Public participation • Narrative about efforts leading to the creation of the plan
Adoption of the Plan	Plan has been adopted by the highest Local Unit of Government			Submit a copy of the resolution by the Local Unit of government adopting the plan. Attach in Tab F

*The comprehensive plan must score in the "Role of Housing" and the "Implementation Date" categories in order to be considered for subsequent point categories.

In order to receive points under the Comprehensive Community Development scoring sub-category, *the applicant must submit the following in Tab F*:

- An explanation of how this project is part of a larger revitalization effort should be provided within the Project Narrative section of the application. The applicant should include information regarding the targeted scope, a plan for the revitalization efforts, revitalization efforts already completed or underway, local support for this and other projects in the target area, funding commitments, what the intended impact is and how this impact will be measured, etc.
- All other required documentation that must be submitted in order to receive points in this category is indicated in red font in the chart directly above. Page numbers in the application are required in order to receive points.
- Target Area- Submit a scaled map that includes the project area boundaries and the specific site(s) with a map key labeling the site address(es). Clearly label the boundaries and indicate the size of the target area. Attach in Tab F.
- Evidence of Adoption- Submit a copy of the resolution by the Local Unit of government adopting the plan. Attach in Tab F.

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The following will not be considered for points as eligible plans for this category: short-term work plans, consolidated plans, municipal zoning plans, or land use plans, plans that are older than fifteen years old and plans that do not reflect the current target area conditions.

4) *Services* *Maximum Number of Points: 12*
Points will be awarded to applicants whose projects contribute to the overall quality of life for the beneficiaries of the proposed OOR project. Points will be awarded based on the chart below.

Level of Services	Points Possible
Level 1 Services: Up to three services at one point each.	3
Level 2 Services: Up to three services at two points each.	6
Level 3 Services: Up to four services at three points each.	12

In order to receive points for this scoring category, the applicant must submit in Tab G:

- **One** Form A: Homeowner Investment Plan Matrix listing all services for the entire proposed OOR program (found at the end of this Application Package);
- Form B: Homeowner Investment Plan Matrix for **each** service provider with original or a copy of originalsignatures (found at the end of this Application Package);

6.2 Readiness Category Maximum Points Possible: 10

This category describes the applicant's ability to begin and timely execute an awarded project.

1) *Client Intake* *Maximum Number of Points: 10*
Points will be awarded to applicants that have already begun the client intake process, according to the chart below. Client intake means that potential clients have been identified, are interested in participating in the OOR program, and are income verified.

% of Assisted Units	Points
25 - 50% of the units	6
51 - 75% of the units	8
76 - 100% of the units	10

In order to receive points in this category, the applicant must submit:

- *Form D: Client Intake List in Tab H.*

6.3 Capacity Category Maximum Points Possible: 30

This category evaluates the applicant's ability to successfully carry out the proposed OOR project based on trainings, certifications and/or experience in housing or community development. .

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1) *Trainings and Certifications* *Maximum Number of Points: 10*
Points will be awarded for a member of the development team, applicant, sub-recipient or administrator staff who has completed a housing or community development related training an Owner Occupied Repair related training and/or a related certification. Five points will be awarded for the Current CDBG Grant Administration Certification, the HOME & CDBG Certification training, the Certified Aging-in-Place Specialist Certification and the Home Sweet Home: Modifications for Aging in Place certification. Two and a half points will be awarded for all other certifications. One point will be awarded for a housing or community development related training and two points will be awarded for all trainings that focus specifically on Owner Occupied Repair.

- Please consult the list below for applicable trainings and certifications. If you do not see a training or certification you have received on the list that you believe would be relevant, please consult with your Analyst.
- Points will be awarded for all individuals that make up the development team, applicant, sub-recipient, or administrator staff who have completed the appropriate trainings and certifications, even if multiple people have received the same training/certification.
- **Required** IHCDA Compliance Trainings, IHCDA Application/policy webinars, IHCDA application/policy trainings and/or IHCDA feedback sessions do not count for points in this category.

Attach copies of the training and/or certification completion documentation or confirmation of attendance in Tab I.

Trainings:	
Housing or Community Development Related Training	1 point for each training
Owner Occupied Repair specific training	2 points for each training
Certifications:	
Project Development Training	2.5 points; Indiana Association for Economic Development (IACED)
Housing Development Finance Professional	2.5 points; National Development Council (NDC)
Community and Neighborhood Revitalization Certificate	2.5 points; NeighborWorks America
Bank of America Neighborhood Builder® Leadership Program	2.5 points; The Center for Leadership Innovation
Certified Aging-in-Place Specialist	5 points; National Association of Home Builders (NAHB)
Home Sweet Home: Modifications for Aging in	5 points; University of Indianapolis/Indiana

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Place	Housing and Community Development Authority
Current CDBG Grant Administration Certification	5 points; Office of Community and Rural Affairs, State of Indiana
Certified Green Professional	2.5 points; National Association of Home Builders (NAHB)
LEED Professional	2.5 points; U.S. Green Building Council (USGBC)
HOME & CDBG Certification Training	5 points; Indiana Housing and Community Development Authority (IHCDA)

2) *Experience* *Maximum Number of Points:* *5*

Three (3) points will be awarded if the applicant has successful experience administering an IHCDA OOR award in the past five years or if the applicant has five or more years in the housing or community development industry. In order to qualify for points, the awards must be closed out. Please list the award number(s) in the application forms.

Experience	Points
Applicant with experience administering an IHCDA OOR award in the past five (5) years with no findings upon monitoring. **OR** Applicant has five (5) or more years of experience in the housing or community development industry.	3 points

One (1) point will be awarded for each member of the sub-recipient or administrator staff with successful experience in administering an IHCDA OOR award in the past five years or if a member of the sub-recipient or administrator staff has five or more years in the housing or community development industry. In order to qualify for points, the awards must be closed out. Please list the award number(s) in the application forms. Up to two (2) total points possible.

Experience	Points
Sub-recipient or administrator staff member with experience administering an IHCDA OOR award in the past five (5) years with no findings upon monitoring. **OR** Sub-recipient or administrator staff has five (5) or more years of experience in the housing or community development industry.	1 point for each sub-recipient or administrator staff member, up to 2 points total

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3) *Overall IHCDA Award Performance of the Applicant* *Maximum Number of Points: 10*
Points will be awarded to an applicant where the applicant has not had any monitoring findings for all IHCDA awards in the past three years. This includes any closed and current IHCDA awards. Please list the IHCDA award number(s) in the application forms. Current is defined as an award that is completed and monitored but not yet closed out.

Description of Overall Award Performance	Points
Most recent (closed or current) IHCDA OOR award had no findings and no concerns. Award must be from within the last three (3) years.	10
Most recent (closed or current) IHCDA OOR award had no findings, but concerns were noted. Award must be from within the last three (3) years.	8
Most recent (closed or current) IHCDA OOR award had only one finding. Award must be from within the last three (3) years. **OR** No IHCDA OOR experience, but previous IHCDA award (different activity) had no findings and no concerns. Award must be from within the last three (3) years.	6
No IHCDA OOR experience; previous IHCDA award (different activity) had no findings, but concerns were noted. Award must be from within the last three (3) years.	4
No IHCDA OOR experience; previous IHCDA award (different activity) had only one finding. Award must be from within the last three (3) years.	2
Does not meet any category above. Examples: • More than one finding on previous award. • No award from within the last three (3) years. • No previous experience with IHCDA.	0

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4) *Timely Expenditure of Funds* *Maximum Number of Points:* 5

Points will be awarded to an applicant that has expended their most recent award funds by the award expiration date without requesting award extensions.

The award must be an IHCDA HOME or an IHCDA CDBG award that is either closed or a current award in the monitoring phase. The award must be from within the past three (3) years. Current is defined as an award that is completed and monitored but not yet closed out. List the award number in the application form.

Award Length	Points
Most recent IHCDA HOME or IHCDA CDBG award completed by the award expiration date. Awards must be from within the last three years. Awards must be closed or a current award in the monitoring phase.	5 points

6.4 Financing — Category Maximum Points Possible: 10

1) *Public Participation* *Maximum Number of Points:* 5

Points will be awarded to applicants whose proposed project has received a firm commitment of other public funds. A "firm commitment" means that the funding does not require any further approvals. "Public funds" include federal, state, or local government funds. This can include funds awarded from other federal or state agencies, the Federal Home Loan Bank**,** or waivers resulting in quantifiable cost savings that are not required by federal or state law.

- Banked shared match is excluded from this category.

Points will be awarded based on the Amount of Public Participation Funding/Total Project Costs:

% of Total Development Cost	Point(s)
.50% to .99%	1
1.00% to 1.99%	2
2.00% to 2.99%	3
3.00% to 3.99%	3.5
4.00% to 4.99%	4
Greater than 5.00%	5

In order to qualify for points in this category the applicant must submit in Tab E a letter from the appropriate authorized official approving the funds. The letter must include (a) a description of the type of approved funding for the proposed project and (b) the amount of funding.

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2) *Leveraging of Other Sources* *Maximum Number of Points: 5*

Points will be awarded to applicants whose proposed project has received a firm commitment to leverage other funding sources. A “firm commitment” means that the funding does not require any further approvals. “Other funding sources” include (but are not limited to) private funding, funds from a local community foundation, donations, etc.

- Banked shared match is excluded from this category.

Points will be awarded based on the amount of Other Funding Sources Leveraged/Total Project Costs:

% of Sources	Point(s)
.50% to .99%	1
1.00% to 1.99%	2
2.00% to 2.99%	3
3.00% to 3.99%	3.5
4.00% to 4.99%	4
Greater than 5.00%	5

In order to qualify for points in this category the applicant must submit in Tab E a letter from the appropriate authorized official approving the funds. The letter must include (a) a description of the type of approved funding for the proposed project and (b) the amount of funding.

Bonus **Category Maximum Points Possible: 5**

The applicant will receive 5 bonus points for answering all questions and turning in all required threshold and scoring documentation. Threshold documentation includes all scoring support documentation.

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Glossary of Terms

Below are definitions for commonly used terminology found throughout the CDBG and CDBG-D OOR Application policy and forms and applicable to the OOR program.

Administrator: A procured entity that will assist carrying out the OOR program.

Area Agency on Aging: Area Agencies on Aging (AAAs) deliver services to older adults and people with disabilities of any age and their caregivers. They provide Information about resources and service providers, assess needs for service, make referrals to case managers, link to services, monitor consumer satisfaction and adjust services to meet changing needs. Learn more on their association website at www.iaaa.org

Aging in Place: Making a living environment safe and adaptable so that everyone can remain independent and continue to thrive in their homes and community even as circumstances change.

Beneficiary: The household or unit that received homeowner repair work as a result of the OOR grant.

CAPS: Certified Aging in Place Specialist (CAPS) is a certification offered by the National Association of Home Builders (NAHB). As defined by the NAHB: The CAPS designation program teaches the technical, business management, and customer service skills essential to competing in the fastest growing segment of the residential remodeling industry: home modifications for the aging-in-place. More information is available on NAHB's website at www.nahb.org.

CDBG: The Community Development Block Grant (CDBG) program is a federally funded program that provides states and communities with resources to address a wide range of unique community development needs. The CDBG program provides annual grants on a formula basis to 1209 general units of local government and States. The Indiana Housing and Community Development Authority (IHCDA) is a State Administered CDBG program. The IHCDA allocates awards in the form of grants to Local Units of Government that carry out CDBG OOR projects.

Children: Children are defined as those persons ages 18 years of age or younger. The child must reside in the home that will benefit from the OOR program.

Comprehensive Community Development: Every community strives to be a place where people choose to live, work, and play. Comprehensive development means that a community's potential lies in the identification and creation of a shared vision, planned by local leadership, and carried out by an array of partners. When successful, it yields results beyond what can be achieved by individual organizations or disparate programs because of the unique synergy they generate. A thriving community is a community with job opportunities, strong schools, safe neighborhoods, a full range of housing choices, and a vibrant culture. Comprehensive development marshals resources and deploys coordinated strategies in a concentrated area to create opportunities for others in the community to take prudent risks and reap the rewards. The demolition of blighted structures, the rehabilitation of long-vacant housing and the creation of new community amenities and retail opportunities serve as a tipping point for future development through market forces.

Disabled: The Fair Housing Act defines disability as a person who has/is:

- A physical or mental impairment which substantially limits one or more of such person's major life activities; or
- A record of having such an impairment; or
- Is regarded as having such an impairment, but such term does not include current, illegal use of or addiction to a controlled substance (as defined in section 102 of the Controlled Substances Act).

Elderly: A person 55 years of age or older. This target population category also includes families with a person living in their home that is 55 years of age or older and modifications to the home are needed so this person may age in place in the home benefitting from the OOR program with the family.

Energize Indiana: Energizing Indiana is a united effort by the Indiana Office of Utility Consumer Counselor (OUCC), participating utilities, and consumer organizations to offer comprehensive energy efficiency programs that bring savings to communities across the state. With programs for homes, schools, businesses and commercial facilities, Energizing Indiana provides the education and tools you need to improve efficiency and conserve energy. Learn more about this effort on their website at www.energizingindiana.com

Entitlement Community: The CDBG entitlement program allocates annual grants to larger cities and urban counties to develop viable communities by providing decent housing, a suitable living environment, and opportunities to expand economic opportunities, principally for low- and moderate-income persons.
IHCDA: Indiana Housing and Community Development Authority

Income Limits: Maximum incomes as published by HUD for projects giving the maximum Income Limits per unit for beneficiary (30%, 40%, 50%, 60% and 80% of median) units.

Inspection: A scheduled visit made by an Inspector to the households units that received IHCDA CDBG OOR grant dollars. All IHCDA-assisted households/units that have received CDBG and CDBG-D must be inspected twice during the award period. The first inspection will occur at the completion of the documented scope of work and prior to the IHCDA Inspector's final physical inspection. The second inspection will be conducted upon completion of the construction for the award. The IHCDA Inspector will conduct the physical inspections.

Leverage: Ten percent (10%) minimum contribution to the Community Development Block Grant program. Refer to the CDBG and HOME Program Manual for a list of eligible and ineligible sources of leverage. The leverage requirement is based on a percentage of the award amount less administration and environmental review costs.

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Median Income: A determination made through statistical methods establishing a middle point for determining Income Limits. Median is the amount that divides the distribution into two equal groups, one group having income above the median and one group having income below the median.

MOU: A Memorandum of Understanding (MOU) is a document describing a bilateral or multilateral agreement between two or more parties.

Narrative: A written description by the applicant that describes the application question and generally supports the need of the project.

OOR: Owner-Occupied Rehabilitation

Project: The CDBG OOR activity proposed in the application.

Part 1: Application Process

1.1 Overview

The purpose of this application is to provide subsidies in the form of grants and loans to selected applicants for the acquisition, rehabilitation and/or new construction of rental housing for low and moderate-income people. Through this program, IHCDA seeks to improve the quality of existing housing stock in Indiana.

This program is designed to allocate HOME Investment Partnership Program (HOME) funds to be used for the rehabilitation and/or new construction of single family homes or rental housing among selected applicants having projects that meet the requirements of the program and IHCDA's goals for the program.

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 with the activity upon receipt of the award.
4. Propose to revitalize existing neighborhoods, preferably through a comprehensive approach (i.e. as part of a published and approved community revitalization plan).
5. Propose projects that promote aging-in-place strategies for seniors, persons with disabilities, and families with seniors or persons with disabilities.
6. Propose projects that are energy-efficient and are of the highest quality attainable within a reasonable cost structure.
7. Propose the use of state certified Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Federal Disadvantaged Business Enterprise (DBE) Participation, Veteran-Owned Small Business (VOSB), and/or Service Disabled Veteran Owned Small Business (SDVOSB) contractors, employees, and products when applicants are planning and undertaking their housing activities.

1.2 Funding Round Timeline

Note: This is an anticipated schedule and is subject to change or extension.

Application Available / Round Begins	March 6, 2015
Application Webinar	April 2015
Application Due Date	June 5, 2015
Award Announcements	August 27, 2015

1.3 Application Webinar

An application webinar will be conducted prior to the application deadline. During the webinar, the IHCDA Real Estate Production Department staff will describe the requirements of the HOME program, threshold and scoring criteria, how to complete the required forms and how to utilize the FTP site. Local Units of Government and Not-for-Profit entities intending to apply are *strongly encouraged* to attend.

1.4 Technical Assistance

The applicant may, but is not required, to schedule a technical assistance meeting with its regional IHCDA Real Estate Production Analyst to discuss both the proposed project and IHCDA's application process. Applicants are urged to contact their Real Estate Production Analyst early in the planning process to obtain guidance and technical assistance.

1.5 Application Submission
The applicant must submit the following items to IHCDA's Real Estate Department Coordinator:

- Via FTP site:
  - One completed copy of the HOME application forms.
  - All supporting documents required in the tabs. Please submit this information as separate, labeled PDF documents under the required labeled tabs. Do not send one PDF containing all of the supporting documentation.
- Via hard copy:
  - One completed copy of the final application forms with original signatures.

All required application items are due no later than 5:00 p.m. Eastern Standard time on or before the due date. Applications received after the deadline will be returned to the applicant via certified mail. Faxed applications will not be accepted.

Instructions on how to utilize the FTP site will be explained during the Application Webinar. The hard copy of the final application forms should be sent to:

Indiana Housing and Community Development Authority
ATTN: Real Estate Department Coordinator
RE: HOME Application
30 South Meridian Street, Suite 1000
Indianapolis, IN 46204

All applicants must retain a copy of this application package. Applicants that receive funding will be bound by the information contained herein.

IHCDA will send an email confirmation to the applicant contact within one week of submission notifying the applicant that the application was received by IHCDA. Please notify Dani Miller at danmiller@ihcda.in.gov if the applicant would like to add an additional contact person for communications regarding its application.

Application Review
Each application must address only one project. Applications are reviewed in a three-step process:

Step One - Completeness	On or before the application deadline, the applicant must provide all required documents, signatures and attachments.
Step Two - Threshold	The application must meet each of the applicable threshold criteria. After initial threshold review, IHDCA staff may contact an applicant to request clarification of threshold information contained in the pending application. The applicant will have the opportunity to respond on or before the due date provided by IHCDA. If the applicant does not respond to the threshold clarification letter and therefore threshold item(s) are still in question, the application will be disqualified. Applications may have no more than three outstanding clarifications after the second review or the application

will be disqualified. Points will be awarded to those applications where no clarifications are required.

<u>Step Three</u> - Scoring

Applications that pass the completeness and threshold reviews are then scored according to IHCDA's published scoring criteria. After initial score review, IHCDA staff may contact the applicant for further clarification of a scoring item. Failure to respond to the requested scoring clarification items by the due date and in the manner requested may result in application denial. Supporting documentation for scoring categories will not have the opportunity to be submitted after the initial application submission.

Funded applications will be announced at the published IHCDA Board Meeting date. Confirmation letters and score sheets will be uploaded to the FTP site by the close of business on the day of the Board Meeting. Applications that are not funded will be notified by IHCDA via a denial letter and score sheets being uploaded to the FTP site by the close of business on the day of the Board Meeting. Applications not funded will not be rolled over into the next funding round.

Rental and homebuyer developments will compete in the same round but will complete separate applications. For purposes of funding, projects will be considered under a rental or homebuyer set-aside. The amount available for each activity has been prescribed in IHCDA's Consolidated Plan.

1.6 Minimum Score Requirement

An application must score at least 75 points to be considered for funding.

1.7 CDBG & HOME Award Compliance Manual

The IHCDA CDBG & HOME Program Award Compliance Manual (the "Compliance Manual") outlines the requirements for administering IHCDA's HOME awards. In addition, recipients of funding for rental projects should also refer to the *Federal Programs Ongoing Rental Compliance Manual* for information about compliance during the affordability period. Complete copies of both compliance manuals are available on IHCDA's HOME program webpage.

1.8 Award Compliance Trainings

In an effort to continuously improve the capacity of our partners carrying out the HOME program, IHCDA will require HOME recipients to attend a series of free HOME technical assistance trainings during the 24-month HOME award period. The trainings will be conducted by a third-party and will explain the various aspects of the regulatory requirements for administering the award. In addition, IHCDA staff will be available to provide one-on-one award trainings upon request.

Part 2: Eligible Applicants

2.1 Eligible Applicants

HOME Investment Partnerships Program (HOME)	Cities, Town, and Counties (Non-HOME Participating Jurisdiction)	Community Housing Development Organizations (CHDO)	501(c)3 and 501(c)4 Not-for-Profit Organizations and PHAs	Joint Venture Partnerships	For Profit Entities organized under the State of Indiana
Rental Housing Rehabilitation	✓	✓	✓	✓	Not eligible
Acquisition and Rental Housing Rehabilitation	✓	✓	✓	✓	Not eligible
Rental Housing New Construction	✓	✓	✓	✓	Not eligible

Eligible applicants include cities, towns, or counties that are located within Indiana but outside of the following participating jurisdictions. Applications from, or housing activities located within, the following participating jurisdictions are NOT eligible for HOME funds:

Anderson	Gary	Muncie
Bloomington	Hammond	South Bend Consortium***
East Chicago	Indianapolis*	Terre Haute
Evansville	Lake County	
Fort Wayne	Lafayette Consortium**	

*Excluding the Marion County Cities of Beech Grove, Lawrence, Speedway, and Southport. The Town of Cumberland is excluded when the housing activity is outside of Marion County.

**Lafayette Consortium is made up of the Cities of Lafayette and West Lafayette and the unincorporated areas of Tippecanoe County. Other incorporated areas are eligible to receive assistance.

***South Bend Consortium is made up of the Cities of South Bend and Mishawaka and the unincorporated areas of St. Joseph County. Other incorporated areas are eligible to receive assistance.

2.2 Ineligible Applicants

Per 24 CFR 92.214 (a)(4) HOME funds may not be invested in public housing projects.

IHCDA reserves the right to disqualify from funding any application that has either an applicant, sub-recipient, administrator, preparer or related parties of any of the aforementioned has a history of disregarding the policies, procedures, or staff directives associated with administering any program administered by IHCDA or programs administered by any other State, Federal, or affordable housing entities, including but not limited to the Indiana Office of Community and Rural Affairs, the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Agriculture - Rural Development, or the Federal Home Loan Bank.

Additionally, any entity currently on IHCDA's suspension or debarment list is ineligible to submit an application. IHCDA's Suspension and Debarment Policy can be found in the Compliance Manual Chapter 17.

2.3 Religious and Faith-Based Organizations

- *Equal treatment of program participants and program beneficiaries.* (1) *Program participants.* Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in HOME program. Neither the Federal Government nor a State or local government receiving funds under the HOME program shall discriminate against an organization on the basis of the organization's religious character or affiliation. Recipients and subrecipients of program funds shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.
- *Beneficiaries.* In providing services supported in whole or in part with federal financial assistance, and in their outreach activities related to such services, program participants shall not discriminate against current or prospective program beneficiaries on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.
- Separation of explicitly religious activities. Recipients and subrecipients of HOME program funds that engage in explicitly religious activities, including activities that involve overt religious content such as worship, religious instruction, or proselytization, must perform such activities and offer such services outside of programs that are supported with federal financial assistance separately, in time or location, from the programs or services funded under this part, and participation in any such explicitly religious activities must be voluntary for the program beneficiaries of the HUD-funded programs or services.
- Religious identity. A faith-based organization that is a recipient or subrecipient of HOME program funds is eligible to use such funds as provided under the regulations of this part without impairing its independence, autonomy, expression of religious beliefs, or religious character. Such organization will retain its independence from federal, State, and local government, and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct program funds to support or engage in any explicitly religious activities, including activities that involve overt religious content, such as worship, religious instruction, or proselytization, or any manner prohibited by law. Among other things, faith-based organizations may use space in their facilities to provide program-funded services, without removing or altering religious art, icons, scriptures, or other religious symbols. In addition, a HOME program-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.
- Alternative provider. If a program participant or prospective program participant of the HOME program supported by HUD objects to the religious character of an organization that provides services under the program, that organization shall, within a reasonably prompt time after the objection, undertake reasonable efforts to identify and refer the program participant to an alternative provider to which the prospective program participant has no objection. Except for services provided by telephone, the Internet, or similar means, the referral must be to an alternate provider in reasonable geographic proximity to the organization making the referral. In making the referral, the organization shall comply with applicable privacy laws and regulations.

Recipients and subrecipients shall document any objections from program participants and prospective program participants and any efforts to refer such participants to alternative providers in accordance with the requirements of §92.508(a)(2)(xiii). Recipients shall ensure that all subrecipient agreements make organizations receiving program funds aware of these requirements.

- Structures. Program funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for explicitly religious activities. Program funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. When a structure is used for both eligible and explicitly religious activities, program funds may not exceed the cost of those portions of the acquisition, new construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to the HOME program. Sanctuaries, chapels, or other rooms that a HOME program-funded religious congregation uses as its principal place of worship, however, are ineligible for HOME program-funded improvements. Disposition of real property after the term of the grant, or any change in the use of the property during the term of the grant, is subject to government wide regulations governing real property disposition (see 24 CFR parts 84 and 85).
- Supplemental funds. If a State or local government voluntarily contributes its own funds to supplement federally funded activities, the State or local government has the option to segregate the federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.

Part 3: Eligible Activities & HOME Program Requirements

3.1 Eligible Activities

This program is intended to have a long-term impact on the availability and quality of the affordable housing stock in Indiana. The program is intended for the rehabilitation and/or new construction of rental housing. Acquisition only is not an eligible activity; however acquisition in conjunction with another activity is permitted.

- Rehabilitation, new construction and acquisition/rehabilitation or acquisition/new construction of rental housing in the form of traditional apartments, single room occupancy units (SROs) or single family housing.
  - SRO housing consists of single room dwelling units that are the primary residence of the occupant(s). If the activity consists of new construction, conversion of non-residential space, or reconstruction, then SRO units must contain both food prep and sanitary facilities). For activities involving acquisition or rehabilitation of an existing residential structure, neither kitchen nor bathroom facilities are required to be in each unit. However, if individual units do not contain bathroom facilities, the building must contain bathroom facilities that are shared by tenants. SRO housing does not include facilities for students.
- If HOME funds are used for acquisition of vacant land or demolition in conjunction with another activity, then construction must commence within twelve (12) months of the demolition or acquisition.
- Manufactured homes are eligible if they meet IHCDA's Manufactured Housing Policy or if rehabilitation will bring the unit up to these standards:
  - A single dwelling unit designed and built in a factory, installed as a permanent residence, which bears a seal certifying that it was built in compliance with the Federal Manufactured Housing Construction and Safety Standards law and which also complies with the following specifications:
    - Shall have been constructed after January 1, 1981, and must exceed nine hundred fifty (950) square feet of occupied space per I.C. 36-7-4-1106 (d);
    - Is attached to a permanent foundation of masonry construction and has a permanent perimeter enclosure constructed in accordance with the One and Two Family Dwelling Code;
    - Has wheels, axles and towing chassis removed;
    - Has a pitched roof;
    - Consists of two (2) or more sections which, when joined, have a minimum dimension of 20' X 47.5' enclosing occupied space; and
    - Is located on land held by the beneficiary in fee-simple title or 99-year leasehold and is the principal residence of the beneficiary.
    - All other manufactured or mobile homes that do not meet the aforementioned criteria are ineligible to receive rehabilitation assistance funded by IHCDA.

3.2 Ineligible Activities

Eligible housing activities **do not** include:

- Per 24 CFR 92.214 (a)(4) HOME funds may not be invested in public housing projects.
- Performing owner-occupied rehabilitation;
- Permanent Supportive Housing projects except for proposed projects that have successfully completed the Indiana Permanent Supportive Housing Institute. Permanent Supportive Housing projects will also be funded through the Rental Housing Tax Credit (RHTC) program.
- Group homes;
- Creation of secondary housing attached to a primary unit;
- Acquisition, rehabilitation, or construction of nursing homes, convalescent homes, hospitals, residential treatment facilities, correctional facilities, or student dormitories;
- Rehabilitation of mobile homes;
- Acquisition, rehabilitation, refinancing, or new construction if any part of a development or its land is located within the boundaries of a one hundred (100)-year floodplain. A flood determination must be provided for each parcel associated with the project;
- Acquisition, rehabilitation or construction of any developments that will be applying for RHTC. These developments must apply for HOME funds as part of the RHTC application (also called the Qualified Allocation Plan);
- Any housing activity funded under Title VI of NAHA, prepayment of mortgages insured under the National Housing Act, public housing developments, or acquisition, rehabilitation or construction of any developments funded under HUD's former Rental Rehabilitation Program;
- Costs for supportive services, homeless prevention activities, operating expenses, or for the use of commercial facilities for transient housing;
- Acquisition, rehabilitation or construction of transitional housing or emergency shelters that are designed to provide temporary daytime and/or overnight accommodations for homeless persons;
- Payment of HOME loan servicing fees or loan origination costs;
- Tenant-based rental assistance;
- Payment of back taxes.

IHCDA **does** **<u>not</u>** fund:

- Requests from individuals, political, social, or fraternal organizations;
- Endowments, special events, arts, or international projects;
- Scholarships requested by individuals;
- Institutions that discriminate on the basis of race, color, national origin, sex, religion, familial status, disability, sexual orientation, gender identity, or against victims of domestic violence, dating violence, sexual assault, or stalking in policy or in practice;
- Projects in furtherance of sectarian religious activities, impermissible lobbying, legislative or political activities;
- Medical research or medical profit-making enterprises.

3.3 HOME Program Requirements

The proposed HOME project must follow these minimum requirements, and all other requirements laid forth in the Compliance Manual, to be eligible for funding. For further details on each requirement, please see IHCDA's Compliance Manual. The link and the appropriate chapter are included.

- Recipients must comply with all regulatory requirements listed in 24 CFR Part 92.
- Rental housing developments must assist households at or below sixty percent (60%) of the Area Median Income for the County, as published by HUD and distributed by IHCDA. Additionally, those developments with five (5) or more HOME-assisted units must set-aside at least twenty percent (20%) of the units for households at or below fifty percent (50%) of the Area Median Income. Households must also meet the definition of “low-income families” at 24 CFR 92.2 which limits occupancy based on certain student status rules (see Chapter 1 in the IHCDA Compliance Manual).
- An income verification is valid for a period of six (6)months. If more than six (6) months pass between income verification and contract execution/lease execution/purchase agreement, then a new income verification must be completed. All income verification procedures outlined in the IHCDA Compliance Manual, Income Verification Chapter 8 must be followed.
- All IHCDA-assisted units must be inspected twice during the award period. The first inspection will occur at the completion of the documented scope of work and prior to the IHCDA Inspector’s final physical inspection. The second inspection will be conducted upon completion of the construction for the award. The IHCDA Inspector will conduct the physical inspections. (IHCDA Compliance Manual, Construction Standards & Physical Inspections Chapter 14)
- The match requirement for the HOME program is 25% of the total amount of HOME funds requested except HOME funds used for administrative and planning costs (pursuant to §92.207); CHDO operating expenses (pursuant to §92.208); capacity building (pursuant to §92.300(b)) of CHDOs; and predevelopment or seed money loans to CHDOs (pursuant to §92.301) when IHCDA waives repayment under the provisions of §92.301(a)(3) or §92.301(b)(3) . (IHCDA Compliance Manual, Policy Requirements Chapter 1 and Chapter 12, Funds Management)
- To help facilitate timely expenditure of HOME funds, all applicants are required to submit the Environmental Review Record (ERR) and Section 106 Review at the time of application. If awarded HOME funds, the HOME recipient must receive an IHCDA Release of Funds before the fully executed award documents are released and any funds are drawn. (IHCDA Compliance Manual, Environmental Review Chapter 11). For more information, contact the IHCDA Design and Construction Review Manager.
    - Applicants may not purchase any property to be assisted with HOME funds, sign contracts or begin rehab/construction until the ERR/Release of Funds process has been completed and approved.
- Each recipient of a HOME award will be required to provide proof of adequate builder’s risk insurance, property insurance, and/or contractor liability insurance during construction and property insurance following construction for the assisted property throughout the affordability period of the award. (IHCDA Compliance Manual, Procurement Procedures Chapter 10)
- Each recipient of a HOME award must follow the Davis Bacon requirements found in 29 CFR Parts 1, 3 and 5 to ensure workers receive no less than the prevailing wages being paid for similar work for the following type of projects:
    - Rehabilitation or new construction of a residential property containing twelve (12) or more HOME-assisted units; and
    - Affordable housing containing twelve (12) or more units assisted with HOME funding regardless of whether HOME funding is used for construction or non-construction activities.
    - Such properties may be one (1) building or multiple buildings owned and operated as a single development.

    - Public Housing Authorities (PHA's) using PHA funds in conjunction with IHCDA funds are subject to Davis Bacon requirements.
- Each recipient of a HOME award must follow competitive procurement procedures when procuring all materials, supplies, equipment, and construction or professional services related to the HOME award. (IHCDA Compliance Manual, Procurement Procedures Chapter 10)
- Applicants that are proposing to develop rental housing must register vacancies for assisted housing in the IndianaHousingNow.org affordable housing database.
- Each recipient of a HOME award is subject to the HUD requirements of addressing lead-based paint hazards pursuant to 24 CFR Part 35. If a risk assessment is required, then all lead-based paint issues must be addressed. (IHCDA Compliance Manual, Lead Based Paint Chapter 2)
- Each recipient of a HOME award is subject to the requirements of the Uniform Relocation Act. See the IHCDA's Compliance Manual Chapter 4 on URA for guidance on the regulatory requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended, the Federal regulations at 49 CFR Part 24, and the requirements of Section 104(d) of Title I of the Housing and Community Development Act of 1974, as amended.
- Housing must meet the accessibility requirements of 24 CFR Part 8 which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and covers multifamily dwellings, as defined in 24 CFR Part 100.201. It must also meet the design and construction requirements of 24 CFR 100.205 and which implement the Federal Fair Housing Act Amendments of 1988 (42 U.S.C. 3601-3619). See the IHCDA Compliance Manual Chapter 3 for guidance on the regulatory requirements of Section 504 Accessibility Standards.
- Units must, at a minimum, meet the stricter of the local rehabilitation standards or the Indiana State Building Code.
- Any units utilizing gas appliances must provide carbon monoxide detectors in addition to standard smoke detectors.
- Recipients receiving $200,000 or more in construction funding from all CPD programs (i.e. CDBG, HOME, NSP, HOPWA, ESG, etc.) in a program year must comply with the Section 3 requirements. Section 3 provides preference to low- and very-low-income residents of the local community (regardless of race or gender) and the businesses that substantially employ these persons, for new employment, training, and contracting opportunities resulting from HUD-funded projects. (IHCDA Compliance Manual, Section 3 Chapter 7)
- Recipients of HOME funds must meet additional energy efficiency standards for new construction as described in 24 CFR 92.251.
- Rental housing with five (5) or more HOME-assisted units must adopt IHCDA's Affirmative Marketing Procedures. See the IHCDA Compliance Manual Chapter 5 for guidance on Affirmative Marketing Procedures.
- Projects performing the rehabilitation activity with a total of 26 or more units (the total of HOME-assisted and non-HOME assisted units) must complete and provide a Capital Needs Assessment (CNA).
- Persons who, as a result of national origin, do not speak English as their primary language and who have limited ability to speak, read, write, or understand English ("limited English proficient persons" or "LEP") may be entitled to language assistance under Title VI in order to receive a particular service, benefit, or encounter. In accordance with Title VI of the Civil Rights Act of 1964 (Title VI) and its implementing regulations, the recipient must agree to take reasonable steps to ensure meaningful access to activities funded by federal funds by LEP persons. Any of the following actions could constitute "reasonable steps", depending on the circumstances: acquiring translators to translate vital documents, advertisements, or notices, acquiring

interpreters for face to face interviews with LEP persons, placing advertisements and notices in newspapers that serve LEP persons, partnering with other organizations that serve LEP populations to provide interpretation, translation, or dissemination of information regarding the project, hiring bilingual employees or volunteers for outreach and intake activities, contracting with a telephone line interpreter service, etc.

- Recipient must ensure that each owner of a HOME-assisted rental development enters tenant events into IHCDA's Indiana Housing Online Management System at https://ihcdaonline.com/ within thirty (30) days of the tenant's event date. Tenant events include move-ins, move-outs, recertification, unit transfers, and rent and income changes. In addition, Annual Owner Certification Rental Reports will be required to be submitted electronically using the Indiana Housing Online Management System throughout the affordability period in the Annual Rental Report. See IHCDA's Compliance Manual for further guidance.
- Recipient must follow the non-discrimination requirements of the Fair Housing Act, the Violence Against Women Reauthorization Act of 2013, and the Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity rule.

3.4 Affordability Requirements

HOME subsidized activities must be secured throughout the affordability period by a recorded lien and restrictive covenant agreement created by IHCDA. The affordability period begins after project has been completed and the completion forms have been submitted to and approved by IHCDA. During the affordability period all HOME program rental requirements apply to the property. See IHCDA's *Federal Programs Ongoing Rental Compliance Manual* for a full discussion of affordability period compliance.

The following affordability periods apply to all HOME rental housing and homebuyer projects:

Amount of HOME subsidy per unit:	Affordability Period
Under $15,000	5 years
$15,000 - $40,000	10 years
Over $40,000 - or any rehabilitation/refinance combination activity	15 years
New construction or acquisition of newly constructed transitional, permanent supportive, or rental housing	20 years

3.5 Recapture Provisions

Each recipient of a HOME award must ensure that a lien and restrictive covenant is executed and recorded against every property constructed, rehabilitated, or acquired, in whole or in part, with HOME funds. Upon the occurrence of any of the following events during the Affordability Period, the entire sum secured by the lien shall be due and payable by developer and/or owner upon demand. Repayment may be demanded upon: (1) Transfer or conveyance of the real estate by deed, land contract, lease, or otherwise, during the Affordability Period; (2) Commencement of foreclosure proceedings by any mortgagee (or deed in lieu of foreclosure), within the Affordability Period; (3) The real estate no longer meets the property standards set forth in 24 CFR 92.251; (4) HOME-assisted units are not being used by qualifying tenants as their principal residence (5) annual tenant events and annual owner certifications are no longer being submitted to IHCDA through its online reporting system as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual; (5) non-compliance with the federal income and rent limits issued by HUD; and (6) units are not leased in accordance with the requirements set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual.

The recipient of the HOME award will be responsible for repaying IHCDA any HOME funds utilized for any housing constructed, rehabilitated, or acquired that does not remain affordable and in compliance in accordance with 24 CFR 92.252 for the entire Affordability Period. The Affordability Period is based upon the total amount of HOME funds invested into the unit as defined in the chart above. (IHCDA Compliance Manual, Lien and Restrictive Covenants & Affordability Requirements Chapter 15)

Part 4: CHDO

4.1 IHCDA CHDO Set-Aside

IHCDA must allocate 15% of its HOME funds for CHDO projects.

4.2 CHDO Eligible Activities

- Permanent rental and homebuyer housing are considered CHDO-eligible activities for purposes of the CHDO set-aside as long as the activity takes place within the CHDO's state-certified service area and the CHDO must own, develop, or sponsor the activity.
  - The CHDO "owns" the activity when the CHDO holds valid legal title to or has a long-term (99-year minimum) leasehold interest in a rental property. The CHDO may be an owner with one (1) or more individuals, corporations, partnerships or other legal entities. The CHDO "develops" the activity when the CHDO is the owner in fee simple absolute and developer of:
    - HOME-assisted rental housing: When the CHDO owns a property it must own it throughout the development process and the period of affordability. As developer, the CHDO must be in sole charge of all aspects of the development process, including obtaining zoning, securing non-HOME funds, selecting contractors, overseeing the progress of work, and determining reasonableness of costs.
  - The CHDO "sponsors" rental projects only when rental housing is owned or developed by a subsidiary of the CHDO (which may be a for-profit or nonprofit organization, must be wholly owned by the CHDO); a limited partnership (in which the CHDO or its wholly owned subsidiary is the sole general partner); or a limited liability company (in which the CHDO or its wholly-owned subsidiary must be the sole managing member). If the limited partnership or limited liability company agreement permits the CHDO to be removed as general partner or sole managing member, the agreement must provide that the removal must be for cause and that the CHDO must be replaced with another CHDO.

4.3 CHDO Program Requirements

CHDOs must adhere to all HOME requirements listed in this Application Package and the additional CHDO specific program requirements:

- The CHDO must have a current CHDO Certification issued by IHCDA.
- Treatment of Program Income by a CHDO:
  CHDOs receiving payment back during the affordability period may retain these funds. The funds must be utilized for housing activities that benefit low-income families as provided in 24 CFR 92.300(a)(2). However, if at any time during the affordability period, the CHDO becomes decertified or no longer has a mission of providing affordable housing then all CHDO proceeds must immediately be remitted to IHCDA. Please contact your Compliance Monitor for further assistance in this area.
- An application for a CHDO eligible undertaking must demonstrate the following:
  - Low- and moderate-income persons have had the opportunity to advise the CHDO in its decision regarding the design, site, development, and management of the affordable housing undertaking.
  - Certify that the organization continues to meet the definition of a CHDO by being a certified CHDO by IHCDA.
  - Complete the CHDO related sections in the HOME 2015 FY Application Forms.

- CHDO Operating Costs – CHDO operating costs are those costs directly related to administering an IHCDA HOME CHDO award and complying with the regulations associated with these funds. HOME funds expended on CHDO operating costs incur no match liability. This line item cannot exceed five percent (5%) of a HOME award and generally is between $5,000.00 and $10,000.00. This line item along with developer's fee, program delivery, and environmental review cannot exceed twenty percent (20%) of the HOME request. Recipients are allowed to draw down this line item as costs are incurred. Costs associated with preparing an application for funding through IHCDA are not eligible for reimbursement through a HOME award.

  Eligible costs include:
    - Affirmative marketing
    - Fair housing education
    - Postage
    - Office materials and supplies
    - Photocopying
    - Office rent and utilities
    - Travel related to the housing activity
    - Communication costs
    - Lead based paint training
    - Staff time or professional services related to reporting, compliance, monitoring, or financial management
    - Training related to the housing activity

4.4 CHDO Operating Supplement
CHDOs may apply for supplemental funds in the HOME 2015 FY Application Forms. The CHDO may apply for up to $50,000 in supplemental funding tied to a specific CHDO HOME eligible project.

4.5 CHDO Predevelopment and Seed Money Loans
CHDOs are eligible for project specific predevelopment or seed money loans. The CHDO must apply for the predevelopment or seed money through a separate application process. Please contact your Real Estate Production Analyst for more details.

Part 5: Subsidy Limitations & Eligible Activity Costs

5.1 Subsidy & Budget Limitations

The maximum request amount per application is $750,000 for eligible rental projects.

Subsidy Limitations

HOME funds used for acquisition, rehabilitation, new construction, program delivery, relocation, rent-up reserve, and developer's fee combined cannot exceed:

Bedroom Size	Per Unit Subsidy Limit
0	$55,000
1	$63,000
2	$77,000
3	$99,000
4+	$109,000

Minimum amount of HOME funds to be used for rehabilitation or new construction is $1,000 per unit.

Budget Limitations

HOME funds cannot be used for reserve accounts for replacement or operating costs, but may be used as a Rent-Up Reserve.

All subsidies must be secured throughout the affordability period by a written, legally binding, recorded restrictive covenant.

HOME funds budgeted for administration or CHDO operating costs cannot exceed five percent (5%) of the HOME award.

HOME funds budgeted for developer's fee cannot exceed fifteen percent (15%) of the HOME award.

HOME funds budgeted for administration or CHDO operating, program delivery, environmental review and developer's fee together cannot exceed twenty percent (20%) of the HOME award.

5.2 Form of Assistance

HOME funds will be awarded to the recipient in the form of a grant or loan. Award documents must be executed in order to access funds and will include, but are not limited to: award agreement, resolution, and a lien and restrictive covenant agreement.

The applicant may then provide the HOME award as a forgivable, amortized, or deferred loan to as many other entities as it chooses, known as subgrantees (beneficiaries if a homebuyer award). However, subgrantees must be identified in the application and approved by IHCDA.

A title company is required to be used for all loans that occur between the IHCDA recipient and the beneficiary or subgrantee of the program. For example, an IHCDA recipient providing funds for a homebuyer activity must use a title company when the loan is made to the homeowner. Another example is when an IHCDA recipient is assisting a property that that it does not own. When the loan is made from the IHCDA recipient to the subgrantee, a title company must be used.

The IHCDA recipient must execute a promissory note, mortgage, lien and restrictive covenant agreement, security agreement, UCC Financing Statement(s), and other documents as directed by IHCDA in order to secure IHCDA's investment in the assisted property. The recipient is required to deliver these documents to the county recorder's office for recording. These documents will be reviewed during monitoring visits.

5.3 Eligible Activity Costs

The bolded items listed below are included in the application budget. If you have a question about which line item an expense goes under, contact your IHCDA Real Estate Production Analyst.

RETAINAGE POLICY - IHCDA will hold the final $5,000.00 of an award until the completion reports, leverage documentation, and closeout documentation is received and approved. Additionally, IHCDA will hold the final $5,000.00 of an award until the final monitoring and final inspection have been completed and all findings and/or concerns associated with them have been resolved.

ACQUISITION – Limited to the purchase price and related costs associated with the acquisition of real property. Recipients must use a title company when purchasing or selling assisted properties.

REHABILITATION – Eligible costs include:

- Hard costs associated with rehabilitation activities
- Lead-based paint interim controls and abatement costs.
- Mold remediation.
- Utility connections and related infrastructure costs - off-site connections from the property line to the adjacent street are eligible when it is deemed a threat to health and safety. Improvements to infrastructure when there will be no rehabilitation work done on the actual house to be served.
- For multifamily rental housing, costs to rehabilitate an on-site management office, the apartment of a resident manager, or laundry or community facilities that are located within the same building as the housing and are for the use of the tenants and their guests
- Stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners
- Site work related to driveways, sidewalks, landscaping, etc.

DEMOLITION – Costs associated with the demolition and clearance of existing structures.

PROGRAM DELIVERY - Program delivery costs are those costs that can be directly tracked by address. They include soft costs and client-related costs that are reasonable and necessary for the implementation and completion of the proposed activity. This line item along with administration and environmental review cannot exceed twenty percent (20%) of the HOME request. Recipients are allowed to draw down this line item as costs are incurred. Additionally, program delivery may be used to pay off a HOME CHDO Predevelopment or CHDO Seed Money loan but may not exceed the twenty percent (20%) line item cap.

Eligible costs include:

- Engineering/Architectural Plans
- Financing costs
- Client in-take / Income verification
- Plans, specifications, work write-ups
- Credit reports
- Title Searches
- Impact fees
- Inspections
- Cost estimates
- Building permits
- Recording fees
- Demolition permits
- Travel to and from the site
- Lead hazard testing
- Private lender origination fees
- Appraisals
- Consultant fees
- Realtor fees
- Utilities of assisted units
- Other professional services
- Builders risk insurance
- Phase I Environmental Assessments
- Closing costs paid on behalf of homebuyer
- Legal and accounting fees

LEAD HAZARD TESTING – Costs associated with lead hazard testing includes Risk Assessment, Clearance Test, etc. The limits for this line item are $1000.00 per unit.

RELOCATION - This includes relocation payments and other relocation assistance for permanently and/or temporarily relocated individuals, families, businesses, nonprofit organizations, and farm operations where assistance is required and appropriate. Relocation payments include replacement housing payments, payments for moving expenses, and payments for reasonable out-of-pocket expenses for temporary relocation purposes. For additional information on relocation and displacement, please refer to the information provided in the IHCDA's Compliance Manual Chapter 4.

DEVELOPER'S FEE – Developer's fees are only available with HOME funded activities and cannot exceed fifteen percent (15%) of the HOME award. Additionally, the total of Developer's Fee, Administration or CHDO operating, program delivery and environmental review cannot exceed twenty percent (20%) of the HOME request.

ADMINISTRATION - The administration line item includes those costs directly related to administering the IHCDA award and complying with the regulations associated with these funds. This line item cannot exceed five percent (5%) of the HOME request and generally is between $5,000 and $10,000. This line item along with Developer's Fee, program delivery, and environmental review cannot exceed twenty percent (20%) of the HOME request. Recipients are allowed to draw down this line item as costs are incurred. Costs associated with preparing an application for funding through IHCDA are not eligible for reimbursement through a HOME award. This line item does not incur a match liability for HOME funds.

Eligible costs include:

- Affirmative marketing
- Fair housing education
- Postage
- Office materials and supplies
- Photocopying
- Office rent and utilities
- Travel related to the housing activity
- Communication costs
- Lead based paint training
- Staff time or professional services related to reporting, compliance, monitoring, or financial management
- Training related to the housing activity

CHDO OPERATING COSTS – Please refer to the CHDO section of this application package.

ENVIRONMENTAL REVIEW – This line item includes expenses associated with the NEPA compliance Environmental Review, which is a requirement of the Release of Funds process. This does not refer to a Phase I Environmental Assessment. Those expenses should be included in the Program Delivery line item. This line item along with developer's fee, program delivery and administration or CHDO operating cannot exceed twenty percent (20%) of the HOME request. Eligible costs for this line item are generally between $2,000 and $5,000 and include professional services, publication costs, photocopying, and postage. For further information regarding this activity, please read the Environmental Review Guide found in Chapter 11 of the IHCDA Compliance Manual or contact Adrienne Schmetzer, IHCDA Design and Construction Review Manager.

Ineligible Activity Costs

- Commercial development costs **-** All costs associated with the construction or rehabilitation of space within a development that will be used for non-residential purposes such as offices or other commercial uses. This does not include the common area used by tenants of rental property or the leasing office of the apartment manager. HOME awards cannot be used to underwrite any portion of commercial development costs. The expenses incurred and income to be generated from commercial space must be reported in a separate "Annual Expense Information" sheet and fifteen (15)-year proforma.
- Costs associated with preparing an application for funding through IHCDA.
- Purchase or installation of luxury items, such as swimming pools or hot tubs.
- Purchase or installation of equipment, furnishings, tools, or other personal property that is not an integral structural feature, such as window air conditioner units or washers and dryers.
- Cost of supportive services.
- General operating expenses or operating subsidies.
- Providing tenant based rental assistance.
- Mortgage default/delinquency correction or avoidance.
- Loan guarantees.
- Annual contributions for operation of public housing.
- Costs associated with any financial audit of the recipient.

5.4 Program Income

Income generated by CHDOs acting as owners, sponsors or developers of HOME units may be retained by the CHDOs but it must be used for housing activities that benefit low-income families as provided in 24 CFR 92.300(a)(2). However, funds recaptured because housing no longer meets affordability requirements is not considered CHDO proceeds and must be returned to IHCDA.

Income generated by not for profits or for-profits, acting as developers of HOME units, may be retained by the developer and is not subject to HOME Program requirements.

Additionally, all legal documents, such as mortgages, security agreements, UCC financing statements, and liens executed by the IHCDA recipient and the beneficiary or subrecipient, receiving assistance, must be recorded at the county recorder's office. These documents must be submitted to IHCDA at closeout along with the IHCDA recipient's completion reports and will be reviewed during monitoring visits conducted by IHCDA staff.

The State of Indiana, Department of Financial Institutions, has determined that any community development corporation (as defined in IC 4-4-28-2) acting as a subrecipient of funds received from; the Indiana Housing and Community Development Authority is exempt from the requirements of the Consumer Credit Code set forth in (IC 24-4.5), including its loan licensing requirements. Subsequently, if you are a not for profit that does not meet these requirements, you could be subject to the loan licensing requirements as listed above.

Additionally, if your organization makes more than twenty (25) consumer loans in a year, then the loan-licensing requirements referenced above could become applicable.

Part 6: Rental Housing Requirements

6.1 Eligible Projects

HOME projects can propose rental activities with this policy and corresponding application forms. Homebuyer activities are eligible using the Homebuyer policy and corresponding application forms.

6.2 Eligible Rental Activities

Eligible activities include new construction, rehabilitation only or acquisition/rehabilitation. Acquisition is allowed only in conjunction with the rehabilitation activity and is ineligible as a stand-alone activity. Permanent rental housing units may not be used for temporary or emergency housing at any time. Eligible rental activities also include the rehabilitation or acquisition/rehabilitation of assisted-living facilities as long as they meet IHCDA's definition and are also eligible for the Preservation of Affordable Housing Round by being an existing federally assisted affordable rental housing development as defined in the bullet points above. IHCDA defines an assisted living facility as living arrangements in which some optional services are available to residents (meals, laundry, medication reminders), but residents still live independently within the assisted-living complex. Residents of such facilities pay a regular monthly rent, and then pay additional fees for the services that they desire.

6.3 Rent Restrictions

HOME-assisted rental units will be rent-restricted throughout the affordability period to ensure that the units are affordable to low- and moderate-income households. Please refer to the most recent HOME rent limits, which may be found on IHCDA's website under RED Notices. The following restrictions apply:

- Published rent limits include the cost of any tenant-paid utilities. You must subtract from the published rent limit an IHCDA or HUD approved utility allowance for all utilities that the tenant will be responsible for. For example, if the rent limit in a given county is $300.00. The utility allowance for gas heat is $28.00, for other electric is $20.00, and for water is $13.00. For a unit where the tenant will pay for gas heat, other electric, and water, the maximum allowable rent would be $239.00 ($300.00 - $28.00 - $20.00 - $13.00 = $239.00).
- All units must be leased for initial occupancy within 18 months.
- If a SRO-unit has both food preparation and sanitary facilities, then use the HOME zero (0) bedroom (efficiency) unit rent or thirty percent (30%) of the household's adjusted income, whichever is most restrictive.
- If a SRO-unit has neither food preparation nor sanitary facilities, or only one of either, then the rent may not exceed seventy-five percent (75%) of the Fair Market Rent (FMR) for a zero (0) bedroom unit. For example, if the FMR for a zero (0) bedroom unit in a given county is $300.000, then the forty-percent (40%) rent limit in that county for a SRO unit that only has a bathroom and not a kitchen would be $225.00 ($300 x .75 = $225).
- Gross rent must be at or below the published rent limit. Gross rent = tenant-paid rent + tenant-based rental assistance + utility allowance + non-optional charges.
- If the applicant proposes to receive all or a portion of the rent payment via a tenant-based voucher (rental subsidy), the gross rent (including the rental assistance amount) cannot exceed the published rent limits for the applicable income level. For example, a tenant residing in a unit set-aside for households at or below forty percent (40%) of the area median income has a voucher that pays $100.00 of his/her rent, and the published utility allowance for tenant paid utilities for the unit is $50.00. If the published forty percent (40%) Rent Limit is $300.00, the

tenant paid portion of rent cannot exceed $150.00 ($300.00 Rent Limit - $100.00 Section 8 Voucher - $50.00 Utility Allowance = $150.00 Maximum Tenant Paid Portion).

- If the development receives a federal or state project-based rent subsidy and the unit is designated as 50% or below and the household is at or below fifty percent (50%) AMI and the household pays no more than thirty percent (30%) of his/her adjusted income for rent, then the maximum rent may be the rent allowable under the project-based rental subsidy program as set forth in 24 CFR 92.252(b)(2).
- If the development charges non-optional fees for food or the costs of supportive services, then these costs must be included in the gross rent calculation
- All tenants who occupy HOME-assisted rental housing units must be income recertified on an annual basis. The Section 8 definition of household income applies.

6.4 Affordability Periods and Resale/Recapture Requirements

All rental projects are subject to an Affordability Period as defined in Part 3.4 of this document.

The recipient is subject to recapture provisions through a recorded lien and restrictive covenant agreement as described in Parts 3.5 of this document.

6.5 Underwriting Guidelines for Rental Projects

The following underwriting guidelines must be followed for any rental developments. The numbers submitted should reflect the nature and true cost of the proposed activity. IHCDA will consider any underwriting outside of these guidelines if supporting documentation is provided.

TOTAL OPERATING EXPENSES – All developments must be able to underwrite with a minimum operating expense of $2,500 per unit per year (net of taxes and reserves).

MANAGEMENT FEE – The maximum management fee allowed is described in the table below based on the number units within the project. The percentage is based on the “effective gross income” (gross income for all units less vacancy rate).

Number of Units	Maximum Management Fee Percentage
1 – 50	7%
51 - 100	6%
101 or more	5%

VACANCY RATE – All developments must be able to underwrite with a vacancy rate between six percent (6%) and eight percent (8%).

RENTAL INCOME GROWTH – All developments must be able to underwrite with a rental income growth between zero percent (0%) and two percent (2%) per year.

OPERATING RESERVES – All developments must be able to underwrite with operating reserves for four (4) to six (6) months (operating expenses plus debt service) or at $1,500 per unit based on whichever is greater.

RENT-UP RESERVE – HOME funds may be used to fund a rent-up reserve for new construction and rehabilitation rental housing developments. This reserve can be used to meet shortfalls in development income during the rent-up period and may only be drawn down after all construction is completed at the development. The following terms apply:

- The term of the rent-up reserve account may not exceed six (6) months after all construction is completed, after which time any unused reserves left in the account will be de-obligated by IHCDA.
- These funds can be used only for development operating expenses, scheduled payments to replacement reserves, and/or debt service payments.
- The recipient must receive IHCDA's approval prior to accessing its rent-up reserve funding.
- The amount of HOME funds that can be utilized for a rent-up reserve is limited to three (3) months development operating expenses plus three (3) months of development debt service.

REPLACEMENT RESERVES – All developments are required to have replacement reserves and must be included in the operating budget, but is not included as part of the operating reserves. Contributions must be made to the reserve account starting at or before the conversion date of the construction loan to permanent loan and must be funded for the term of the loan. Replacement Reserve funds must only be used for Capital Improvements (substantial improvements to the real estate such as re-roofing, structural repairs, or major projects to replace or upgrade existing furnishings, but not including replacement of individual appliances or minor repairs) and must **not** be used for general maintenance expenses. Less restrictive provisions required by lenders must be approved by IHCDA. Replacement Reserves must escalate at a rate of 3% per year. IHCDA will at its discretion, adjust the Replacement Reserve to reflect reasonable and customary capital and replacement expenditures. The following minimum contributions must be used.

Development Type	Minimum Contribution per unit per year
Rehabilitation*	$350
New Construction	$250

* For Rehabilitation developments, the Capital Needs Assessment will be reviewed in determining whether sufficient reserves have been established.

OPERATING EXPENSE GROWTH – All developments must be able to underwrite with operating expense growth between one percent (1%) and three percent (3%) per year. IHCDA requires operating expense growth to be at least one percent (1%) higher than rental income growth.

STABILIZED DEBT COVERAGE RATIO – All developments must be able to underwrite with a stabilized debt coverage ratio with the following standards. Stabilization usually occurs in year 2, however the debt coverage ratio projection for a development should not go below 1.1 during the complete 15 year compliance period to be considered financially feasible. IHCDA does recognize that rural deals will typically have higher debt coverage at the beginning of the compliance period in order to remain feasible over the fifteen years. Documentation to support these higher debt coverage ratios must be provided. Developments without hard debt are allowed but will be subject to additional scrutiny from IHCDA. Developments submitted with no debt will not have a debt coverage ratio but will be required to have a cash flow without having an undue profit. This will be determined by a ratio of Effective Gross Income to Total Annual Expenses (including reserve for replacement). A ratio of 1.15 shall be the minimum required to be considered feasible by IHCDA in Years 1-15. Tax abatement may cause the debt coverage ratio to be higher than these guidelines.

Development Location	Minimum Contribution per unit per year
Large and Small City	1.15 – 1.40
Rural	1.15 – 1.50

The following documentation is required for Stabilized Debt Coverage Ratio:

- Documentation of estimated property taxes and insurance for the proposed Development (i.e. a statement of how the applicant determined the estimated taxes and insurance for the Development); AND
- If the underwriting is outside these guidelines, the applicant must provide a written detailed explanation with third party documentation supporting the explanation (approval of underwriting from other financing institutions/funding sources will not constitute acceptable supporting documentation).

Part 7: Completeness & Threshold Criteria

Each proposed project must satisfy the Federal requirements of the HOME program listed in 24 CFR Part 92 and any additional requirements established by IHCDA. To be considered for funding, an applicant must meet all of the Completeness and Threshold Criteria listed below.

7.1 Completeness Requirements

1) Timeliness – All documentation must be turned in by the application due date.
   i) On or before the application deadline, the applicant must provide all documentation as instructed in this Application Process Handbook as well as required documentation listed in the HOME Application Form.
   ii) If IHCDA requests additional information from the applicant, all requests are due on or before the date provided by IHCDA staff.
   iii) Any forms that are late will be denied review and will be sent back to the applicant.
2) Responsiveness – All questions must be answered and all supporting documentation must be provided.
   i) The applicant must provide all documentation as instructed in this Application Process Handbook as well as required documentation listed in the HOME Application Forms.
   ii) The applicant must provide all documentation as requested (i.e. uploaded or hard copies, labeled correctly, etc.)
   iii) Required signatures must be originally signed.

7.2 Threshold Requirements

All documentation must be issued/dated within six months of the Application deadline date. A Threshold checklist can be found in the 2015 HOME Rental Application forms.

1) Feasibility
   - Turn in the 2015 HOME Application and supporting documents via the FTP site and send one original copy of the signed Application Forms to IHCDA in a complete and timely fashion.
   - Completed Environmental Review
     i) Submit completed Environmental Review forms. Instructions and forms can be found in Chapter 11 of the IHCDA Compliance Manual, here: http://www.in.gov/myihcda/2490.htm
     ii) A floodplain determination must be submitted for each parcel.
   - Submit a copy of the applicant entity's most recent audited financial statements or tax returns.
   - Project Narrative – answer questions describing your project found in the Narrative Tab in the Application Forms.
   - Market - HUD requires that IHCDA certify that there is adequate need for each project based on the neighborhood's housing market. In order to help make this determination please answer all of the questions in the Market tab in the 2015 HOME application. Attach any relevant support material such as planning documents and maps in Tab I.
   - Sources and Uses – Complete the following:
     i) Rental Proforma tab in the 2015 IHCDA HOME Rental Application Forms
     ii) Sources and Uses tab in Application Forms
     iii) Submit supporting documentation in Tab J, including any:

(1) Signed letters of commitment with funding terms and amounts, dated within six months of application due date.
(2) Supporting documentation for in-kind donations to demonstrate value.

- Budget – Complete Budget tab in Application Forms.

2) Eligibility
- CHDOs
  - i) Complete CHDO tab in the Application Forms
  - ii) If applying for a CHDO Operating Supplement, fill out Section G of the Application Cover Page and Tab 17 in the Application Forms
- Not for Profit Corporations
  - i) Must be organized under section 501(c)3 or 501(c)4 of the Internal Revenue Code (except CHDOs). Provide a copy of the IRS determination letter for not-for profit corporations.
  - ii) Provide proof the organization is in good standing. Submit a copy of the Certificate of Existence from the Indiana Secretary of State that is no more than six months old.

3) Notifications
- Application Cover Page in Application Forms - Submit a copy of the System of Award Management (SAM) registration in Tab A. https://www.sam.gov/portal/SAM/#1
- Application Summary Tab in Application Forms - Turn in Owner notification in Tab B.
- Application Summary Tab in Application Forms – Turn in Letter from Highest Elected Official in Tab C.
- Application Summary Tab in Application Forms - If project received funding directly from HUD or Rural Development, the applicant must send a notification letter to the appropriate HUD or Rural Development Office. Provide a copy of the letter along with proof of sending in Tab E.

4) Development Requirements
- All other development funding must be committed prior to submitting an application for HOME funding to IHCDA. Fill out the Sources and Uses tab in the Application Forms. Submit any required supporting documentation in Tab J.
- Commit to assist households at or below sixty percent (60%) of the Area Median Income for the County. Answer question 12 in the Application Summary Tab in the Application Forms.
- Developments with five (5) or more HOME-assisted units must set-aside at least twenty percent (20%) of the units for area median income levels of fifty percent (50%) and below. Answer question 12 in the Application Summary Tab in the Application Forms.
- Affirmative Fair Marketing Plan - In accordance with 24 CFR 200.620 and 24 CFR 92.351(a), the Recipient must adopt an Affirmative Fair Housing Marketing Plan for rental and homebuyer projects containing five (5) or more HOME assisted housing units. Provide form HUD 935.2A in Tab H.
- Match Requirement - The match requirement for the HOME program is 25% of the total amount of HOME funds requested minus administration and CHDO operating award. Match must be committed prior to submitting an application for HOME funding to IHCDA and to pass threshold review. Provide the following:
  - i) Turn in the Match Spreadsheet in Tab J.
  - ii) Fill out Match tab in Application Forms.
  - iii) Submit supporting documentation in Tab J.

Part 8: Scoring

If an application meets all applicable requirements, it will be evaluated and scored based on:

Scoring Category	Points Possible
Project Characteristics	38
Development Features	25
Readiness	8
Capacity	30
Financing	10
Unique Features & Bonus	10
Total Possible Points	**121**

When there is a scoring criteria based on the county being served and there are multiple counties, the applicant should add up the scores from each county and average them, rounding to the nearest whole number. An application must score at least 75 points to be considered for funding.

8.1 Project Characteristics Category Maximum Points Possible: 38

This scoring category describes the proposed project. The points can be achieved through the following sub-categories: Constituency Served, Targeted Population, Comprehensive Community Development, and Services.

1) *Constituency Served* *Maximum Number of Points: 8*

   If the development commits to servings beneficiaries in IHCDA-assisted units with maximum incomes lower than required by the HOME program and maintains housing costs at affordable rates, points will be awarded in accordance with the following chart. Percentages are of the area median income (AMI) for the county in which the development is to be located. Awarded recipients will be held to the unit commitment in their award agreement. Changes to the AMI levels will require prior IHCDA approval.

Constituency Served	Points
20% of Population served at or below 40% AMI	8

2) *Aging in Place Targeted Populations* *Maximum Number of Points: 5*

   Aging in Place (AIP) refers to adapting our collective living environment so it is safer, more comfortable, and increases the likelihood a person can live independently and remain at home as circumstances change. Primary target populations for aging in place strategies are seniors, families with seniors, and persons with disabilities.

   Points will be awarded to applicants that target populations with special housing needs under IHCDA's AIP priority in accordance with the following guidelines and charts.

Target Population: Aging in Place	Points
OPTION 1: At least 80% of Population served 55 and Older or 100% of Population served 62 and Older; **OR**	5
OPTION 2: At least 20% of units are set-aside for households in which at least one member is a person with a disability using the Fair Housing definition of disabled (see glossary). Applicants electing this targeting option must enter into a referral agreement with a qualified organization that provides services for the target population. See part 4.1(F) of the *Federal Programs Ongoing Rental Compliance Manual* for more information on referral agreements. *Submit Referral Agreement Form in Tab K. A boilerplate Referral Agreement can be found in the Appendices at the end of this application package.*	5

In order to receive points for AIP projects must satisfy the following criteria:

For New Construction:

- 100% of the units must be accessible or adaptable, as defined by the ADA and the Indiana Accessibility Code, and for rental projects, elevators or lifts must be installed for access to all units above the ground floor.
  Include the following:
  - *The originally signed HOME application will serve as certification that the development will comply with these requirements.*

For Rehabilitations:

- 100% of the ground floor units must be accessible or adaptable, as defined by the ADA and the Indiana Accessibility Code, and all units above the ground floor must be adaptable as defined by the ADA and the Indiana Accessibility Code unless the building(s) contained elevator(s)/Lift(s) prior to rehabilitation, in which case the elevators/lifts will need to be maintained and 100% of the units above the ground floor will need to be accessible or adaptable.
  Include the following:
  - *The originally signed HOME application will serve as certification that the development will comply with these requirements.*
  - *For rehab projects with 26 units or more total units, a capital needs assessment (CNA) must be submitted in Tab K.*

3) *Comprehensive Community Development* *Maximum Number of Points: 13*
Projects with a Comprehensive Community Development focus are a part of a broader, more comprehensive approach to area improvement. These projects have the capability of contributing to fundamental change to the character of a targeted area. Points will be awarded to applicants whose projects contribute to the revitalization of existing areas.

In order to score points in this category, applicants will submit a Comprehensive Community Development Plan. Specific points will be awarded based on the chart below. <u>Note that if a plan does not meet the first two requirements, Role of Housing and Implementation Date, then the plan will not qualify for any points in this category.</u>

	1 Point	2 Points	3 Points	Required Documentation
Role of Housing *	• Plan makes reference to Housing as a goal	• Plan makes reference to Housing as a goal • Plan Specifically makes reference to the creation or need for affordable housing or IHCDA HOME Program	• Plan makes reference to Housing as a goal • Plan Specifically makes reference to the creation or need for affordable housing or IHCDA HOME Program • Plan provides evidence of how project is part of a larger revitalization effort	Page numbers of the plan making reference to: • Role of Housing • Reference to the creation or need for affordable housing or IHCDA HOME program • Part of a larger revitalization effort • Narrative about efforts leading to the creation of the plan
Implementation Date *	Plan was created/adopted between 9 -15 years ago	Plan was created/adopted between 4 - 8 years ago	Plan was created/adopted between 0 - 3 years ago	Submit electronic copy of entire completed plan with date of creation or adoption • Include page number of date of plan and/or adoption documentation
Target Area	Project targets a region or county, the region or county is referenced in the plan	Project targets a city or town, the city or town is referenced in the plan	Project targets a neighborhood or specific area, the neighborhood or specific area is referenced in the plan	Map of targeted area • Please identify project site location

Plan Components	Plan includes only one of the below components: • Implementation measures along with specific, current, and ongoing time frames for achievement • An evaluation of current area conditions •Public/community participation and narrative about efforts leading to the creation of the plan	Plan includes two of the below components: • Implementation measures along with specific, current, and ongoing time frames for achievement • An evaluation of current area conditions •Public/community participation and narrative about efforts leading to the creation of the plan	Plan includes all of the below components: • Implementation measures along with specific, current, and ongoing time frames for achievement • An evaluation of current area conditions •Public/community participation and narrative about efforts leading to the creation of the plan	Page numbers of the plan making reference to: •Implementation measures • Current area conditions • Public participation • Narrative about efforts leading to the creation of the plan
Adoption of the Plan	Plan has been adopted by the highest Local Unit of Government			Documentation of formal approval of plan as active by Local Unit of Government (example: city/town council resolution, signed minutes)

*The comprehensive plan must score in the Role of Housing and the Implementation Date categories in order to be considered for subsequent point categories.

In order to receive points under the Comprehensive Community Development scoring sub-category, *the applicant must submit the following in Tab L*:

- An explanation of how this project is part of a larger revitalization effort should be explained in the Project Narrative section of the application. You should include information regarding target size, a plan, the efforts already completed or underway, local support for this and other projects in the revitalization efforts, funding commitments, what is the intended impact and how impact will be measured, etc.
- All other required documentation that must be submitted in order to receive points in this category are indicated in red font in the chart directly above. Page numbers in the application are required in order to receive points.

The following will not be considered for points as eligible plans for this category: short-term work plans, consolidated plans, municipal zoning plans, or land use plans, plans that are older than fifteen years old and plans that do not reflect the current target area conditions.

- Target Area - Submit a scaled map that includes the project area boundaries and the specific site(s) with a map key labeling the site address(es). Clearly label the boundaries and indicate the size of the target area. Attach in Tab L.

- Evidence of Adoption - Submit a copy of the resolution by the Local Unit of government adopting the plan. Attach in Tab L.

4) *Services* *Maximum Number of Points: 12*
Points will be awarded to applicants whose projects contribute to the overall quality of life for the beneficiaries of the proposed project. Points will be awarded based on the chart below.

If the HOME applicant or sub-recipient is providing services, an MOU must still be executed in order for the commitment to provide services to be on file in our application records.

Level of Services	Points Possible
Level 1 Services: Up to three services at one point each.	3
Level 2 Services: Up to three services at two points each.	6
Level 3 Services: Up to four services at three points each.	12

In order to receive points for this scoring category, the applicant must submit in Tab M:

For Rental Projects:
- **ONE** Form C: One Tenant Investment Plan Matrix listing all services for the entire proposed project (found in the HOME Application Appendices);
- Form D: Tenant Investment Plan Matrix for **EACH** service provider with original or a copy of original signatures (found in the HOME Application Appendices);

8.2 Development Features Category Maximum Points Possible: 25

This category describes the features of the overall proposed HOME project.

1) *Existing Structures* *Maximum Number of Points: 4*

Points will be award to developments that will utilize existing structures on at least 50% of the HOME assisted units. This may include properties in which an original substandard unit will be demolished and replaced with a comparable unit. Per the federal regulations, when replacing existing affordable housing, the number of replacement units must be one-for-one.

Projects will be awarded up to two points between the first three categories below. Projects can score two additional points if the development contains at least one historic resource.

Existing Structure	Points
Project is developing at least 50% of the vacant structure(s) for housing; **OR**	2
Acquiring and/or rehabbing at least 50% of existing housing stock; **OR**	2
Project is demolishing at least 50% of existing substandard units and replacing with a new units.	2
Total Possible	**2**
Development contains at least one unit that is a historic resource to the existing neighborhood.	2
Total Possible for Existing Structures	**4**

In order to receive points, the applicant must submit in Tab N:

- Photographs of the building to be reused;
- Documentation of whether or not the building is occupied;
- Narrative of how building will be reused;
- Either a letter or report from the National Park Service, or Department of Natural Resources Division of Historic Preservation and Archaeology that specifically identifies the site as an historic resource or contributing to a district, or an equivalent local historical society report identifying the property as either an historical resource or a contributing in an historic district.

2) *Infill* *Maximum Number of Points: 7*

Points will be awarded to applications that meet IHCDA's HOME criteria for Infill. For the HOME program, IHCDA defines infill housing as the process of vacant or underused parcels of land within existing areas that are already largely developed or previously developed. For purposes of this category, the following will not qualify as infill housing:

- Existing agricultural land except within corporate limits.

The development will receive points for contributing to the following infill attributes:

Infill Attribute	Points
The site must be surrounded on at least two sides with adjacent established development. Parks and green space area may qualify as established development, provided that they are part of a master plan or recorded instrument. IHCDA will look at the entire development site for phased developments.	2
The site must maximize the use of existing utilities and infrastructure.	2
At least one side of the development must be adjacent to occupied residential development, operating commercial development, active public space, or another active community activity.	2
The site demonstrates a return of cultural, social, recreational and entertainment opportunities, gathering places, and vitality to older centers and neighborhoods.	1

In order to receive points, the applicant must submit in Tab N:

- Aerial photos of the proposed site(s) with the site labeled;
- Brief description of how the site will return vitality to the neighborhood.
- For scattered site projects, 30% of the proposed sites must meet the infill attribute scoring criteria in order to receive the corresponding points.

3) Design Features *Maximum Number of Points: 3*

Points will be awarded for each Design Feature chosen, for a maximum of three points in this category.

Design Feature	Point
Exterior walls are at least 50% durable material (brick, stone, cement board).	1
Roofing system has at least a 30-year warranty.	1
Porch with a minimum of 48 square feet with a roof that is permanently attached to the residence.	1
The site demonstrates a return of cultural, social, recreational and entertainment opportunities, gathering places, and vitality to older centers and neighborhoods.	1
Deck with a minimum of 64 square feet that is made of wood or other approved materials.	1
Framing consists of 2” X 6” studs to allow for higher R-Value insulation in walls.	1
Garage with a minimum of 200 square feet that is made of approved materials, has a roof, is enclosed on all sides and has at least one door for vehicle access.	1
Crawl space or basement.	1
Security system.	1
Carport with a minimum of 200 square feet that is made of approved materials, has a roof, and is open on at least two sides.	1
Attached or unattached storage space measuring at least 5' x 6'.	1
Playground.	1
Community room.	1
Other	1

An applicant may submit as few as zero (0) and up to three (3) “other” design features for points in this scoring category. IHCDA encourages applicants to speak to their Real Estate Production Analyst regarding possible “other” design features before the application due date. Please list the “other” design feature(s) in the application forms.

4) *Universal Design Features* *Maximum Number of Points: 3*
Points will be awarded for each Universal Design Feature chosen, for a maximum of three points in this category.

Universal Design Feature	Point
42"or wider hallways	1
32"or wider doorways	1
Electrical outlets raised 15” to 18” above the finished floor	1
Light switches located 48” above the finished floor	1
Toggle, rocker, or touch sensitive control panels instead of switches	1
Wall reinforcements for hand rails/grab bars	1
Levers instead of door or faucet knobs	1
30”x 40” clear kitchen floor space	1
30" x 40"clear bathroom floor space, clear of door swing	1
A removable base cabinet for required knee space	1
Microwave provided at accessible height	1
A front control operated range	1
Sliding or bi-folding closet doors	1
Front loading washer and dryer with front controls	1
Reinforced ceiling	1

Accessible route that includes no steps or level changes	1
Fold down seat in shower or roll-in shower with no curb	1
Bathtub controls located off-center toward the outside of the tub	1
Adjustable height or hand-held shower with flexible hose	1
Side-by-side refrigerator	1
Remote controlled or motion sensor lighting	1
Adjustable counter top or closet rods	1
Audio and visual smoke detectors	1
Other	1

An applicant may submit as few as zero (0) and up to three (3) “other” universal design features for points in this scoring category. IHCDA encourages applicants to speak to their Real Estate Production Analyst regarding possible “other” universal design features before the application due date. Please list the “other” universal design feature(s) in the application forms.

5) *Energy Efficiency* *Maximum Number of Points:* 3

Points will be awarded for each Energy Efficiency item chosen, for a maximum of three points in this category.

Energy Efficiency Item	Point
Energy Star® Rated Compact florescent light bulbs - 1/room or 3/unit	1
Energy Star® Rated light fixtures - 1/room or 3/unit	1
Energy Star® Rated Cooling system(s)	1
Energy Star® Rated Heating system(s)	1
Energy Star® Rated Windows	1
Energy Star® Rated Refrigerator	1
Energy Star® Rated Washing Machine	1
Energy Star® Rated Dish Washer	1
R-Value insulation exceeding Indiana State Building Code	1
Other	1

An applicant may submit as few as zero (0) and up to three (3) “other” energy efficiency features for points in this scoring category. IHCDA encourages applicants to speak to their Real Estate Production Analyst regarding possible “other” energy efficiency features before the application due date. Please list the “other” energy efficiency feature(s) in the application forms.

6) *Green Building* *Maximum Number of Points:* 5

Points will be awarded for EITHER up to three Green Building Techniques chosen.

Green Building Technique	Point
Orient structures on East/West axis for solar exposure	1
Include trees in landscaping to curb winter winds and provide shade	1
Low VOC paints and finish materials	1
Install flow reducers in faucets and showers	1
Incorporate permeable paving	1
Minimize the disruption of existing plants and trees	1

Include recycling bins in the kitchen	1
Install recycled content flooring and underlayment	1
Install a light colored roofing material	1
Other	1

An applicant may submit as few as zero (0) and up to three (3) "other" green building techniques for points in this scoring category. IHCDA encourages applicants to speak to their Real Estate Production Analyst regarding possible "other" green building techniques before the application due date. Please list the "other" green building technique(s) in the application forms.

OR

Five points will be awarded for committing the entire development newly constructed or rehabbed to NAHB, LEED, or Energy Star standards. The development need not be certified rather just built to the certification standards. The signed application forms will be proof of this commitment.

8.3 Readiness **Category Maximum Points Possible: 8**

This category describes the applicant's ability to begin and timely execute an awarded project.

1) *Predevelopment Activities* *Maximum Number of Points: 5*

Points will be awarded to applicants that have completed some predevelopment activities according to the chart below. Up to five activities are eligible, up to five points. Points will only be awarded if the required supporting documentation, italicized below the activity description, are included in Tab P.

For scattered site developments, documentation for each site must be submitted in order to receive the points. Documents should be clearly labeled with the site addresses for ease in reviewing the documentation.

Predevelopment Activity Completed	Points
Site Control *Provide Purchase Option or Purchase Agreement that is no older than 6 months and that has an expiration date after the HOME application due date.*	1
Asbestos or Lead Testing *Submit a copy of the assessment report.*	1
Appraisal *Provide an Appraisal that is no older than 6 months.*	1
Preliminary or Final Architectural and/or Engineering Plans *Provide electronic copies of architectural and/or engineering plans.*	1
Zoning Approval *Provide a letter no older than 6 months from the local planning official that certifies the current zoning allows for construction and operation of the proposed development and any required variances that have been approved.*	1
Cost Estimates *Provide a copy of the detailed cost estimates.*	1

Title Search *Submit evidence of clear title with a title insurance commitment, title search documentation or attorney's opinion letter.*	1
Other	1

An applicant may submit as few as zero (0) and up to five (5) “other” predevelopment activities for points in this scoring category. IHCDA encourages applicants to speak to their Real Estate Production Analyst regarding possible “other” predevelopment activities before the application due date. Please list the “other” predevelopment activities in the application forms.

Examples of “other” predevelopment activities that may be eligible for points in this category are as follows. The examples below are optional, however if you do choose to use them for points in this category, please provide the italicized documentation in Tab P to be eligible for points:

- Water available to site
  - *Provide a letter from the local utility company certifying that water is currently available to the site.*
- Sewer available to site
  - *Provide a letter from the local utility company certifying that water is currently available to the site.*
- Permits in place.
  - *Provide a letter from the local planning or building authority that all necessary permits for rehabilitation or construction have been obtained.*
- Property survey completed.
  - *Provide a copy of the survey.*
- For other predevelopment activities that may be eligible, please contact your Real Estate Production Analyst to discuss prior to submitting the application.

2) *Contractor Participation* *Maximum Number of Points: 3*
Points will be awarded to applicants who invite material participation of a state certified Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Federal Disadvantaged Business Enterprise (DBE) Participation, Veteran-Owned Small Business (VOSB), and Service Disabled Veteran Owned Small Business (SDVOSB). Examples of material participation include property management, professional services, consultant, application preparer, administrator, etc.

In order to receive points, the applicant must submit in Tab Q:

- *A copy of letter inviting the state certified contractor to participate in the bidding of the project;*
- *A copy of the applicable state certification.*

Minority Business Enterprise and Women Business Enterprise, including DMBE (Disadvantaged Minority Business Enterprise), and (Disadvantaged Woman Business Enterprise) and DMWBE (Disadvantaged Minority Woman Business Enterprise), means as an individual, partnership, corporation, or joint venture of any kind that is owned and controlled by one or more persons who are: (a) United States Citizens and (b) Members of a racial minority group or female in gender as evidenced by certification from the Indiana Department of Administration Minority & Women's Business Enterprise Division or the Indiana Minority Supplier Development Council.

DBEs are for-profit small business owned or controlled by socially and economically disadvantaged individuals own at least a 51% interest and also control management and daily business operations. The Indiana Department of Transportation (INDOT) is the sole certifying agency for the Indiana DBE Program.

The Center for Veteran Enterprise maintains the Department of Veterans Affairs (VA) database of service-disabled Veteran owned small businesses (SDVOSB) and Veteran-owned small businesses (VOSB) called the Vendor Information Pages (VIP). The VIP database is accessed via www.VetBiz.gov. CVE performs the verification process for small businesses that self-represent themselves as Veteran owned and controlled called the VA VOSB Verification Program.

Eligible Certification Summary Table		
Certification	**Certifying Agency**	**Website**
MBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
	Indiana Minority Supplier Development Council	http://imsdc.org
WBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
DBE	Indiana Department of Transportation	http://www.in.gov/indot/2576.htm
VOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/
SDVOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/

8.4 Capacity — Category Maximum Points Possible: 30

This category evaluates the applicant's ability to successfully carry out the proposed project based on trainings, certifications and/or experience in housing or community development.

1) *Training* — *Maximum Number of Points: 5*

Points will be awarded for a member of the development team, applicant, sub-recipient or administrator staff who has completed a housing or community development related training. Three points will be awarded for the first training and one point per additional training, up to five points possible.

IHCDA application/policy webinars, IHCDA application/policy trainings and/or IHCDA feedback sessions do not count for points in this category.

Attach copies of the training completion certificate or confirmation of attendance/completion in Tab Q.

Training	Points
Housing or community development related training	3 for the first training, 1 point for each additional training up

	to 5 points total for this section

2) *Certification* *Maximum Number of Points: 5*

Points will be awarded for a member of the development team, applicant, sub-recipient or administrator staff who has completed the following certifications. Three points will be awarded for the Certified Aging-in-Place Specialist or Home Sweet Home: Modifications for Aging in Place (U of I/IHCDA) certification. One point will be awarded for all other certifications, up to five points.

Attach copies of the certification completion in Tab Q.

Certification	Points
Certification from one of the certifications listed below	3 points for the Certified Aging-in-Place Specialist or Home Sweet Home: Modifications for Aging in Place (U of I/IHCDA) certification, 1 points for all other certifications, up to 5 points total for this section

Certification	Sponsoring Organization
Project Development Training	Indiana Association for Community and Economic Development (IACED)
Economic Development Finance Professional Certification Program	Indiana Association for Community and Economic Development (IACED)
Certified Green Professional	Indiana Association for Community and Economic Development (IACED)
Housing Development Finance Professional	National Development Council (NDC)
Community and Neighborhood Revitalization Certificate	NeighborWorks America
Bank of America Neighborhood Builder® Leadership Program	The Center for Leadership Innovation
Certified Aging-in-Place Specialist	National Association of Home Builders (NAHB)
Home Sweet Home: Modifications for Aging in Place	University of Indianapolis / Indiana Housing and Community Development Authority
Grant Administration Certification	Indiana Association for Community and Economic Development (IACED), Office of Community and Rural Affairs (OCRA), Indiana Housing and Community Development Authority (IHCDA)
Certified Occupancy Specialist (COS)	National Center for Housing Management
Certified HOME Program Specialist	HUD/CPD
Green Certification	LEED, NAHB or equivalent

3) *Experience* *Maximum Number of Points:* 5

Three (3) points will be awarded if the applicant has successful experience administering an IHCDA award in the past five years or if the applicant has five or more years in the housing or community development industry. In order to qualify for points, the awards must be closed out. Please list the award number(s) in the application forms.

Experience	Points
Applicant with experience administering an IHCDA HOME award in the past five (5) years with no findings upon monitoring. **OR** Applicant has five (5) or more years of experience in the housing or community development industry.	3 points

One (1) point will be awarded for each member of the sub-recipient or administrator staff with successful experience in administering an IHCDA award in the past five years or if a member of the sub-recipient or administrator staff has five or more years in the housing or community development industry. In order to qualify for points, the awards must be closed out. Please list the award number(s) in the application forms. Up to two (2) total points possible.

Experience	Points
Sub-recipient or administrator staff member with experience administering an IHCDA HOME award in the past five (5) years with no findings upon monitoring. **OR** Sub-recipient or administrator staff has five (5) or more years of experience in the housing or community development industry.	1 point for each sub-recipient or administrator staff member, up to 2 points total

4) *Overall IHCDA Award Performance of the Applicant* *Maximum Number of Points:* 10

Points will be awarded to an applicant where the applicant has not had any monitoring findings for all IHCDA awards in the past three years. This includes any closed and current IHCDA awards. Please list the IHCDA award number(s) in the application forms. Current is defined as an award that is completed and monitored but not yet closed out.

Description of Overall Award Performance	Points
Most recent (closed or current) HOME award had no findings and no concerns. Award must be from within the last three (3) years.	10

Most recent (closed or current) HOME award had no findings, but concerns were noted. Award must be from within the last three (3) years.	8
Most recent (closed or current) HOME award had only one finding. Award must be from within the last three (3) years. **OR** No HOME experience, but previous IHCDA award (different activity) had no findings and no concerns. Award must be from within the last three (3) years.	6
No HOME experience; previous IHCDA award (different activity) had no findings, but concerns were noted. Award must be from within the last three (3) years.	4
No HOME experience; previous IHCDA award (different activity) had only one finding. Award must be from within the last three (3) years.	2
Does not meet any category above. Examples: • More than one finding on previous award. • No award from within the last three (3) years. • No previous experience with IHCDA.	0

5) *Timely Expenditure of Funds* *Maximum Number of Points:* *5*

Points will be awarded to an applicant that has expended their most recent award funds by the award expiration date without requesting award extensions.

The award must be an IHCDA HOME or an IHCDA CDBG award that is either closed or a current award in the monitoring phase. The award must be from within the past three (3) years. Current is defined as an award that is completed and monitored but not yet closed out. List the award number in the application form.

Award Length	Points
Most recent IHCDA HOME or IHCDA CDBG award completed by the award expiration date. Awards must be from within the last three years. Awards must be closed or a current award in the monitoring phase.	5 points

8.5 Financing **Category Maximum Points Possible: 10**

1) *Public Participation* *Maximum Number of Points: 5*

Points will be awarded to applicants whose proposed project has received a firm commitment of other public funds. A "firm commitment" means that the funding does not require any further approvals. "Public funds" include federal, state, or local government funds. This can include funds awarded from other federal or state agencies, the Federal Home Loan Bank**,** or waivers resulting in quantifiable cost savings that are not required by federal or state law. Banked match is an allowable source of match for the proposed development, however banked match is not allowed as a source to count for points in this scoring category.

Points will be awarded based on the Amount of Public Participation Funding/Total Project Costs:

% of Total Development Cost	Point(s)
.50% to .99%	1
1.00% to 1.99%	2
2.00% to 2.99%	3
3.00% to 3.99%	3.5
4.00% to 4.99%	4
Greater than 5.00%	5

In order to qualify for points in this category the applicant must submit in Tab J a letter from the appropriate authorized official approving the funds. The letter must include (a) a description of the type of approved funding for the proposed project and (b) the amount of funding.

2) *Leveraging of Other Sources* *Maximum Number of Points: 5*

Points will be awarded to applicants whose proposed project has received a firm commitment to leverage other funding sources. A "firm commitment" means that the funding does not require any further approvals. "Other funding sources" include (but are not limited to) private funding (including securing private loans), funds from a local community foundation, donations, etc. Banked match is an allowable source of match for the proposed development, however banked match is not allowed as a source to count for points in this scoring category.

Points will be awarded based on the amount of Other Funding Sources Leveraged/Total Project Costs:

% of Sources	Point(s)
.50% to .99%	1
1.00% to 1.99%	2
2.00% to 2.99%	3
3.00% to 3.99%	3.5
4.00% to 4.99%	4
Greater than 5.00%	5

In order to qualify for points in this category the applicant must submit in Tab J a letter from the appropriate authorized official approving the funds. The letter must include (a) a description of the type of approved funding for the proposed project and (b) the amount of funding.

8.6 Unique Features & Bonus **Category Maximum Points Possible: 10**

1) *Unique Features* *Maximum Number of Points: 5*
Points will be awarded to applicants that offer unique features that contribute to each of the beneficiary units of the proposed project. Unique features should be a creative addition to the proposed program. They should enhance the overall character of the project, improve the homeowners' and the community's quality of life, health, and/or safety. Unique features can be included in the financial structure of the project, involve members of the community, include items specific to the target area/project location or could include special services offered to the population served.

Points are awarded relative to other projects being scored during each application cycle and are awarded in IHCDA's sole and absolute discretion. The following chart sets forth the anticipated percentage of applications that will receive points using a maximum of 5 points.

% of Applications	5%	8%	12%	16%	18%	16%	12%	8%	5%
Points	5	4.5	4	3.5	3	2.5	2	1.5	1

In order to receive points in this category, the applicant must submit in Tab R a narrative summary in of the proposed unique features. Features receiving points in other sections of this application will not be considered for Unique Feature points.

2) *Bonus* *Maximum Points Possible: 5*
The applicant will receive five (5) bonus points for answering all questions and turning in all required supporting threshold and scoring documentation.

Glossary of Terms

Below are definitions for commonly used terminology found throughout the IHCDA HOME application policy and forms and applicable to the IHCDA HOME program.

Administrator: A procured entity that will assist carrying out the HOME award.

Aging in Place: - Aging in Place (AIP) refers to adapting our collective living environment so it is safer, more comfortable, and increases the likelihood a person can live independently and remain at home as circumstances change. Primary target populations for aging in place strategies are seniors, families with seniors, and persons with disabilities.

Beneficiary: The household or unit that received homeowner repair work as a result of the HOME award.

CHDO: A Community Housing Development Organization. A non-profit, community- based organization with the capacity to develop affordable housing for the community it serves, as defined in the HOME rule and as certified by IHCDA. Participating Jurisdictions (IHCDA) must set aside a minimum of 15% of their HOME allocations for activities in which CHDOs are the owners, developers, and/or sponsors of the housing.

Comprehensive Community Development: Every community strives to be a place where people choose to live, work, and play. Comprehensive development means that a community's potential lies in the identification and creation of a shared vision, planned by local leadership, and carried out by an array of partners. When successful, it yields results beyond what can be achieved by individual organizations or disparate programs because of the unique synergy they generate. A thriving community is a community with job opportunities, strong schools, safe neighborhoods, a full range of housing choices, and a vibrant culture. Comprehensive development marshals resources and deploys coordinated strategies in a concentrated area to create opportunities for others in the community to take prudent risks and reap the rewards. The demolition of blighted structures, the rehabilitation of long-vacant housing and the creation of new community amenities and retail opportunities serve as a tipping point for future development through market forces.

Disabled: The Fair Housing Act defines disability as a person who has/is:

- A physical or mental impairment which substantially limits one or more of such person's major life activities; or
- A record of having such an impairment; or
- Is regarded as having such an impairment, but such term does not include current, illegal use of or addiction to a controlled substance (as defined in section 102 of the Controlled Substances Act).

Elderly: Elderly can have one of two definitions as elected by the applicant:

- A person 55 years of age or older. This target population category also includes families with a person living in their home that is 55 years of age or older. For housing using this definition of elderly, at least 80% of the units must be age restricted; OR

- A person 62 years of age or older. This target population only includes households in which all household members are 62 years of age or older. For housing using this definition of elderly, 100% of the units must be age restricted.

HOME: The Home Investment Partnerships Program as created by the National Affordable Housing Act of 1990.

IHCDA: Indiana Housing and Community Development Authority

Income Limits: Maximum incomes as published by HUD for projects giving the maximum Income Limits per unit for beneficiary (30%, 40%, 50%, 60% and 80% of median) units.

Large City: For purposes of this policy, a Large City is defined as a city with a population of 75,000 or more. To qualify as being located within a Large City, the development must be located within one mile of the zoning jurisdiction and/or use city utility services (water and sewer).

Median Income: A determination made through statistical methods establishing a middle point for determining Income Limits. Median is the amount that divides the distribution into two equal groups, one group having income above the median and one group having income below the median.

MOU: A Memorandum of Understanding (MOU) is a document describing a bilateral or multilateral agreement between two or more parties.

Narrative: A written description by the applicant that describes the application question and generally supports the need of the project.

Project: The HOME activity proposed in the application.

Referral Agreement: An agreement in which the recipient and a qualified organization enter into an agreement in which the recipient agrees to (a) set aside a number of units at the project for a special needs population and (b) notify the qualified organization when vacancies occur, and in which the qualified organization agrees to (a) refer qualified households to the development and (b) notify clients of vacancies at the development.

Rent Limits: The HUD published maximum rent amount, including a utility allowance and any non-optional fees. Rent limits are published by bedroom size and by AMI level.

Rural: A development is considered to be rural if it meets one of the following criteria:

a. The development is located within the corporate limits of a City or Town with a population of 14,999 or less; or

b. The development is located in an unincorporated area of a county that does not contain a City or Town that meets the definition of Large City or Small City as set forth in this glossary; or

c. The development is located in an unincorporated area of a county whereas;

i. The development is outside the 2-mile jurisdiction of either a Large City or Small City as defined in this glossary; and

ii. The development does not have access to public water or public sewer from either the Large City or Small City as defined in this glossary.

Small City: For purposes of this policy, a Small City is defined as a city with a population of between 15,000 and 74,999. To qualify as being located within a Small City, the development must be located within one mile of the zoning jurisdiction and/or use city utility services (water and sewer).

Part 1: Application Process

1.1 Overview

The purpose of this application is to provide subsidies in the form of grants and loans to selected applicants for the acquisition, rehabilitation and/or new construction of single-family housing to serve low-income beneficiaries. Through this program, IHCDA seeks to improve the quality of existing housing stock in Indiana.

This program is designed to allocate HOME Investment Partnership Program (HOME) funds to be used for the rehabilitation and/or new construction of single-family homebuyer housing among selected applicants having projects that meet the requirements of the program and IHCDA's goals for the program.

1. Demonstrate they are meeting the needs of their specific community.
2. Serve low-income households (at or below 80% of area median income).
3. Are ready to proceed with the activity upon receipt of the award.
4. Propose to revitalize existing neighborhoods, preferably through a comprehensive approach (i.e. as part of a published and approved community revitalization plan).
5. Propose projects that promote aging-in-place strategies for seniors, persons with disabilities, and families with seniors or persons with disabilities.
6. Propose projects that are energy-efficient and are of the highest quality attainable within a reasonable cost structure.
7. Propose the use of state certified Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Federal Disadvantaged Business Enterprise (DBE) Participation, Veteran-Owned Small Business (VOSB), and/or Service Disabled Veteran Owned Small Business (SDVOSB) contractors, employees, and products when applicants are planning and undertaking their housing activities.

1.2 Funding Round Timeline

Note: This is an anticipated schedule and is subject to change or extension.

Application Available / Round Begins	March 6, 2015
Application Webinar	April 2015
Application Due Date	June 5, 2015
Award Announcements	August 27, 2015

1.3 Application Webinar

An application webinar will be conducted prior to the application deadline. During the webinar, the IHCDA Real Estate Production Department staff will describe the requirements of the HOME program, threshold and scoring criteria, how to complete the required forms and how to utilize the FTP site. Local Units of Government and Not-for-Profit entities intending to apply are *strongly encouraged* to attend.

Technical Assistance

The applicant may, but is not required, to schedule a technical assistance meeting with its regional IHCDA Real Estate Production Analyst to discuss both the proposed project and IHCDA's application process. Applicants are urged to contact their Real Estate Production Analyst early in the planning process to obtain guidance and technical assistance.

1.4 Application Submission

The applicant must submit the following items to IHCDA's Real Estate Department Coordinator:

- Via FTP site:
    - One completed copy of the HOME application forms.
    - All supporting documents required in the tabs. Please submit this information as separate, labeled PDF documents under the required labeled tabs. Do not send one PDF containing all of the supporting documentation.
- Via hard copy:
    - One completed copy of the final application forms with original signatures

All required application items are due no later than 5:00 p.m. Eastern Standard time on or before the due date. Applications received after the deadline will be returned to the applicant via certified mail. Faxed applications will not be accepted.

Instructions on how to utilize the FTP site will be explained during the Application Webinar. The hard copy of the final application forms should be sent to:

Indiana Housing and Community Development Authority
ATTN: Real Estate Department Coordinator
RE: HOME Application
30 South Meridian Street, Suite 1000
Indianapolis, IN 46204

All applicants must retain a copy of this application package. Applicants that receive funding will be bound by the information contained herein.

IHCDA will send an email confirmation to the applicant contact within one week of submission notifying the applicant that the application was received by IHCDA. Please notify Dani Miller at danmiller@ihcda.in.gov if the applicant would like to add an additional contact person for communications regarding this application.

1.5 Application Review

Each application must address only one project. Applications are reviewed in a three-step process:

Step One - Completeness	On or before the application deadline, the applicant must provide all required documents, signatures and attachments.
Step Two - Threshold	The application must meet each of the applicable threshold criteria. After initial threshold review, IHDCA staff may contact an applicant to request clarification of threshold information contained in the pending application. The applicant will have the opportunity to respond on or before the due date provided by IHCDA. If the applicant does not respond to the threshold clarification letter and therefore threshold item(s) are still in question, the application will be disqualified. Applications may have no more than three outstanding clarifications after the second review or the application

will be disqualified. Points will be awarded to those applications where no clarifications are required.

Step Three - Scoring

Applications that pass the completeness and threshold reviews are then scored according to IHCDA's published scoring criteria. After initial score review, IHCDA staff may contact the applicant for further clarification of a scoring item. Failure to respond to the requested scoring clarification items by the due date and in the manner requested may result in application denial. Supporting documentation for scoring categories will not have the opportunity to be submitted after the initial application submission.

Funded applications will be announced at the published IHCDA Board Meeting date. Confirmation letters and score sheets will be uploaded to the FTP site by the close of business on the day of the Board Meeting. Applications that are not funded will be notified by IHCDA via a denial letter and score sheets being uploaded to the FTP site by the close of business on the day of the Board Meeting. Applications not funded will not be rolled over into the next funding round.

Rental and homebuyer developments will compete in the same round but will complete separate applications. For purposes of funding, projects will be considered under a rental or homebuyer set-aside. The amount available for each activity has been prescribed in IHCDA's Consolidated Plan. If additional funds are available that were originally reserved for homebuyer activities (either due to lack of homebuyer applications in general or lack of homebuyer applications meeting threshold or minimum score requirements), these funds will be redirected and used for rental development.

1.6 Minimum Score Requirement

An application must score at least 75 points to be considered for funding.

1.7 CDBG & HOME Award Compliance Manual

The IHCDA CDBG & HOME Program Award Compliance Manual (the "Compliance Manual") outlines the requirements for administering IHCDA's HOME awards. In addition, recipients of funding for rental projects should also refer to the *Federal Programs Ongoing Rental Compliance Manual* for information about compliance during the affordability period. Complete copies of both compliance manuals are available on IHCDA's HOME program webpage.

1.8 Award Compliance Trainings

In an effort to continuously improve the capacity of our partners carrying out the HOME program, IHCDA will require HOME recipients to attend a series of free HOME technical assistance trainings during the 24-month HOME award period. The trainings will be conducted by a third-party and will explain the various aspects of the regulatory requirements for administering the award. In addition, IHCDA staff will be available to provide one-on-one award trainings upon request.

Part 2: Eligible Applicants

2.1 Eligible Applicants

HOME Investment Partnerships Program (HOME)	Cities, Town, and Counties (Non-HOME Participating Jurisdiction)	Community Housing Development Organizations (CHDO)	501(c)3 and 501(c)4 Not-for-Profit Organizations and PHAs	Joint Venture Partnerships	For Profit Entities organized under the State of Indiana
Homebuyer Rehabilitation	✓	✓	✓	✓	Not eligible
Acquisition and Homebuyer Rehabilitation	✓	✓	✓	✓	Not eligible
Homebuyer New Construction	✓	✓	✓	✓	Not eligible

Eligible applicants include cities, towns, or counties that are located within Indiana but outside of the following participating jurisdictions. Applications from, or housing activities located within, the following participating jurisdictions are NOT eligible for HOME funds:

Anderson	Gary	Muncie
Bloomington	Hammond	South Bend Consortium***
East Chicago	Indianapolis*	Terre Haute
Evansville	Lake County	
Fort Wayne	Lafayette Consortium**	

*Excluding the Marion County Cities of Beech Grove, Lawrence, Speedway, and Southport. The Town of Cumberland is excluded when the housing activity is outside of Marion County.

**Lafayette Consortium is made up of the Cities of Lafayette and West Lafayette and the unincorporated areas of Tippecanoe County. Other incorporated areas are eligible to receive assistance.

***South Bend Consortium is made up of the Cities of South Bend and Mishawaka and the unincorporated areas of St. Joseph County. Other incorporated areas are eligible to receive assistance.

2.2 Ineligible Applicants

IHCDA reserves the right to disqualify from funding any application that has either an applicant, sub-recipient, administrator, preparer or related parties of any of the aforementioned has a history of disregarding the policies, procedures, or staff directives associated with administering any program administered by IHCDA or programs administered by any other State, Federal, or affordable housing entities, including but not limited to the Indiana Office of Community and Rural Affairs, the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Agriculture - Rural Development, or the Federal Home Loan Bank.

Additionally, any entity currently on IHCDA's suspension or debarment list is ineligible to submit an application. IHCDA's Suspension and Debarment Policy can be found in the *CDBG and HOME Award Compliance Manual* Chapter 17.

2.3 Religious and Faith-Based Organizations

- *Equal treatment of program participants and program beneficiaries.* (1) *Program participants.* Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in HOME program. Neither the Federal Government nor a State or local government receiving funds under the HOME program shall discriminate against an organization on the basis of the organization's religious character or affiliation. Recipients and subrecipients of program funds shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.
- *Beneficiaries.* In providing services supported in whole or in part with federal financial assistance, and in their outreach activities related to such services, program participants shall not discriminate against current or prospective program beneficiaries on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.
- Separation of explicitly religious activities. Recipients and subrecipients of HOME program funds that engage in explicitly religious activities, including activities that involve overt religious content such as worship, religious instruction, or proselytization, must perform such activities and offer such services outside of programs that are supported with federal financial assistance separately, in time or location, from the programs or services funded under this part, and participation in any such explicitly religious activities must be voluntary for the program beneficiaries of the HUD-funded programs or services.
- Religious identity. A faith-based organization that is a recipient or subrecipient of HOME program funds is eligible to use such funds as provided under the regulations of this part without impairing its independence, autonomy, expression of religious beliefs, or religious character. Such organization will retain its independence from federal, State, and local government, and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct program funds to support or engage in any explicitly religious activities, including activities that involve overt religious content, such as worship, religious instruction, or proselytization, or any manner prohibited by law. Among other things, faith-based organizations may use space in their facilities to provide program-funded services, without removing or altering religious art, icons, scriptures, or other religious symbols. In addition, a HOME program-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.
- Alternative provider. If a program participant or prospective program participant of the HOME program supported by HUD objects to the religious character of an organization that provides services under the program, that organization shall, within a reasonably prompt time after the objection, undertake reasonable efforts to identify and refer the program participant to an alternative provider to which the prospective program participant has no objection. Except for services provided by telephone, the Internet, or similar means, the referral must be to an alternate provider in reasonable geographic proximity to the organization making the referral. In making the referral, the organization shall comply with applicable privacy laws and regulations.

Recipients and subrecipients shall document any objections from program participants and prospective program participants and any efforts to refer such participants to alternative providers in accordance with the requirements of §92.508(a)(2)(xiii). Recipients shall ensure that all subrecipient agreements make organizations receiving program funds aware of these requirements.

- Structures. Program funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for explicitly religious activities. Program funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. When a structure is used for both eligible and explicitly religious activities, program funds may not exceed the cost of those portions of the acquisition, new construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to the HOME program. Sanctuaries, chapels, or other rooms that a HOME program-funded religious congregation uses as its principal place of worship, however, are ineligible for HOME program-funded improvements. Disposition of real property after the term of the grant, or any change in the use of the property during the term of the grant, is subject to government wide regulations governing real property disposition (see 24 CFR parts 84 and 85).
- Supplemental funds. If a State or local government voluntarily contributes its own funds to supplement federally funded activities, the State or local government has the option to segregate the federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.

Part 3: Eligible Activities & HOME Program Requirements

3.1 Eligible Activities

This program is intended to have a long-term impact on the availability and quality of the affordable housing stock in Indiana. The program is intended for the acquisition/rehabilitation, rehabilitation, or new construction of single-family housing for homebuyer activities. Acquisition only is not an eligible activity; however acquisition in conjunction with another activity is permitted.

- Rehabilitation, new construction and acquisition/rehabilitation or acquisition/new construction of single-family housing.
- If HOME funds are used for acquisition of vacant land or demolition in conjunction with another activity, then construction must commence within twelve (12) months of the demolition or acquisition.
- Manufactured homes are eligible if they meet IHCDA's Manufactured Housing Policy or if rehabilitation will bring the unit up to these standards:
    - A single dwelling unit designed and built in a factory, installed as a permanent residence, which bears a seal certifying that it was built in compliance with the Federal Manufactured Housing Construction and Safety Standards law and which also complies with the following specifications:
        - Shall have been constructed after January 1, 1981, and must exceed nine hundred fifty (950) square feet of occupied space per I.C. 36-7-4-1106 (d);
        - Is attached to a permanent foundation of masonry construction and has a permanent perimeter enclosure constructed in accordance with the One and Two Family Dwelling Code;
        - Has wheels, axles and towing chassis removed;
        - Has a pitched roof;
        - Consists of two (2) or more sections which, when joined, have a minimum dimension of 20' X 47.5' enclosing occupied space; and
        - Is located on land held by the beneficiary in fee-simple title or 99-year leasehold and is the principal residence of the beneficiary.
        - All other manufactured or mobile homes that do not meet the aforementioned criteria are ineligible to receive rehabilitation assistance funded by IHCDA.

3.2 Ineligible Activities

Eligible housing activities in this Homebuyer Round **do not** include:

- Rental housing;
- Performing owner-occupied rehabilitation;
- Permanent Supportive Housing projects except for proposed projects that have successfully completed the Indiana Permanent Supportive Housing Institute. Permanent Supportive Housing projects will also be funded through the Rental Housing Tax Credit (RHTC) program.
- Group homes;
- Creation of secondary housing attached to a primary unit;
- Acquisition, rehabilitation, or construction of nursing homes, convalescent homes, hospitals, residential treatment facilities, correctional facilities, or student dormitories;
- Rehabilitation of mobile homes;

- Acquisition, rehabilitation, refinancing, or new construction if any part of a development or its land is located within the boundaries of a one hundred (100)-year floodplain. A flood determination must be provided for each parcel associated with the project;
- Acquisition, rehabilitation or construction of any developments that will be applying for RHTC. These developments must apply for HOME funds as part of the RHTC application (also called the Qualified Allocation Plan);
- Any housing activity funded under Title VI of NAHA, prepayment of mortgages insured under the National Housing Act, public housing developments, or acquisition, rehabilitation or construction of any developments funded under HUD's former Rental Rehabilitation Program;
- Costs for supportive services, homeless prevention activities, operating expenses, or for the use of commercial facilities for transient housing;
- Acquisition, rehabilitation or construction of transitional housing or emergency shelters that are designed to provide temporary daytime and/or overnight accommodations for homeless persons;
- Payment of HOME loan servicing fees or loan origination costs;
- Tenant-based rental assistance;
- Payment of back taxes.

IHCDA **does not** fund:

- Requests from individuals, political, social, or fraternal organizations;
- Endowments, special events, arts, or international projects;
- Scholarships requested by individuals;
- Institutions that discriminate on the basis of race, color, national origin, sex, religion, familial status, disability, sexual orientation, gender identity, or against victims of domestic violence, dating violence, sexual assault, or stalking in policy or in practice;
- Projects in furtherance of sectarian religious activities, impermissible lobbying, legislative or political activities;
- Medical research or medical profit-making enterprises.

3.3 HOME Program Requirements

The proposed HOME project must follow these minimum requirements, and all other requirements laid forth in the Compliance Manual, to be eligible for funding. For further details on each requirement, please see IHCDA's Compliance Manual. The link and the appropriate chapter are included.

- Recipients must comply with all regulatory requirements listed in 24 CFR Part 92.
- Homebuyer activities must assist households at or below eighty percent (80%) of the Area Median Income for the County, as published by HUD and distributed by IHCDA. Households must also meet the definition of "low-income families" at 24 CFR 92.2 which limits occupancy based on certain student status rules (see Chapter 1 in the IHCDA Compliance Manual).
- An income verification is valid for a period of six (6) months. If more than six (6) months pass between income verification and contract execution/purchase agreement, then a new income verification must be completed. All income verification procedures outlined in the IHCDA Compliance Manual, Income Verification Chapter 8 must be followed.
- All IHCDA-assisted units must be inspected twice during the award period. The first inspection will occur at the completion of the documented scope of work and prior to the IHCDA Inspector's final physical inspection. The second inspection will be conducted upon completion

of the construction for the award. The IHCDA Inspector will conduct the physical inspections. (IHCDA Compliance Manual, Construction Standards & Physical Inspections Chapter 14)

- The match requirement for the HOME program is 25% of the total amount of HOME funds requested except HOME funds used for administrative and planning costs (pursuant to §92.207); CHDO operating expenses (pursuant to §92.208); capacity building (pursuant to §92.300(b)) of CHDOs; and predevelopment or seed money loans to CHDOs (pursuant to §92.301) when IHCDA waives repayment under the provisions of §92.301(a)(3) or §92.301(b)(3) . (IHCDA Compliance Manual, Policy Requirements Chapter 1 and Chapter 12, Funds Management)
- To help facilitate timely expenditure of HOME funds, all applicants are required to submit the Environmental Review Record (ERR) and Section 106 Review at the time of application. If awarded HOME funds, the HOME recipient must receive an IHCDA Release of Funds before the fully executed award documents are released and any funds are drawn. (IHCDA Compliance Manual, Environmental Review Chapter 11). For more information, contact the IHCDA Design and Construction Review Manager.
    - Applicants may not purchase any property to be assisted with HOME funds, sign contracts or begin rehab/construction until the ERR/Release of Funds process has been completed and approved.
- Each recipient of a HOME award will be required to provide proof of adequate builder's risk insurance, property insurance, and/or contractor liability insurance during construction and property insurance following construction for the assisted property throughout the affordability period of the award. (IHCDA Compliance Manual, Procurement Procedures Chapter 10)
- Each recipient of a HOME award must follow the Davis Bacon requirements found in 29 CFR Parts 1, 3 and 5 to ensure workers receive no less than the prevailing wages being paid for similar work for the following type of projects:
    - Rehabilitation or new construction of a residential property containing twelve (12) or more HOME-assisted units; and
    - Affordable housing containing twelve (12) or more units assisted with HOME funding regardless of whether HOME funding is used for construction or non-construction activities.
    - Such properties may be one (1) building or multiple buildings owned and operated as a single development.
    - Public Housing Authorities (PHA's) using PHA funds in conjunction with IHCDA funds are subject to Davis Bacon requirements.
- Each recipient of a HOME award must follow competitive procurement procedures when procuring all materials, supplies, equipment, and construction or professional services related to the HOME award. (IHCDA Compliance Manual, Procurement Procedures Chapter 10)
- Each recipient of a HOME award is subject to the HUD requirements of addressing lead-based paint hazards pursuant to 24 CFR Part 35. If a risk assessment is required, then all lead-based paint issues must be addressed. (IHCDA Compliance Manual, Lead Based Paint Chapter 2)
- Each recipient of a HOME award is subject to the requirements of the Uniform Relocation Act. See the IHCDA's Compliance Manual Chapter 4 on URA for guidance on the regulatory requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended, the Federal regulations at 49 CFR Part 24, and the requirements of Section 104(d) of Title I of the Housing and Community Development Act of 1974, as amended.
- Housing must meet the accessibility requirements of 24 CFR Part 8 which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and covers multifamily dwellings, as defined in 24 CFR Part 100.201. It must also meet the design and construction requirements of

24 CFR 100.205 and which implement the Federal Fair Housing Act Amendments of 1988 (42 U.S.C. 3601-3619). See the IHCDA Compliance Manual Chapter 3 for guidance on the regulatory requirements of Section 504 Accessibility Standards.

- Units must, at a minimum, meet the stricter of the local rehabilitation standards or the Indiana State Building Code.
- Any units utilizing gas appliances must provide carbon monoxide detectors in addition to standard smoke detectors.
- Recipients receiving $200,000 or more in construction funding from all CPD programs (i.e. CDBG, HOME, NSP, HOPWA, ESG, etc.) in a program year must comply with the Section 3 requirements. Section 3 provides preference to low- and very-low-income residents of the local community (regardless of race or gender) and the businesses that substantially employ these persons, for new employment, training, and contracting opportunities resulting from HUD-funded projects. (IHCDA Compliance Manual, Section 3 Chapter 7)
- Recipients of HOME funds must meet additional energy efficiency standards for new construction as described in 24 CFR 92.251.
- Projects performing the rehabilitation activity with a total of 26 or more units (the total of HOME-assisted and non-HOME assisted units) must complete and provide a Capital Needs Assessment (CNA).
- The recipient of HOME funds must ensure that every HOME-assisted homebuyer receives housing counseling before purchasing a home. The counseling can be provided by the recipient, an organization under contract with the recipient, or a qualified third party independent recipient (e.g., a HUD-approved housing counseling agency). The counseling should be comprehensive by including post-purchasing counseling, if feasible.
- Persons who, as a result of national origin, do not speak English as their primary language and who have limited ability to speak, read, write, or understand English ("limited English proficient persons" or "LEP") may be entitled to language assistance under Title VI in order to receive a particular service, benefit, or encounter. In accordance with Title VI of the Civil Rights Act of 1964 (Title VI) and its implementing regulations, the recipient must agree to take reasonable steps to ensure meaningful access to activities funded by federal funds by LEP persons. Any of the following actions could constitute "reasonable steps", depending on the circumstances: acquiring translators to translate vital documents, advertisements, or notices, acquiring interpreters for face to face interviews with LEP persons, placing advertisements and notices in newspapers that serve LEP persons, partnering with other organizations that serve LEP populations to provide interpretation, translation, or dissemination of information regarding the project, hiring bilingual employees or volunteers for outreach and intake activities, contracting with a telephone line interpreter service, etc.
- Any HOME-assisted homeownership unit that has not been sold by the recipient to an eligible homebuyer within nine (9) months of completion must be converted to a HOME-assisted rental unit.
- Recipients must follow the non-discrimination requirements of the Fair Housing Act, the Violence Against Women Reauthorization Act of 2013, and the Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity rule.
- In accordance with CPD Notice 12-003, the recipient must also execute a HOME written agreement with the homebuyer before or at the time of sale. The purpose of the agreement is to ensure that all parties are aware of the provisions related to the lien and restrictive covenant agreement and HOME requirements applicable to the HOME-assisted unit (i.e., period or

affordability, principal residency requirement, etc.). The recipient will be required to use IHCDA's form of Homebuyer Recapture Agreement.

3.4 Affordability Requirements

HOME subsidized activities must be secured throughout the affordability period by a recorded lien and restrictive covenant agreement created by IHCDA. The affordability period begins on the date the activity is completed in IDIS. To be completed in IDIS, the project must be completed, completion and close out documents submitted and approved, final monitoring is completed and, when any findings or concerns are resolved, all of the funds are drawn and/or deobligated.

The following affordability periods apply to all HOME homebuyer activities:

Amount of HOME subsidy per unit:	Affordability Period
Under $15,000	5 years
$15,000 - $40,000	10 years
Over $40,000 - or any rehabilitation/refinance combination activity	15 years

The recipient must take measures to ensure that HOME-assisted homebuyer units continue to be the homebuyer's principal residence throughout the Affordability Period by annually certifying the principal place of residency.

Annual Certification of Compliance:

In order to ensure compliance with the Affordability Period and principal place of residency requirements of the HOME Program for HOME-assisted homebuyer units, the recipient must submit a "Homebuyer Activity Annual Certification of Compliance" annually throughout the Affordability Period.

This will require the recipient to certify compliance to IHCDA annually, under penalties of perjury, for each year of the Affordability Period. The recipient must certify that each home/homeowner assisted with HOME funds under this Award meets the affordability requirements. This will require the recipient to contact each homeowner to have request the homeowner to sign the "Exhibit A: Principal Place of Residency Certification."

The "Homebuyer Activity Annual Certification of Compliance" is due on or before January 31st of each year and will certify information for the preceding twelve (12) month period. The first annual owner certification is due by January 31st of the year following closeout date (i.e. the first year of the affordability period) of this Award.

A complete submission includes the Certification, Exhibit A, and Exhibit B. The "Homebuyer Activity Annual Certification of Compliance" and related exhibit forms are made available on the compliance and asset management page of IHCDA's website at http://www.in.gov/myihcda/2342.htm. IHCDA will not send these forms to the recipient annually. Rather, it is the responsibility of the recipient to download the necessary forms and to contact IHCDA if there are any questions or concerns.

If the annual certification is not submitted for the Award by the January 31st due date, IHCDA will contact the recipient with a reminder letter. Failure to submit reports by the deadline will result in a

$100 penalty late fee. This fee will be requested in the reminder letter sent by IHCDA.

Repeated failure to submit reports or to comply with requests for reports could result in repayment of HOME funds associated with these home-assisted homebuyer units or suspension or debarment of the recipient. For more information on IHCDA's suspension and debarment policy, refer to Chapter 17 of IHCDA's *HOME and CDBG Award Compliance Manual.*

3.5 Homebuyer Resale Provisions

The recipient must implement resale requirements for every homebuyer property constructed, redeveloped, rehabilitated, or acquired, in whole or in part, with HOME funds in the form of a development subsidy. The development subsidy consists of the difference between the cost of producing the unit and the market value of the property..

If the homebuyer no longer occupies the property as its primary residence the property: (1) must be resold to another individual or family; who meets the Affordability Requirements; and (2) must be resold at a price that does not exceed twenty-nine percent (29 %) of that individual's or family's gross income towards the principal, interest, taxes and insurance for the property on a monthly basis ("Affordable Price"). The homebuyer must resale the property within six (6) months of the date it fails to occupy the property as its primary residence. The homebuyer is entitled to a fair return on its investment (as described below) upon the sale of the property. The fair return will be based on the percentage change in the Consumer Price Index for All Urban Consumers Owners' Equivalent Rent of Primary Residence category in Table I of the CPI Detailed Report (the "CPI Index") during the period of the homebuyer's ownership of the property. Accordingly, the CPI Index during the month the residence was completed (the month during which the completion reports were received by and approved by IHCDA) will be compared to the CPI Index during the month the homebuyer sells the residence to determine the percentage of the return. The homebuyer's investment will include any down payment, plus any capital improvements. A capital improvement is any property enhancement that increases the overall value of the property, adapts it to new uses, or extends its life such as: adding windows, insulation, a new drive way, a new furnace, a garage, bedroom, new roof, remodeling kitchen, etc. Any capital improvement will be valued based on actual cost as documented by the homebuyer's receipts. Generally, replacing worn or dated components such as appliances or carpet would not be considered an improvement that adds value or adapts it to new uses. In certain circumstances, such as a declining housing market where home values are depreciating, the homebuyer may not receive a return on his or her investment because the home sold for less or the same price as the original purchase price and a loss on investment may constitute a fair return. The property cannot be sold for a price higher than indicated above.

The recipient will be required to ensure that a lien and restrictive covenant agreement, drafted by IHCDA has been executed and recorded on any HOME-assisted property. In accordance with CPD Notice 12-003, the recipient must also execute a HOME written agreement with the homebuyer before or at the time of sale. The purpose of the agreement is to ensure that all parties are aware of the provisions related to the lien and restrictive covenant agreement and HOME requirements applicable to the HOME-assisted unit (i.e., period or affordability, principal residency requirement, etc.). The recipient will be required to use IHCDA's form of Homebuyer Resale Agreement.

In accordance with CPD Notice 12-003 If a HOME-assisted property is foreclosed upon, sold or the homebuyer is no longer using the property as its principal residence and the affordability requirements are not preserved by a subsequent purchaser at a reasonable price by a low-income homebuyer who will use the property as its principal residence, and agree to assume the remainder of the original affordability period, the recipient must repay the ENTIRE amount of HOME funds invested in the property.

3.6 Homebuyer Recapture Guidelines

The recipient must implement recapture restrictions for any homebuyer property purchased, in whole or in part, by a homebuyer that received a direct subsidy from the recipient in an amount greater than or equal to One Thousand and 00/100 Dollars ($1,000) from HOME funds. A homebuyer subsidy consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidizes the purchase.

If the homebuyer no longer utilizes the property as its principal residence during the Affordability Period defined below, the amount to be recaptured is the shared net proceeds of a prorated amount of the homebuyer subsidy. The proration shall be based on the length of time the homebuyer has occupied the property as its principal residence in relation to the Affordability Period. If there is both a development subsidy and a homebuyer subsidy or just a homebuyer subsidy, a recapture provision must be implemented. In cases where a homebuyer subsidy was not provided and there is only a development subsidy, resale restrictions must be executed on the property.

The recipient will be required to ensure that a lien and restrictive covenant agreement, drafted by IHCDA has been executed and recorded on any HOME-assisted property. In accordance with CPD Notice 12-003, the recipient must also execute a HOME written agreement with the homebuyer before or at the time of sale. The purpose of the agreement is to ensure that all parties are aware of the provisions related to the lien and restrictive covenant agreement and HOME requirements applicable to the HOME-assisted unit (i.e., period or affordability, principal residency requirement, etc.). The recipient will be required to use IHCDA's form of Homebuyer Recapture Agreement.

If the homebuyer sells the property or the property is foreclosed upon during the term of the Affordability Period, the amount to be recaptured is the shared net proceeds of a prorated amount of the homebuyer subsidy. The proration shall be based on the length of time the homebuyer has occupied the property as its principal residence in relation to the affordability period. Any net proceeds that exist will be shared between IHCDA and the homebuyer. If there are not any proceeds, there is no amount to recapture.

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 contained in IHCDA's *CDBG and HOME Program Manual.*

If there is both development subsidy and homebuyer subsidy or just homebuyer subsidy, a recapture provision must be implemented. In cases where a homebuyer subsidy was not provided and there is only a development subsidy, resale restrictions must be executed on the property.

In cases of non-compliance, 1) the original homebuyer no longer occupies the unit as his or her principal residence (i.e., unit is rented or vacant), or 2) the home was sold during the affordability period and the recapture provisions were not enforced the entire amount of the HOME funds invested in the property must be repaid.

Under recapture guidelines the Affordability Period is based upon the total amount of the homebuyer subsidy that the homebuyer received in HOME funds.

Part 4: CHDO

4.1 IHCDA CHDO Set-Aside

IHCDA must allocate 15% of its HOME funds for CHDO projects.

4.2 CHDO Eligible Activities

- Permanent rental and homebuyer housing are considered CHDO-eligible activities for purposes of the CHDO set-aside as long as the activity takes place within the CHDO's state-certified service area and the CHDO must own, develop, or sponsor the activity.
    - HOME-assisted homebuyer's program: When the CHDO owns and develops new housing that will be constructed or if the CHDO is the current owner or will be acquiring existing housing that will be rehabilitated. As developer, the CHDO must arrange financing for the project and be in sole charge of construction.

4.3 CHDO Program Requirements

CHDOs must adhere to all HOME requirements listed in this Application Package and the additional CHDO specific program requirements:

- The CHDO must have a current CHDO Certification issued by IHCDA.
- Treatment of Program Income by a CHDO: Proceeds generated from a Community Housing Development Organization ("CHDO") development activity may be retained by the CHDO but must be used for housing activities that benefit low-income families as provided in 24 CFR 92.300(a)(2). Such proceeds are not considered program income and are not subject to HOME Program requirements. However, if at any time during the affordability period, the CHDO becomes decertified or no longer has a mission of providing affordable housing then all CHDO proceeds must immediately be remitted to IHCDA. Please contact your Compliance Monitor for further assistance in this area. Additionally, funds recaptured because housing no longer meets affordability requirements are not considered CHDO proceeds and are subject to the requirements of 24 CFR 92.503(b) and must be returned to IHCDA.
- An application for a CHDO eligible undertaking must demonstrate the following:
    - Low- and moderate-income persons have had the opportunity to advise the CHDO in its decision regarding the design, site, development, and management of the affordable housing undertaking.
    - Certify that the organization continues to meet the definition of a CHDO by being a certified CHDO by IHCDA.
    - Complete the CHDO related sections in the HOME 2015 FY Application Forms.
- Homebuyer provision for CHDO-eligible activities, the HOME funds may be provided as a homebuyer deferred payment or forgivable loan and must carry a zero (0%) interest rate and the term must not exceed the affordability period. The Single Family proforma that is submitted to IHCDA at set-up must include:
    - The affordable payment (Principal, Interest, Taxes, Insurance, and Utilities) must have a front-end ratio of twenty-nine percent (29%) of gross income.
    - Applicants should not allow a mortgage payment that exceeds the back-end affordable payment ratio calculated at forty-one percent (41%) of gross monthly income.
    - If the activity is for new construction, at least $50.00 per month must be budgeted for property taxes, unless documentation is provided that indicates that taxes will be lower than this amount.

  - Applicants must include a utility allowance between $125.00 and $200.00, unless documentation is provided that indicates that utilities will be lower than this amount.
  - Donations toward a home must be counted at one hundred percent (100%) of the value; however, in the financial analysis seventy-five percent (75%) of this value must be counted toward either development and/or homebuyer subsidy. But if including a developer fee this is not eligible and one hundred percent (100%) of the value must be counted.
- CHDO Operating Costs – CHDO operating costs are those costs directly related to administering an IHCDA HOME CHDO award and complying with the regulations associated with these funds. HOME funds expended on CHDO operating costs incur no match liability. This line item cannot exceed five percent (5%) of a HOME award and generally is between $5,000.00 and $10,000.00. This line item along with developer's fee, program delivery, and environmental review cannot exceed twenty percent (20%) of the HOME request. Recipients are allowed to draw down this line item as costs are incurred. Costs associated with preparing an application for funding through IHCDA are not eligible for reimbursement through a HOME award.

  Eligible costs include:
  - Affirmative marketing
  - Fair housing education
  - Postage
  - Office materials and supplies
  - Photocopying
  - Office rent and utilities
  - Travel related to the housing activity
  - Communication costs
  - Lead based paint training
  - Staff time or professional services related to reporting, compliance, monitoring, or financial management
  - Training related to the housing activity

4.4 CHDO Operating Supplement

CHDOs may apply for supplemental funds in the HOME 2015 FY Application Forms. The CHDO may apply for up to $50,000 in supplemental funding tied to a specific CHDO HOME eligible project.

4.5 CHDO Predevelopment and Seed Money Loans

CHDOs are eligible for project specific predevelopment or seed money loans. The CHDO must apply for the predevelopment or seed money through a separate application process. Please contact your Real Estate Production Analyst for more details.

Part 5: Subsidy Limitations & Eligible Activity Costs

5.1 Subsidy & Budget Limitations
The maximum request amount per application is $500,000 for eligible homebuyer activities.

Subsidy Limitations
HOME funds used for acquisition, rehabilitation, new construction, program delivery, relocation, rent-up reserve, and developer's fee combined cannot exceed:

Bedroom Size	Per Unit Subsidy Limit
0	$55,000
1	$63,000
2	$77,000
3	$99,000
4+	$109,000

Minimum amount of HOME funds to be used for rehabilitation or new construction is $1,000 per unit.

Budget Limitations
HOME funds cannot be used for reserve accounts for replacement or operating costs, but may be used as a Rent-Up Reserve.

All subsidies must be secured throughout the affordability period by a written, legally binding, recorded restrictive covenant.

HOME funds budgeted for administration or CHDO operating costs cannot exceed five percent (5%) of the HOME award.

HOME funds budgeted for developer's fee cannot exceed fifteen percent (15%) of the HOME award.

HOME funds budgeted for administration or CHDO operating, program delivery, environmental review and developer's fee together cannot exceed twenty percent (20%) of the HOME award.

5.2 Form of Assistance
HOME funds will be awarded to the recipient in the form of a grant or loan. Award documents must be executed in order to access funds and will include, but are not limited to: award agreement, resolution, and a lien and restrictive covenant agreement.

The applicant may then provide the HOME award as a forgivable, amortized, or deferred loan to as many other entities as it chooses, known as subgrantees (beneficiaries if a homebuyer award). However, subgrantees must be identified in the application and approved by IHCDA.

A title company is required to be used for all loans that occur between the IHCDA recipient and the beneficiary or subgrantee of the program. For example, an IHCDA recipient providing funds for a homebuyer activity must use a title company when the loan is made to the homebuyer. Another example is when an IHCDA recipient is assisting a property that that it does not own. When the loan is made from the IHCDA recipient to the subgrantee, a title company must be used.

The IHCDA recipient must execute a promissory note, mortgage, lien and restrictive covenant agreement, security agreement, UCC Financing Statement(s), and other documents as directed by IHCDA in order to secure IHCDA's investment in the assisted property. The recipient is required to deliver these documents to the county recorder's office for recording. These documents will be reviewed during monitoring visits.

The homebuyer must execute a lien and restrictive covenant agreement and in accordance with CPD Notice 12-003, the recipient must execute a HOME written agreement with the homebuyer before or at the time of sale. The purpose of the agreement is to ensure that all parties are aware of the provisions related to the lien and restrictive covenant agreement and HOME requirements applicable to the HOME-assisted unit (i.e., period or affordability, principal residency requirement, etc.), and assists the recipient in enforcing those requirements.

5.3 Eligible Activity Costs

The bolded items listed below are included in the application budget. If you have a question about which line item an expense goes under, contact your IHCDA Real Estate Production Analyst.

RETAINAGE POLICY - IHCDA will hold the final $5,000.00 of an award until the completion reports, leverage documentation, and closeout documentation is received and approved. Additionally, IHCDA will hold the final $5,000.00 of an award until the final monitoring and final inspection have been completed and all findings and/or concerns associated with them have been resolved.

ACQUISITION – Limited to the purchase price and related costs associated with the acquisition of real property. Recipients must use a title company when purchasing or selling assisted properties.

HOMEBUYER SUBSIDY OR DIRECT SUBSIDY – A Homebuyer Subsidy may include closing costs, principal reduction, or interest rate buy-downs provided to program participants, or any assistance that reduces the purchase price from the fair market value to an affordable price. For homebuyer projects only.

NEW CONSTRUCTION – Eligible costs include:

- Hard costs associated with new construction activities
- Utility connections including off-site connections from the property line to the adjacent street
- Site work related to driveways, sidewalks, landscaping, etc.
- Related infrastructure costs - improvements to the development site that are in keeping with improvements of surrounding, standard developments. Site improvements may include on-site roads and water and sewer lines necessary to the development
- Stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners

REHABILITATION – Eligible costs include:

- Hard costs associated with rehabilitation activities
- Lead-based paint interim controls and abatement costs.
- Mold remediation.

- Utility connections and related infrastructure costs - off-site connections from the property line to the adjacent street are eligible when it is deemed a threat to health and safety. Improvements to infrastructure when there will be no rehabilitation work done on the actual house to be served.
- Stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners
- Site work related to driveways, sidewalks, landscaping, etc.

DEMOLITION – Costs associated with the demolition and clearance of existing structures.

PROGRAM DELIVERY - Program delivery costs are those costs that can be directly tracked by address. They include soft costs and client-related costs that are reasonable and necessary for the implementation and completion of the proposed activity. This line item along with administration and environmental review cannot exceed twenty percent (20%) of the HOME request. Recipients are allowed to draw down this line item as costs are incurred. Additionally, program delivery may be used to pay off a HOME CHDO Predevelopment or CHDO Seed Money loan but may not exceed the twenty percent (20%) line item cap.

Eligible costs include:

- Engineering/Architectural Plans
- Financing costs
- Client in-take / Income verification
- Plans, specifications, work write-ups
- Credit reports
- Title Searches
- Impact fees
- Inspections
- Cost estimates
- Building permits
- Recording fees
- Demolition permits
- Travel to and from the site
- Lead hazard testing
- Private lender origination fees
- Appraisals
- Consultant fees
- Realtor fees
- Utilities of assisted units
- Other professional services
- Builders risk insurance
- Phase I Environmental Assessments
- Closing costs paid on behalf of homebuyer
- Legal and accounting fees

RELOCATION - This includes relocation payments and other relocation assistance for permanently and/or temporarily relocated individuals, families, businesses, nonprofit organizations, and farm operations where assistance is required and appropriate. Relocation payments include replacement housing payments, payments for moving expenses, and payments for reasonable out-of-pocket expenses for temporary relocation purposes. For additional information on relocation and displacement, please refer to the information provided in the IHCDA's Compliance Manual Chapter 4.

LEAD HAZARD TESTING – Costs associated with lead hazard testing includes Risk Assessment, Clearance Test, etc. The limits for this line item are $1000.00 per unit.

HOMEOWNERSHIP COUNSELING – Costs associated with formal training provided to prospective homebuyers. This item is limited to $1,000.00 per homebuyer. Applies to homebuyer projects only.

Eligible costs include:

- Course material development/costs
- Related travel

- Underwriting
- Professional services
- Intake
- Training location
- Credit reports
- Postage
- Income verification
- Loan processing
- Program management
- Marketing and advertising

DEVELOPER'S FEE – Developer's fees are only available with HOME funded activities and cannot exceed fifteen percent (15%) of the HOME award. Additionally, the total of Developer's Fee, Administration or CHDO operating, program delivery and environmental review cannot exceed twenty percent (20%) of the HOME request.

ADMINISTRATION - The administration line item includes those costs directly related to administering the IHCDA award and complying with the regulations associated with these funds. This line item cannot exceed five percent (5%) of the HOME request and generally is between $5,000 and $10,000. This line item along with Developer's Fee, program delivery, and environmental review cannot exceed twenty percent (20%) of the HOME request. Recipients are allowed to draw down this line item as costs are incurred. Costs associated with preparing an application for funding through IHCDA are <u>not eligible</u> for reimbursement through a HOME award. This line item does not incur a match liability for HOME funds.

Eligible costs include:

- Affirmative marketing
- Fair housing education
- Postage
- Office materials and supplies
- Photocopying
- Office rent and utilities
- Travel related to the housing activity
- Communication costs
- Lead based paint training
- Staff time or professional services related to reporting, compliance, monitoring, or financial management
- Training related to the housing activity

CHDO OPERATING COSTS – Please refer to the CHDO section of this application package.

ENVIRONMENTAL REVIEW – This line item includes expenses associated with the Environmental Review Release of Funds process. This does not refer to a Phase I Environmental Assessment. Those expenses should be included in the Program Delivery line item. This line item along with developer's fee, program delivery and administration or CHDO operating cannot exceed twenty percent (20%) of the HOME request. Eligible costs for this line item are generally between $2,000 and $5,000 and include professional services, publication costs, photocopying, and postage. For further information regarding this activity, please read the Environmental Review Guide found in Chapter 11 of the IHCDA Compliance Manual or contact IHCDA's Design and Construction Review Manager.

<u>**Ineligible Activity Costs**</u>

- Commercial development costs - All costs associated with the construction or rehabilitation of space within a development that will be used for non-residential purposes such as offices or other commercial uses. This does not include the common area used by tenants of rental property or the leasing office of the apartment manager. HOME awards cannot be used to underwrite any portion of commercial development costs. The expenses incurred and income to be generated from commercial space must be reported in a separate "Annual Expense Information" sheet and fifteen (15)-year proforma.

- Costs associated with preparing an application for funding through IHCDA.
- Purchase or installation of luxury items, such as swimming pools or hot tubs.
- Purchase or installation of equipment, furnishings, tools, or other personal property that is not an integral structural feature, such as window air conditioner units or washers and dryers.
- Cost of supportive services.
- General operating expenses or operating subsidies.
- Providing tenant based rental assistance.
- Mortgage default/delinquency correction or avoidance.
- Loan guarantees.
- Annual contributions for operation of public housing.
- Costs associated with any financial audit of the recipient.

5.4 Program Income

Proceeds generated from a Community Housing Development Organization ("CHDO") development activity may be retained by the CHDO but must be used for housing activities that benefit low-income families as provided in 24 CFR 92.300(a)(2). Such proceeds are not considered program income and are not subject to HOME Program requirements. However, if at any time during the affordability period, the CHDO becomes decertified or no longer has a mission of providing affordable housing then all CHDO proceeds must immediately be remitted to IHCDA. Please contact your Compliance Monitor for further assistance in this area. Additionally, funds recaptured because housing no longer meets affordability requirements are not considered CHDO proceeds and are subject to the requirements of 24 CFR 92.503(b) and must be returned to IHCDA.

Income generated by not for profits or for-profits, acting as developers of HOME units, may be retained by the developer and is not subject to HOME Program requirements.

Additionally, all legal documents, such as mortgages, security agreements, UCC financing statements, and liens executed by the recipient and the beneficiary or subrecipient, receiving assistance, must be recorded at the county recorder's office. These documents must be submitted to IHCDA at closeout along with the IHCDA recipient's completion reports and will be reviewed during monitoring visits conducted by IHCDA staff.

The State of Indiana, Department of Financial Institutions, has determined that any community development corporation (as defined in IC 4-4-28-2) acting as a subrecipient of funds received from; the Indiana Housing and Community Development Authority is exempt from the requirements of the Consumer Credit Code set forth in (IC 24-4.5), including its loan licensing requirements. Subsequently, if you are a not for profit that does not meet these requirements, you could be subject to the loan licensing requirements as listed above.

Additionally, if your organization makes more than twenty (25) consumer loans in a year, then the loan-licensing requirements referenced above could become applicable.

Part 6: Homebuyer Requirements

The purpose of this activity is to provide funding to improve the quality of housing stock while making it affordable for homebuyers. Funding is available for rehabilitation, new construction, or acquisition/rehabilitation of housing that will be sold to income-eligible homebuyers. HOME projects can propose homebuyer activities with this policy and corresponding application forms. Rental activities are eligible using the Rental policy and corresponding application forms.

6.1 Eligible Beneficiaries

Each household must have an annual income equal to or less than eighty percent (80%) of the area median family income (adjusted for household size) at the time the contract to purchase the home is signed. The Section 8 definition of household income applies. See Chapter 8 of the *CDBG and HOME Program Manual* for instructions on calculating and verifying household income. Households must also meet the definition of "low-income families" at 24 CFR 92.2 which limits occupancy based on certain student status rules (see Chapter 1 in the *CDBG and HOME Program Manual).*

To be eligible for homebuyer activities, the prospective purchaser beneficiary must be low-income and must occupy the property as a principal residence upon purchase.

The purchasing household must be low-income at either:

- In the case of a contract to purchase existing housing, at the time of purchase; or
- In the case of a contract to purchase housing to be constructed, at the time the contract is signed.

A household owns a property if that household:

- Has fee simple title to the property; or
- Maintains a 99-year leasehold interest in the property; or
- Owns a condominium; or
- Owns or has a membership in a cooperative or mutual housing project that constitutes homeownership under state law; or
- For manufactured housing, land must be owned by the manufactured housing owner or leased for a period at least equal to the duration of the affordability period; or
- Maintains an equivalent form of ownership approved by HUD.

Ownership does not include land contracts/contracts for deeds.

6.2 Affordability Periods and Resale/Recapture Requirements

All homebuyer projects are subject to an Affordability Period as defined in Part 3.4 of this document.

The recipient must implement resale or recapture provisions through a recorded lien and restrictive covenant agreement as described in Parts 3.5 and 3.6 of this document.

6.3 Homebuyer Provisions

- Recipients are required to identify and qualify homebuyers prior to acquiring and beginning construction on the HOME-assisted units; however, HOME-assisted units are not considered completed until occupied by an income eligible homebuyer. Therefore, units that are not completed during the award timeframe may affect future funding decisions.

- Recipients will be required to provide an "after rehab" or "construction value" appraisal; whichever is appropriate, from a licensed appraiser for all property assisted with the award with the first draw that includes hard costs. If the applicant is acquiring property an "as-is" appraisal is required with the first draw request for acquisition reimbursement. See IHCDA's Compliance Manual for details.
- Applicants also performing rehabilitation on the housing in this activity must purchase:
    - Homebuyer residential units,
    - Rental units that have been vacant for three (3) or more months, or
    - Occupied rental units only if the current tenant will become the eventual homebuyer. See the IHCDA's Compliance Manual for further guidance.
- Subsidy analysis must be based on a borrower's payment for a minimum of a 20-year mortgage.
- Recipients are required to provide homeownership counseling to all program beneficiaries.
- The recipient may not charge servicing, origination, processing, inspection, or other fees for the costs of providing homeownership program assistance.
- If the not-for-profit applicant anticipates selling the HOME-assisted unit to a buyer that will utilize an FHA or VA insured mortgage, they may be required to first be approved by HUD to be a secondary lender. Information on how to become a HUD-approved lender can be obtained at HUD's website or by calling the HUD's Atlanta Homeownership Center toll free at (888) 696-4687 ext. 2055.
- According to 24 CFR 92.254(a)(2) in the case of acquisition of newly constructed housing or standard housing, the property must have a purchase price that does not exceed the FHA 203(b) mortgage limits. In the case of acquisition with rehabilitation, the property must have an estimated value after rehabilitation that does not exceed the FHA 203(b) mortgage limits. For a list of current mortgage limits, see the appropriate RED Memo on IHCDA's website.
- The HOME-assisted housing unit must be occupied as the homebuyer's principal residence throughout the Affordability Period.
- Homebuyer units that are multi-family (four (4) or less units) must meet all program requirements. The owner must be income qualified (income from the rental units must be included). The occupants of the rental units must also be income qualified and impose all rental requirements.
- Any HOME-assisted homeownership unit that has not been sold by the recipient to an eligible homebuyer within nine (9) months of completion of construction or rehabilitation (meaning all necessary title transfer requirements and construction work have been performed and the housing unit complies with the property standards as evidenced by a final inspection) must be converted to a HOME-assisted rental unit subject to all compliance requirements of HOME-assisted rental housing in accordance with 24 CFR 92.252

Part 7: Completeness & Threshold Criteria

Each proposed project must satisfy the Federal requirements of the HOME program listed in 24 CFR Part 92 and any additional requirements established by IHCDA. To be considered for funding, an applicant must meet all of the Completeness and Threshold criteria listed below.

7.1 Completeness Requirements

1) Timeliness – All documentation must be turned in by the application due date.
    i) On or before the application deadline, the applicant must provide all documentation as instructed in this Application Process Handbook as well as required documentation listed in the HOME Application Form.
    ii) If IHCDA requests additional information from the applicant, all requests are due on or before the date provided by IHCDA staff.
    iii) Any forms that are late will be denied review and will be sent back to the applicant.
2) Responsiveness – All questions must be answered and all supporting documentation must be provided.
    i) The applicant must provide all documentation as instructed in this Application Process Handbook as well as required documentation listed in the HOME Application Forms.
    ii) The applicant must provide all documentation as requested (i.e. uploaded or hard copies, labeled correctly, etc.)
    iii) Required signatures must be originally signed.

7.2 Threshold Requirements

All documentation must be issued/dated within six months of the Application deadline date. A Threshold checklist can be found in the 2015 HOME Homebuyer Application forms.

1) Feasibility
    - Turn in the 2015 HOME Application and supporting documents via the FTP site and send one original copy of the signed Application Forms to IHCDA in a complete and timely fashion.
    - Completed Environmental Review
        i) Submit completed Environmental Review forms. Instructions and forms can be found in Chapter 11 of the IHCDA Compliance Manual, here: http://www.in.gov/myihcda/2490.htm
        ii) A floodplain determination must be submitted for each parcel.
    - Submit a copy of the applicant entity's most recent audited financial statements or tax returns
    - Project Narrative – answer questions describing your project found in the Narrative Tab in the Application Forms.
    - Market - HUD requires that IHCDA certify that there is adequate need for each project based on the neighborhood's housing market. In order to help make this determination, please answer all of the questions in the Market tab in the 2015 HOME application. Attach any relevant support material such as planning documents and maps in Tab G.
    - Sources and Uses – Complete the following:

i) Homebuyer Proforma in Application Forms for each identified HOME-assisted homebuyer.
ii) Sources and Uses tab in Application Forms.
iii) Submit supporting documentation in Tab J, including any:
  (1) Signed letters of commitment with funding terms and amounts, dated within six months of application due date.
  (2) Supporting documentation for in-kind donations to demonstrate value.

- Budget – Complete budget tab in Application Forms

2) Eligibility
- CHDOs
  i) Complete Tab 16 in the Application Forms
  ii) If applying for a CHDO Operating Supplement, fill out section G of the Application Cover Page and Tab 17 in the Application Forms
- Not for Profit Corporations
  i) Must be organized under section 501(c)3 or 501(c)4 of the Internal Revenue Code (except CHDOs). Provide a copy of the IRS determination letter for not-for profit corporations.
  ii) Provide proof the organization is in good standing. Submit a copy of the Certificate of Existence from the Indiana Secretary of State that is no more than six months old.

3) Notifications
- Application Cover Page in Application Forms - Submit a copy of the System of Award Management (SAM) registration in Tab A. https://www.sam.gov/portal/SAM/#1
- Application Summary Tab in Application Forms - Turn in Owner notification in Tab B.
- Application Summary Tab in Application Forms – Turn in Letter from Highest Elected Official in Tab C.
- Application Summary Tab in Application Forms - If project received funding directly from HUD or Rural Development, the applicant must send a notification letter to the appropriate HUD or Rural Development Office. Provide a copy of the letter along with proof of sending in Tab E.

4) Development Requirements
- All other development funding must be committed prior to submitting an application for HOME funding to IHCDA. Fill out the Sources and Uses tab in the Application Forms. Submit any required supporting documentation in Tab J.
- Commit to assist households at or below eighty percent (80%) of the Area Median Income for the County. Answer question 12 in the Application Summary Tab in the Application Forms.
- Affirmative Fair Marketing Plan - In accordance with 24 CFR 200.620 and 24 CFR 92.351(a), the Recipient must adopt an Affirmative Fair Housing Marketing Plan for rental and homebuyer projects containing five (5) or more HOME assisted housing units. Provide form HUD 935.2A in Tab H.
- Match Requirement - The match requirement for the HOME program is 25% of the total amount of HOME funds requested minus administration and CHDO operating award. Match must be committed prior to submitting an application for HOME funding to IHCDA and to pass threshold review. Provide the following:
  i) Turn in the Match Spreadsheet in Tab J.
  ii) Fill out Match tab in Application Forms.
  iii) Submit supporting documentation in Tab J.

Part 8: Scoring

If an application meets all applicable requirements, it will be evaluated and scored based on:

Scoring Category	Points Possible
Project Characteristics	38
Development Features	25
Readiness	13
Capacity	30
Financing	10
Unique Features & Bonus	10
Total Possible Points	**126**

When there is a scoring criteria based on the county being served and there are multiple counties, the applicant should add up the scores from each county and average them, rounding to the nearest whole number. An application must score at least 75 points to be considered for funding.

8.1 Project Characteristics — Category Maximum Points Possible: 38

This scoring category describes the proposed project. The points can be achieved through the following sub-categories: Constituency Served, Targeted Population, Comprehensive Community Development, and Services.

1) *Constituency Served* — *Maximum Number of Points: 8*

Points will be awarded to applicants that have at least 20% of the potential homebuyers identified and income verified.

Homebuyers Identified	Points
At least 20% of the potential homebuyers are identified and income verified.	8

Include the following:
-A completed Form F Client Intake List in Tab K.

2) *Aging in Place Targeted Populations* — *Maximum Number of Points: 5*

Aging in Place (AIP) refers to adapting our collective living environment so it is safer, more comfortable, and increases the likelihood a person can live independently and remain at home as circumstances change. Primary target populations for aging in place strategies are seniors, families with seniors, and persons with disabilities.

Points will be awarded to applicants that target populations with special housing needs under IHCDA's AIP priority in accordance with the following guidelines and charts.

Target Population: Aging in Place	Points
100% of homebuyer units meet the "visitability" standard (see below). In addition, all units shall be made accessible upon the request of the prospective buyer.	5

Visitability is defined as housing designs that allow persons with mobility impairments to enter and enjoy a residence. There are three (3) specific design elements that must be incorporated into the home to satisfy the visitability requirement.

1. At least one zero step entrance on an accessible route. This can be any entrance to the house; and
2. All main floor interior doors- including bathroom doors- provide at least 32 inches of clear passage; and
3. At least one half or full bathroom on the main level is accessible per the Fair Housing Act usable bathrooms requirement.

In order to receive points for AIP projects must satisfy the following criteria:

For New Construction:

- 100% of the units must be accessible or adaptable, as defined by the ADA and the Indiana Accessibility Code.
  Include the following:
    - *The originally signed HOME application will serve as certification that the development will comply with these requirements.*

For Rehabilitations:

- 100% of the ground floor units must be accessible or adaptable, as defined by the ADA and the Indiana Accessibility Code, and all units above the ground floor must be adaptable as defined by the ADA and the Indiana Accessibility Code unless the building(s) contained elevator(s)/Lift(s) prior to rehabilitation, in which case the elevators/lifts will need to be maintained and 100% of the units above the ground floor will need to be accessible and adaptable.
  Include the following:
    - *The originally signed HOME application will serve as certification that the development will comply with these requirements.*
    - *For rehab projects with more than 26 units, a capital needs assessment must be submitted in Tab K.*

3) *Comprehensive Community Development* *Maximum Number of Points: 13*
Projects with a Comprehensive Community Development focus are a part of a broader, more comprehensive approach to area improvement. These projects have the capability of contributing to fundamental change to the character of a targeted area. Points will be awarded to applicants whose projects contribute to the revitalization of existing areas.

In order to score points in this category, applicants will submit a Comprehensive Community Development Plan. Specific points will be awarded based on the chart below. <u>Note that if a plan does not meet the first two requirements, Role of Housing and Implementation Date, then the plan will not qualify for any points in this category.</u>

	1 Point	2 Points	3 Points	Required Documentation
Role of Housing *	• Plan makes reference to Housing as a goal	• Plan makes reference to Housing as a goal • Plan Specifically makes reference to the creation or need for affordable housing or IHCDA HOME Program	• Plan makes reference to Housing as a goal • Plan Specifically makes reference to the creation or need for affordable housing or IHCDA HOME Program • Plan provides evidence of how project is part of a larger revitalization effort	Page numbers of the plan making reference to: • Role of Housing • Reference to the creation or need for affordable housing or IHCDA HOME program • Part of a larger revitalization effort • Narrative about efforts leading to the creation of the plan
Implementation Date *	Plan was created/adopted between 9 -15 years ago	Plan was created/adopted between 4 - 8 years ago	Plan was created/adopted between 0 - 3 years ago	Submit electronic copy of entire completed plan with date of creation or adoption • Include page number of date of plan and/or adoption documentation
Target Area	Project targets a region or county, the region or county is referenced in the plan	Project targets a city or town, the city or town is referenced in the plan	Project targets a neighborhood or specific area, the neighborhood or specific area is referenced in the plan	Map of targeted area • Please identify project site location

Plan Components	Plan includes only one of the below components: • Implementation measures along with specific, current, and ongoing time frames for achievement • An evaluation of current area conditions •Public/community participation and narrative about efforts leading to the creation of the plan	Plan includes two of the below components: • Implementation measures along with specific, current, and ongoing time frames for achievement • An evaluation of current area conditions •Public/community participation and narrative about efforts leading to the creation of the plan	Plan includes all of the below components: • Implementation measures along with specific, current, and ongoing time frames for achievement • An evaluation of current area conditions •Public/community participation and narrative about efforts leading to the creation of the plan	Page numbers of the plan making reference to: •Implementation measures • Current area conditions • Public participation • Narrative about efforts leading to the creation of the plan
Adoption of the Plan	Plan has been adopted by the highest Local Unit of Government			Documentation of formal approval of plan as active by Local Unit of Government (example: city/town council resolution, signed minutes)

*The comprehensive plan must score in the Role of Housing and the Implementation Date categories in order to be considered for subsequent point categories.

In order to receive points under the Comprehensive Community Development scoring sub-category, *the applicant must submit the following in Tab L*:

- An explanation of how this project is part of a larger revitalization effort should be explained in the Project Narrative section of the application. You should include information regarding target size, a plan, the efforts already completed or underway, local support for this and other projects in the revitalization efforts, funding commitments, what is the intended impact and how impact will be measured, etc.
- All other required documentation that must be submitted in order to receive points in this category are indicated in red font in the chart directly above. Page numbers in the application are required in order to receive points.

The following will not be considered for points as eligible plans for this category: short-term work plans, consolidated plans, municipal zoning plans, or land use plans, plans that are older than fifteen years old and plans that do not reflect the current target area conditions.

- Target Area - Submit a scaled map that includes the project area boundaries and the specific site(s) with a map key labeling the site address(es). Clearly label the boundaries and indicate the size of the target area. Attach in Tab L.

- Evidence of Adoption - Submit a copy of the resolution by the Local Unit of government adopting the plan. Attach in Tab L.

4) *Services* *Maximum Number of Points: 12*

Points will be awarded to applicants whose projects contribute to the overall quality of life for the beneficiaries of the proposed project. Points will be awarded based on the chart below.

If the HOME applicant or sub-recipient is providing services, an MOU must still be executed in order for the commitment to provide services to be on file in our application records.

Level of Services	Points Possible
Level 1 Services: Up to three services at one point each.	3
Level 2 Services: Up to three services at two points each.	6
Level 3 Services: Up to four services at three points each.	12

In order to receive points for this scoring category, the applicant must submit in Tab M:
For Homebuyer Projects:

- **ONE** Form A: One Homeowner Investment Plan Matrix listing all services for the entire proposed project (found in the HOME Application Appendices);
- Form B: Homeowner Investment Plan Matrix for **EACH** service provider with original or a copy of original signatures (found in the HOME Application Appendices);

8.2 Development Features **Category Maximum Points Possible: 25**

This category describes the features of the overall proposed HOME project.

1) *Existing Structures* *Maximum Number of Points: 4*

Points will be award to developments that will utilize existing structures on at least 50% of the HOME assisted units. This may include properties in which an original substandard unit will be demolished and replaced with a comparable unit. Per the federal regulations, when replacing existing affordable housing, the number of replacement units must be one-for-one.

Projects will be awarded up to two points between the first three categories below. Projects can score two additional points if the development contains at least one historic resource.

Existing Structure	Points
Project is developing at least 50% of the vacant structure(s) for housing; **OR**	2
Acquiring and/or rehabbing at least 50% of existing housing stock; **OR**	2
Project is demolishing at least 50% of existing substandard units and replacing with a new units.	2
Total Possible	**2**
Development contains at least one unit that is a historic resource to the existing neighborhood.	2
Total Possible for Existing Structures	**4**

In order to receive points, the applicant must submit in Tab N:

- Photographs of the building to be reused;

- Documentation of whether or not the building is occupied;
- Narrative of how building will be reused;
- Either a letter from the Department of Natural Resources Division of Historic Preservation and Archaeology that specifically identifies the site as an historic resource, or a copy of the county interim report or some equivalent county historical society report identifying the property as either an historical resource or a contributing resource in an historic district.

2) *Infill* *Maximum Number of Points: 7*

Points will be awarded to applications that meet IHCDA's HOME criteria for Infill. For the HOME program, IHCDA defines infill housing as the process of vacant or underused parcels of land within existing areas that are already largely developed or previously developed. For purposes of this category, the following will not qualify as infill housing:

- Existing agricultural land except within corporate limits.

The development will receive points for contributing to the following infill attributes:

Infill Attribute	Points
The site must be surrounded on at least two sides with adjacent established development. Parks and green space area may qualify as established development, provided that they are part of a master plan or recorded instrument. IHCDA will look at the entire development site for phased developments.	2
The site must maximize the use of existing utilities and infrastructure.	2
At least one side of the development must be adjacent to occupied residential development, operating commercial development, active public space, or another active community activity.	2
The site demonstrates a return of cultural, social, recreational and entertainment opportunities, gathering places, and vitality to older centers and neighborhoods.	1

In order to receive points, the applicant must submit in Tab N:

- Aerial photos of the proposed site(s) with the site labeled;
- Brief description of how the site will return vitality to the neighborhood.
- For scattered site projects, 30% of the proposed sites must meet the infill attribute scoring criteria in order to receive the corresponding points.

3) Design Features *Maximum Number of Points: 3*

Points will be awarded for each Design Feature chosen, for a maximum of three points in this category.

Design Feature	Point
Exterior walls are at least 50% durable material (brick, stone, cement board).	1
Roofing system has at least a 30-year warranty.	1

Porch with a minimum of 48 square feet with a roof that is permanently attached to the residence.	1
The site demonstrates a return of cultural, social, recreational and entertainment opportunities, gathering places, and vitality to older centers and neighborhoods.	1
Deck with a minimum of 64 square feet that is made of wood or other approved materials.	1
Framing consists of 2" X 6" studs to allow for higher R-Value insulation in walls.	1
Garage with a minimum of 200 square feet that is made of approved materials, has a roof, is enclosed on all sides and has at least one door for vehicle access.	1
Crawl space or basement.	1
Security system.	1
Carport with a minimum of 200 square feet that is made of approved materials, has a roof, and is open on at least two sides.	1
Attached or unattached storage space measuring at least 5' x 6'.	1
Playground.	1
Community room.	1
Other	1

An applicant may submit as few as zero (0) and up to three (3) "other" design features for points in this scoring category. IHCDA encourages applicants to speak to their Real Estate Production Analyst regarding possible "other" design features before the application due date. Please list the "other" design feature(s) in the application forms.

4) *Universal Design Features* *Maximum Number of Points: 3*
Points will be awarded for each Universal Design Feature chosen, for a maximum of three points in this category.

Universal Design Feature	Point
42"or wider hallways	1
32"or wider doorways	1
Electrical outlets raised 15" to 18" above the finished floor	1
Light switches located 48" above the finished floor	1
Toggle, rocker, or touch sensitive control panels instead of switches	1
Wall reinforcements for hand rails/grab bars	1
Levers instead of door or faucet knobs	1
30"x 40" clear kitchen floor space	1
30" x 40"clear bathroom floor space, clear of door swing	1
A removable base cabinet for required knee space	1
Microwave provided at accessible height	1
A front control operated range	1
Sliding or bi-folding closet doors	1
Front loading washer and dryer with front controls	1
Reinforced ceiling	1
Accessible route that includes no steps or level changes	1
Fold down seat in shower or roll-in shower with no curb	1
Bathtub controls located off-center toward the outside of the tub	1

Adjustable height or hand-held shower with flexible hose	1
Side-by-side refrigerator	1
Remote controlled or motion sensor lighting	1
Adjustable counter top or closet rods	1
Audio and visual smoke detectors	1
Other	1

An applicant may submit as few as zero (0) and up to three (3) “other” universal design features for points in this scoring category. IHCDA encourages applicants to speak to their Real Estate Production Analyst regarding possible “other” universal design features before the application due date. Please list the “other” universal design feature(s) in the application forms.

5) *Energy Efficiency* *Maximum Number of Points: 3*
Points will be awarded for each Energy Efficiency item chosen, for a maximum of three points in this category.

Energy Efficiency Item	Point
Energy Star® Rated Compact florescent light bulbs - 1/room or 3/unit	1
Energy Star® Rated light fixtures - 1/room or 3/unit	1
Energy Star® Rated Cooling system(s)	1
Energy Star® Rated Heating system(s)	1
Energy Star® Rated Windows	1
Energy Star® Rated Refrigerator	1
Energy Star® Rated Washing Machine	1
Energy Star® Rated Dish Washer	1
R-Value insulation exceeding Indiana State Building Code	1
Other	1

An applicant may submit as few as zero (0) and up to three (3) “other” energy efficiency features for points in this scoring category. IHCDA encourages applicants to speak to their Real Estate Production Analyst regarding possible “other” energy efficiency features before the application due date. Please list the “other” energy efficiency feature(s) in the application forms.

6) *Green Building* *Maximum Number of Points: 5*
Points will be awarded for EITHER up to three Green Building Techniques chosen.

Green Building Technique	Point
Orient structures on East/West axis for solar exposure	1
Include trees in landscaping to curb winter winds and provide shade	1
Low VOC paints and finish materials	1
Install flow reducers in faucets and showers	1
Incorporate permeable paving	1
Minimize the disruption of existing plants and trees	1
Include recycling bins in the kitchen	1
Install recycled content flooring and underlayment	1
Install a light colored roofing material	1

Other	1

An applicant may submit as few as zero (0) and up to three (3) “other” green building techniques for points in this scoring category. IHCDA encourages applicants to speak to their Real Estate Production Analyst regarding possible “other” green building techniques before the application due date. Please list the “other” green building technique(s) in the application forms.

OR

Five points will be awarded for committing the entire development newly constructed or rehabbed to NAHB, LEED, or Energy Star standards. The development need not be certified rather just built to the certification standards. The signed application forms will be proof of this commitment.

8.3 Readiness — Category Maximum Points Possible: 13

This category describes the applicant’s ability to begin and timely execute an awarded project.

1) Client Intake — *Maximum Number of Points: 5*

Points will be awarded to applicants that have already begun the client intake process, according to the chart below. Client intake means that potential clients have been identified and income verified.

% of Assisted Units	Points
25 - 50% of the units	3
51 - 75% of the units	4
76 - 100% of the units	5

In order to receive points in this category, the applicant must submit:

- *Form F: Client Intake List in Tab K.*

2) *Predevelopment Activities* — *Maximum Number of Points: 5*

Points will be awarded to applicants that have completed some predevelopment activities according to the chart below. Up to five activities are eligible, up to five points. Points will only be awarded if the required supporting documentation, italicized below the activity description, are included in Tab P.

For scattered site developments, documentation for each site must be submitted in order to receive the points. Documents should be clearly labeled with the site addresses for ease in reviewing the documentation.

Predevelopment Activity Completed	Points
Site Control *Provide Purchase Option or Purchase Agreement that is no older than 6 months and that has an expiration date after the HOME application due date.*	1
Asbestos or Lead Testing *Submit a copy of the assessment report.*	1

Appraisal *Provide an Appraisal that is no older than 6 months.*	1
Preliminary or Final Architectural and/or Engineering Plans *Provide electronic copies of architectural and/or engineering plans.*	1
Zoning Approval *Provide a letter no older than 6 months from the local planning official that certifies the current zoning allows for construction and operation of the proposed development and any required variances that have been approved.*	1
Cost Estimates *Provide a copy of the detailed cost estimates.*	1
Title Search *Submit evidence of clear title with a title insurance commitment, title search documentation or attorney's opinion letter.*	1
Other	1

An applicant may submit as few as zero (0) and up to five (5) “other” predevelopment activities for points in this scoring category. IHCDA encourages applicants to speak to their Real Estate Production Analyst regarding possible “other” predevelopment activities before the application due date. Please list the “other” predevelopment activities in the application forms.

Examples of “other” predevelopment activities that may be eligible for points in this category are as follows. The examples below are optional, however if you do choose to use them for points in this category, please provide the italicized documentation in Tab P to be eligible for points:

- Water available to site
    - *Provide a letter from the local utility company certifying that water is currently available to the site.*
- Sewer available to site
    - *Provide a letter from the local utility company certifying that water is currently available to the site.*
- Permits in place.
    - *Provide a letter from the local planning or building authority that all necessary permits for rehabilitation or construction have been obtained.*
- Property survey completed.
    - *Provide a copy of the survey.*
- For other predevelopment activities that may be eligible, please contact your Real Estate Production Analyst to discuss prior to submitting the application.

3) *Contractor Participation* *Maximum Number of Points: 3*
Points will be awarded to applicants who invite material participation of a state certified Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Federal Disadvantaged Business Enterprise (DBE) Participation, Veteran-Owned Small Business (VOSB), and Service Disabled Veteran Owned Small Business (SDVOSB). Examples of material participation include property management, professional services, consultant, application preparer, administrator, etc.

In order to receive points, the applicant must submit in Tab Q:

- *A copy of letter inviting the state certified contractor to participate in the bidding of the project;*
- *A copy of the applicable state certification.*

Minority Business Enterprise and Women Business Enterprise, including DMBE (Disadvantaged Minority Business Enterprise), and (Disadvantaged Woman Business Enterprise) and DMWBE (Disadvantaged Minority Woman Business Enterprise), means as an individual, partnership, corporation, or joint venture of any kind that is owned and controlled by one or more persons who are: (a) United States Citizens and (b) Members of a racial minority group or female in gender as evidenced by certification from the Indiana Department of Administration Minority & Women's Business Enterprise Division or the Indiana Minority Supplier Development Council.

DBEs are for-profit small business owned or controlled by socially and economically disadvantaged individuals own at least a 51% interest and also control management and daily business operations. The Indiana Department of Transportation (INDOT) is the sole certifying agency for the Indiana DBE Program.

The Center for Veteran Enterprise maintains the Department of Veterans Affairs (VA) database of service-disabled Veteran owned small businesses (SDVOSB) and Veteran-owned small businesses (VOSB) called the Vendor Information Pages (VIP). The VIP database is accessed via www.VetBiz.gov. CVE performs the verification process for small businesses that self-represent themselves as Veteran owned and controlled called the VA VOSB Verification Program.

Eligible Certification Summary Table		
Certification	**Certifying Agency**	**Website**
MBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
	Indiana Minority Supplier Development Council	http://imsdc.org
WBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
DBE	Indiana Department of Transportation	http://www.in.gov/indot/2576.htm
VOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/
SDVOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/

8.4 Capacity **Category Maximum Points Possible: 30**

This category evaluates the applicant's ability to successfully carry out the proposed project based on trainings, certifications and/or experience in housing or community development.

1) *Training* *Maximum Number of Points: 5*

Points will be awarded for a member of the development team, applicant, sub-recipient or administrator staff who has completed a housing or community development related training. Three points will be awarded for the first training and one point per additional training, up to five points possible.

IHCDA application/policy webinars, IHCDA application/policy trainings and/or IHCDA feedback sessions do not count for points in this category.

Attach copies of the training completion certificate or confirmation of attendance/completion in Tab Q.

Training	Points
Housing or community development related training	3 for the first training, 1 point for each additional training up to 5 points total for this section

2) *Certification* *Maximum Number of Points: 5*

Points will be awarded for a member of the development team, applicant, sub-recipient or administrator staff who has completed the following certifications. Three points will be awarded for the Certified Aging-in-Place Specialist or Home Sweet Home: Modifications for Aging in Place (U of I/IHCDA) certification. One point will be awarded for all other certifications, up to five points.

Attach copies of the certification completion in Tab Q.

Certification	Points
Certification from one of the certifications listed below	3 points for the Certified Aging-in-Place Specialist or Home Sweet Home: Modifications for Aging in Place (U of I/IHCDA) certification, 1 points for all other certifications, up to 5 points total for this section

Certification	Sponsoring Organization
Project Development Training	Indiana Association for Community and Economic Development (IACED)
Economic Development Finance Professional Certification Program	Indiana Association for Community and Economic Development (IACED)
Certified Green Professional	Indiana Association for Community and Economic Development (IACED)
Housing Development Finance	National Development Council (NDC)

Professional	
Community and Neighborhood Revitalization Certificate	NeighborWorks America
Bank of America Neighborhood Builder® Leadership Program	The Center for Leadership Innovation
Certified Aging-in-Place Specialist	National Association of Home Builders (NAHB)
Home Sweet Home: Modifications for Aging in Place	University of Indianapolis / Indiana Housing and Community Development Authority
Grant Administration Certification	Indiana Association for Community and Economic Development (IACED),Office of Community and Rural Affairs (OCRA) or Indiana Housing and Community Development Authority (IHCDA)
Certified Occupancy Specialist (COS)	National Center for Housing Management
Certified HOME Program Specialist	HUD/CPD
Green Certification	LEED, NAHB or equivalent

3) *Experience* *Maximum Number of Points:* 5

Three (3) points will be awarded if the applicant has successful experience administering an IHCDA award in the past five years or if the applicant has five or more years in the housing or community development industry. In order to qualify for points, the awards must be closed out. Please list the award number(s) in the application forms.

Experience	Points
Applicant with experience administering an IHCDA HOME award in the past five (5) years with no findings upon monitoring. **OR** Applicant has five (5) or more years of experience in the housing or community development industry.	3 points

One (1) point will be awarded for each member of the sub-recipient or administrator staff with successful experience in administering an IHCDA award in the past five years or if a member of the sub-recipient or administrator staff has five or more years in the housing or community development industry. In order to qualify for points, the awards must be closed out. Please list the award number(s) in the application forms. Up to two (2) total points possible.

Experience	Points
Sub-recipient or administrator staff member with experience administering an IHCDA HOME award in the past five (5) years with no findings upon	1 point for each sub-recipient or administrator staff member, up to 2 points total

monitoring. **OR** Sub-recipient or administrator staff has five (5) or more years of experience in the housing or community development industry.	

4) *Overall IHCDA Award Performance of the Applicant* *Maximum Number of Points:* *10*
Points will be awarded to an applicant where the applicant has not had any monitoring findings for all IHCDA awards in the past three years. This includes any closed and current IHCDA awards. Please list the IHCDA award number(s) in the application forms. Current is defined as an award that is completed and monitored but not yet closed out.

Description of Overall Award Performance	Points
Most recent (closed or current) HOME award had no findings and no concerns. Award must be from within the last three (3) years.	10
Most recent (closed or current) HOME award had no findings, but concerns were noted. Award must be from within the last three (3) years.	8
Most recent (closed or current) HOME award had only one finding. Award must be from within the last three (3) years. **OR** No HOME experience, but previous IHCDA award (different activity) had no findings and no concerns. Award must be from within the last three (3) years.	6
No HOME experience; previous IHCDA award (different activity) had no findings, but concerns were noted. Award must be from within the last three (3) years.	4
No HOME experience; previous IHCDA award (different activity) had only one finding. Award must be from within the last three (3) years.	2
Does not meet any category above. Examples: • More than one finding on previous award. • No award from within the last	0

three (3) years. • No previous experience with IHCDA.	

5) *Timely Expenditure of Funds* *Maximum Number of Points: 5*
Points will be awarded to an applicant that has expended their most recent award funds by the award expiration date without requesting award extensions.

The award must be an IHCDA HOME or an IHCDA CDBG award that is either closed or a current award in the monitoring phase. The award must be from within the past three (3) years. Current is defined as an award that is completed and monitored but not yet closed out. List the award number in the application form.

Award Length	Points
Most recent IHCDA HOME or IHCDA CDBG award completed by the award expiration date. Awards must by from within the last three years. Awards must be closed or a current award in the monitoring phase.	5 points

8.5 Financing Category Maximum Points Possible: 10

1) Public Participation *Maximum Number of Points: 5*
Points will be awarded to applicants whose proposed project has received a firm commitment of other public funds. A "firm commitment" means that the funding does not require any further approvals. "Public funds" include federal, state, or local government funds. This can include funds awarded from other federal or state agencies, the Federal Home Loan Bank**,** or waivers resulting in quantifiable cost savings that are not required by federal or state law. Banked match is an allowable source of match for the proposed development, however banked match is not allowed as a source to count for points in this scoring category.

Points will be awarded based on the Amount of Public Participation Funding/Total Project Costs:

% of Total Development Cost	Point(s)
.50% to .99%	1
1.00% to 1.99%	2
2.00% to 2.99%	3
3.00% to 3.99%	3.5
4.00% to 4.99%	4
Greater than 5.00%	5

In order to qualify for points in this category the applicant must submit in Tab J a letter from the appropriate authorized official approving the funds. The letter must include (a) a description of the type of approved funding for the proposed project and (b) the amount of funding.

2) *Leveraging of Other Sources* *Maximum Number of Points: 5*

Points will be awarded to applicants whose proposed project has received a firm commitment to leverage other funding sources. A "firm commitment" means that the funding does not require any further approvals. "Other funding sources" include (but are not limited to) private funding, (including securing private loans), funds from a local community foundation, donations, etc. Banked match is an allowable source of match for the proposed development, however banked match is not allowed as a source to count for points in this scoring category.

Points will be awarded based on the amount of Other Funding Sources Leveraged/Total Project Costs:

% of Sources	Point(s)
.50% to .99%	1
1.00% to 1.99%	2
2.00% to 2.99%	3
3.00% to 3.99%	3.5
4.00% to 4.99%	4
Greater than 5.00%	5

In order to qualify for points in this category the applicant must submit in Tab J a letter from the appropriate authorized official approving the funds. The letter must include (a) a description of the type of approved funding for the proposed project and (b) the amount of funding.

8.6 Unique Features & Bonus — Category Maximum Points Possible: 10

1) Unique Features *Maximum Number of Points: 5*

Points will be awarded to applicants that offer unique features that contribute to each of the beneficiary units of the proposed project. Unique features should be a creative addition to the proposed program. They should enhance the overall character of the project, improve the homeowners' and the community's quality of life, health, and/or safety. Unique features can be included in the financial structure of the project, involve members of the community, include items specific to the target area/project location or could include special services offered to the population served.

Points are awarded relative to other projects being scored during each application cycle and are awarded in IHCDA's sole and absolute discretion. The following chart sets forth the anticipated percentage of applications that will receive points using a maximum of 5 points.

% of Applications	5%	8%	12%	16%	18%	16%	12%	8%	5%
Points	5	4.5	4	3.5	3	2.5	2	1.5	1

In order to receive points in this category, the applicant must submit in Tab R a narrative summary in of the proposed unique features. Features receiving points in other sections of this application will not be considered for Unique Feature points.

2) *Bonus* *Maximum Points Possible: 5*

The applicant will receive five (5) bonus points for answering all questions and turning in all required supporting threshold and scoring documentation.

Part 9: Glossary of Terms

Below are definitions for commonly used terminology found throughout the IHCDA HOME application policy and forms and applicable to the IHCDA HOME program.

Administrator: A procured entity that will assist carrying out the HOME award.

Aging in Place: - Aging in Place (AIP) refers to adapting our collective living environment so it is safer, more comfortable, and increases the likelihood a person can live independently and remain at home as circumstances change. Primary target populations for aging in place strategies are seniors, families with seniors, and persons with disabilities.

Beneficiary: The household or unit that received homeowner repair work as a result of the HOME award.

CHDO: A Community Housing Development Organization. A non-profit, community- based organization with the capacity to develop affordable housing for the community it serves, as defined in the HOME rule and as certified by IHCDA. Participating Jurisdictions (IHCDA) must set aside a minimum of 15% of their HOME allocations for activities in which CHDOs are the owners, developers, and/or sponsors of the housing.

Comprehensive Community Development: Every community strives to be a place where people choose to live, work, and play. Comprehensive development means that a community's potential lies in the identification and creation of a shared vision, planned by local leadership, and carried out by an array of partners. When successful, it yields results beyond what can be achieved by individual organizations or disparate programs because of the unique synergy they generate. A thriving community is a community with job opportunities, strong schools, safe neighborhoods, a full range of housing choices, and a vibrant culture. Comprehensive development marshals resources and deploys coordinated strategies in a concentrated area to create opportunities for others in the community to take prudent risks and reap the rewards. The demolition of blighted structures, the rehabilitation of long-vacant housing and the creation of new community amenities and retail opportunities serve as a tipping point for future development through market forces.

Disabled: The Fair Housing Act defines disability as a person who has/is:

- A physical or mental impairment which substantially limits one or more of such person’s major life activities; or
- A record of having such an impairment; or
- Is regarded as having such an impairment, but such term does not include current, illegal use of or addiction to a controlled substance (as defined in section 102 of the Controlled Substances Act).

Elderly: Elderly can have one of two definitions as elected by the applicant:

- A person 55 years of age or older. This target population category also includes families with a person living in their home that is 55 years of age or older. For housing using this definition of elderly, at least 80% of the units must be age restricted; OR

- A person 62 years of age or older. This target population only includes households in which all household members are 62 years of age or older. For housing using this definition of elderly, 100% of the units must be age restricted.

HOME: The Home Investment Partnerships Program as created by the National Affordable Housing Act of 1990.

IHCDA: Indiana Housing and Community Development Authority

Income Limits: Maximum incomes as published by HUD for projects giving the maximum Income Limits per unit for beneficiary (30%, 40%, 50%, 60% and 80% of median) units.

Large City: For purposes of this policy, a Large City is defined as a city with a population of 75,000 or more. To qualify as being located within a Large City, the development must be located within one mile of the zoning jurisdiction and/or use city utility services (water and sewer).

Median Income: A determination made through statistical methods establishing a middle point for determining Income Limits. Median is the amount that divides the distribution into two equal groups, one group having income above the median and one group having income below the median.

MOU: A Memorandum of Understanding (MOU) is a document describing a bilateral or multilateral agreement between two or more parties.

Narrative: A written description by the applicant that describes the application question and generally supports the need of the project.

Project: The HOME activity proposed in the application.

Referral Agreement: An agreement in which the recipient and a qualified organization enter into an agreement in which the recipient agrees to (a) set aside a number of units at the project for a special needs population and (b) notify the qualified organization when vacancies occur, and in which the qualified organization agrees to (a) refer qualified households to the development and (b) notify clients of vacancies at the development.

Rural: A development is considered to be rural if it meets one of the following criteria:

a. The development is located within the corporate limits of a City or Town with a population of 14,999 or less; or

b. The development is located in an unincorporated area of a county that does not contain a City or Town that meets the definition of Large City or Small City as set forth in this glossary; or

c. The development is located in an unincorporated area of a county whereas;
i. The development is outside the 2-mile jurisdiction of either a Large City or Small City as defined in this glossary; and

ii. The development does not have access to public water or public sewer from either the Large City or Small City as defined in this glossary.

Small City: For purposes of this policy, a Small City is defined as a city with a population of between 15,000 and 74,999. To qualify as being located within a Small City, the development must be located within one mile of the zoning jurisdiction and/or use city utility services (water and sewer).

ESG Method of Distribution

Proposed Activities and Funding Priorities

This section summarized the proposed activities and funding priorities for the 2015 program year.

The funding allocation for 2015 will support the goals:

- Reduce homelessness and increase stability for special needs populations.
- Expand and preserve affordable housing opportunities throughout the housing continuum.

The rationale for assigning the funding priorities was largely based upon HUD's national focus and priority on rapid re-housing and homeless prevention activities.

Written Standards for Provision of ESG Assistance

This section includes written standards for providing the proposed assistance and describes the requirements for sub-recipients to establish and implement written standards.

1. Describe the standard policies and procedures for evaluating individuals' and families' eligibility for assistance under ESG.

ESG subrecipients are encouraged to utilize the Arizona Matrix Tool and the Housing Plan that are embedded in HMIS to provide a guide for case management and evaluated a person or family's needs.

The Coordinated Assessment Committee of the is working with the state ESG program to develop and coordinate regional centralized intake and triage centers to ensure access to assistance is driven by the needs of persons experiencing homelessness. IHCDA is the collaborative applicant within the CoC and IHCDA was awarded the Coordinated Access Grant and with the assistance of the CoC Board will develop and improve upon the coordinated access system. Access: The Coordinated Assessment will be in the HMIS system and utilized by the Coordinated Access agency within the Region within the Balance of State CoC whether they are an ESG subrecipient or other programs funded by McKinney Vento. Each Region will determine if their Coordinated Access will be a centralized or decentralized system. Assessment: Each homeless person will be assessed and triaged based upon their needs so that the most vulnerable and those with the highest barriers can be assisted first. This first priority would include the chronic homeless population. Assign: Once assessed the person/family then will be assigned to the right type of housing that best suits their needs whether it is permanent supportive housing, rapid rehousing or VASH voucher and whether it is available in that area or Region.

2. Describe the policies and procedures for coordination among emergency shelter providers, essential service providers, homelessness prevention and rapid re-housing assistance providers, other homeless assistance providers, and mainstream service and housing providers.

ESG subrecipients will be required to create MOU's with all shelter providers, housing agencies, community action agencies, township trustees, mental health centers, health clinics and homeless service providers in their proposed service area. Once available in their area, each ESG subrecipient will be required to partner with the Coordinated Access point by providing immediate housing to those persons who are unsheltered – if space is available. Additionally, as part of the proposal process, subrecipients are required to develop a program design that is inclusive not only of other targeted homeless services, but also of other mainstream resources such as public housing programs, programs receiving project-based or tenant-based Section 8, Supportive Housing for persons with disabilities (Section 811), HOME Investment Partnerships Program, Temporary Assistance for Needy Families (TANF), State Children's Health Insurance Program, Head Start, Mental Health and Substance Abuse Block Grants and services funded under the Workforce Investment Act. IHCDA encourages programs to be strategic and comprehensive in their program design by requiring applicants to include all available resources to the maximum extent practicable.

3. Describe the policies and procedures for determining and prioritizing which eligible families and individuals for homelessness prevention assistance and for rapid re-housing assistance.

For persons who are utilizing Rapid Rehousing Funds must: meet the criteria under paragraph (1) of the "homeless" definition in 24 CFR § Part 576.2 or who meet the criteria under paragraph (4) of the "homeless" definition and live in an emergency shelter or other palace described in paragraph (1) of the "homeless "definition are eligible to receive rapid re-housing assistance. Within this definition, a determination on suitable participants will be based on factors such as income, employment history, housing history, homeless status and ability to sustain their housing upon completion of the program.

Those persons who will be utilizing homeless prevention funds must: meet the criterion under the interim rule clarifies the definition of ''at risk of homelessness'' under section 401(1) of the McKinney-Vento Act. The definition includes three categories under which an individual or family may qualify as ''at risk of homelessness.'' For an individual or family to qualify as ''at risk of homelessness'' under the first category of the definition, the individual or family must meet two threshold criteria and must exhibit one or more specified risk factors. The two threshold criteria, as provided in the statute, are:

- The individual or family has income below 30 percent of median income for the geographic area; and (2) the individual or family has insufficient resources immediately available to attain housing stability. Under the interim rule, the first criterion refers specifically to annual income and to median family income for the area, as determined by HUD.
- Second criterion is interpreted as, ''the individual or family does not have sufficient resources or support networks, e.g., family, friends, faith based or other social networks, immediately

available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the homeless definition [in § 576.2

For homeless prevention, the risk categories to further ensure consistency of interpretation, the interim rule also clarifies several of the risk factors that pertain to the first category of individuals and families who qualify as ‘‘at risk of homelessness.’’ As provided under the statute, the pertinent risk factors are as follows:

- Has moved frequently because of economic reasons;
- Is living in the home of another because of economic hardship;
- Has been notified that their right to occupy their current housing or living situation will be terminated;
- Lives in a hotel or motel;
- Lives in severely overcrowded housing;
- Is exiting an institution; or
- Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness.

4) Describe the standards for determining the share, if any, of rent and utilities costs that each program participant must pay, if any, while receiving homeless prevention or rapid re-housing assistance.

Participants who receive rental assistance through rapid rehousing or homeless prevention are expected to pay 30 percent of their income for rent and utilities if they have income. IHCDA provides an Excel based worksheet which automatically calculates the tenant rent and utility portion allowable household income is entered. Sub-recipients will be responsible for ensuring that assisted rental units meet rent reasonable standards, are at or below fair market rent and meet habitability standards before any rental payments are approved. The tenant’s portion and ESG subsidy will be calculated based upon acceptance into the program and determination of need for rental assistance.

The tenant’s portion of rent is calculated on the basis of allowable household income. Tenant rents are paid directly to the landlord and are subject to the same timeliness requirements as the overall rent. Any late fees incurred while receiving ESG will be the tenant’s responsibility to pay.

5) Describe the standards for determining the duration of rental assistance and whether and how the amount of assistance will be adjusted over time.

Participants can receive up to 12 months of rental assistance per award year, and up to a maximum of 24 months of rental assistance in a three year period. The award term to subrecipients will be 18 months. All funds associated with that award year must be expended upon completion of the award term. All rapid re-housing participants must be re-evaluated for eligibility at least once every year however since they are only allowed to have 12 months of assistance, the reevaluation is not necessary. Program participants receiving rental assistance must pay 30 percent of their household income each month towards rent and utilities throughout the duration of their participation with ESG. Tenant payments will not be adjusted if income has increased. Payment of rental arrears consisting of a one-time payment for up to six months of rental arrears, including any late fees on those arrears is also an eligible expense. All persons assisted with program will qualify for up to 12 months of rental assistance and up to 18 months of services. Case managers will utilize the Arizona Self Sufficiency Matrix tool, which is built into the HMIS, to ensure participants receive the appropriate level of assistance. The Housing Plan is also built into HMIS for case managers to utilize for each household.

6) Describe the standards for determining the type, amount, and duration of housing stabilization or relocation services to provide a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive. Limits should include the maximum amount of assistance, maximum number of months the program participant is eligible to receive assistance; and the maximum number of times the program participants may apply for assistance.

Participants can receive up to 18 months of housing relocation and stabilization services during the award term. Participants cannot receive more than 24 months of these services within a three year period. Housing relocation and stabilization services includes financial assistance activities such as moving costs, rental application fees, security deposits, last month's rent, utility deposits and utility payments; and services such as housing search and placement, housing stability case management, mediation, legal services, credit repair. No limit will be placed on the amount or type of services provided per participant as sub-recipients are encouraged to spend the funds as needed by the tenant through active engagement with the participant. The amount and type of services will be determined largely at the time of intake when the housing case manager completes a housing assessment on the participant. The assessment largely consists of using the Arizona Self-Sufficiency matrix tool, which uses a vulnerability index to determine the most urgent needs as it relates to housing. This tool is also built into the HMIS. Participants can be assisted with housing stability case management for up to 30 days during the period the program participant is seeking permanent housing and cannot exceed 18 months total during the period the program participant is living in permanent housing.

Training through IHCDA Housing Conference and other formats provided by the CoC Board (CoC Development Day) have been provided to ESG subrecipients and other McKinney Vento funded programs. These trainings covered areas such as: housing first best practices, motivational interviewing, rule reductions, how to assist in employment, mainstream resources, bed bug prevention and case management best practice.

Process for Making Sub-Awards

IHCDA plans to allocate funding to approximately 8-10 agencies to administer the ESG Rapid Rehousing and Homeless Prevention Activities of the ESG program for line items such as: Housing Relocation & Services (financial and services), Rental assistance and administration

There will be approximately 60 agencies that will apply for emergency shelter component that includes operations, essentials, and financial assistance and approximately two-three agencies that may apply for the street outreach activity. No more than 55% of ESG funds will be allocated to operations, essentials and street outreach. A request for proposals will be distributed to all the Regional Planning Councils on the Homeless throughout the Balance of State, to the current sub-recipients of the ESG program, current permanent supportive housing rental assistance programs (mental health centers, housing agencies, community action agencies, non-profits) who have had experience with rental assistance. Each proposal will be reviewed by at least one IHCDA Community Services staff person and by a member of a Committee under the CoC Board. Each reviewer will complete a scoring tool, assigning points based on the following program design components: outreach system, commitment to the coordinated access intake point, systems coordination, organizational capacity, permanent housing placement strategy, history of administering the rental assistance programs, amount of match provided and coordination with ESG Entitlement City funds (as applicable). Each sub-recipient will be awarded based upon the average of their proposal score and the amount of funding that will be available. The amount of each award could be between $60,000 - $250,000 each.

Homeless Participation Requirements. Any ESG recipient that cannot meet the participation requirement under CFR § 576.405(a) must include a plan that meets the requirements under CFR § 576.405(b). This section describes how the participation requirement has been met.

The State ESG recipient – IHCDA - has a previous homeless person that is member of the Funding & Resource Committee and the BOS CoC Board. The committee provides guidance to our CoC Programs and their policies and procedures. He currently lives in a permanent supportive housing program. The State of Indiana recognizes the invaluable perspective of homeless and formerly homeless individuals in developing an effective client-centered program and system. The State program strongly encourages sub-recipients of the ESG program to incorporate this participation, to the maximum extent practicable, in a policy-making function of both the organization and the respective regional Planning Council on the Homeless. The State ESG program application requires subrecipients to explain how homeless participation is achieved at both an organizational level and within their regional Planning Councils on the Homeless. This issue is also reviewed at each program monitoring visit.

Performance Standards

This section describes the performance standards, which were in consultation with the Continuum(s) of Care, for evaluating success of ESG activities.

The performance standards were developed in conjunction with the governing body for the Balance of State CoC Board and the Funding & Resource Committee and approved by the Balance of State CoC Board by using the national standards outlined in Section 427 of the McKinney-Vento Act, as amended by the HEARTH Act.

Baseline performance measurements will be reports generated by the HMIS system and mainly from the Annual Progress Reports and the ESG reports for the prior year. Two of the standards are specific to the subrecipient's program performance and the remaining two are specific to system outcomes.

ESG Subrecipients will be able to set their own goals for the next years on areas such as: discharging persons to permanent housing, increasing employment income and increasing overall income by persons who exit the emergency housing.

Below are goals that IHCDA would like to reach on an annual basis:

- ESG RR -rental assistance program sub-recipients: At discharge from program, 82 percent persons assisted will still be permanently housing. 65 percent of persons will increase their income.

- ESG program sub-recipients that are Emergency shelters that have activities: operations, essential services and financial assistance: 50 percent persons will discharge to permanent housing, 25 percent of person's will increase their income.

- ESG program sub-recipients that are Transitional Housing programs that have activities: operations, essential services and financial assistance: 69 percent will discharge to permanent housing, 50 percent will increase their income.

- ESG program sub-recipients that have outreach component: 50 percent of identified caseload will be permanently housed.

- ESG program sub-recipients that have outreach component: 50 percent of identified caseload will increase their income.

- The average length of stay of participants in ESG funded and other CoC programs should reduce by at least 10 percent.

SECTION III.

Public and Stakeholder Consultation

SECTION III.
Public and Stakeholder Consultation

Public consultation for the development of the State of Indiana 2015-2019 Five-year Consolidated Plan included regional meetings led by program liaisons, a resident survey, a stakeholder survey, a survey of public housing authorities (PHAs), interviews with stakeholders, and a public hearing during the 30-day public comment period. This chapter summarizes the results of this very comprehensive public input process.

Key Findings

Key findings from consultation with the public and stakeholders about housing, homeless and community development needs include:

- The population of single persons and families living in poverty has grown, increasing the need for deeply subsidized housing to serve them;
- Wide variation exists in how well rural communities recovered from the Great Recession. Some find themselves with a shortage of affordable, workforce housing due to growing employment. Areas that have not recovered from the recession are plagued by a market still hurt by foreclosures, with substandard housing stock, high unemployment and growing concerns about substance abuse.
- Economic development and public transportation are priority needs in many rural areas.
- Rural areas also need improvements to streets, sidewalks and residential housing to accommodate their needs and make rural communities more visitable. This need will grow as rural communities continue to age.
- Housing condition is a challenge across all rural communities.

Altogether, 1,003 Indiana residents and stakeholders participated in the Consolidated Plan process:

- 686 residents participated in a survey about their housing needs. This survey will also inform the state Analysis of Impediments to Fair Housing Choice (AI). The survey includes separate, statistically significant samples for persons with disabilities and racial and ethnic minorities.
- 233 stakeholders responded to an online survey about community needs.
- Approximately 40 stakeholders were contacted about their interest in conducting telephone interviews about housing and community development needs in their communities. Six stakeholders requested interviews; these were conducted in April 2015.

- Sixty-three public housing authorities (PHAs) were invited to participate in a survey about housing needs and challenges in the communities they serve. Twenty-eight PHAs responded to the survey.

How do the findings differ from past years'? In 2013 and 2014, a similar survey of stakeholders was conducted and regional meetings were also held to discuss housing and community development priorities. The top community development needs have remained relatively consistent during the past three years: Job training and public transit top the list, followed by water/sewer/wastewater infrastructure improvements. Housing needs have shifted away from a focus on specific populations to broader needs for all types of poverty-level households. Housing rehabilitation and accessibility improvements remain as concerns.

Input from Public Hearings

On April 23, 2015 two public hearings were held to receive comments on the Draft 2015-2019 Consolidated Plan. The hearings were held in five accessible locations throughout the state at 2:30 p.m. and at 5:30 p.m. Altogether, 23 people attended the hearings. This compares to 10 attendees in 2013 and 16 in 2014.

The hearings included a presentation that provided background information about the Consolidated Plan process and requirements, discussed program changes for 2015 and presented the proposed program allocation for the 2015 Program Year (PY2015). A copy of the presentation from the hearings is attached to this section. Written comments received during the 30-day comment period are also appended to this section.

The hearings were held in:

- Indianapolis (Central Indiana),
- Huntington (Northeast),
- Rensselaer (Northwest),
- Scottsburg (Southeast), and
- Vincennes (Southwest).

Attendees shared the following comments about the Draft Consolidated Plan during the public hearings:

- One attendee was concerned about the length of the Plan. Since it is the first time the public has reviewed the new format now required by HUD, it would have been nice to have more time to review the Plan before the public hearing. This is particularly important for persons who need the Plan transferred into alternative formats *Note: The draft plan was released 10 days in advance of the hearing.*

- In future years, could the state publish a "Save the Date" notice in January about when the hearings will be held in April?

- One attendee was concerned that migrant farm workers were no longer included as a special population in the new Plan.

- The needs of migrant farmworkers were described as severe, with many living in housing in very substandard condition, some without running water and many without modern conveniences (e.g., working appliances).

- Some nonprofit partners asked IHCDA to utilize CDBG funding to create housing opportunities for migrant farmworkers. *Note: This activity has been an eligible use of IHCDA CDBG funds in the past, but is not an intended use of PY15 funds. IHCDA remains supportive of migrant farmworker housing and will work with interested communities and partners to deploy funds leveraged by the State's Section 108 Loan Guarantee for this activity.*

- One attendee was concerned with the lack of vouchers set aside under Money Follows the Person programs to use for independent living. Another attendee asked that Section 8 homeownership be part of the programs offered by the state's public housing authorities.

- Two attendees discussed the lack of visitable and accessible housing in the state's nonentitlement communities and called for a state visitability ordinance. One attendee shared his story: He lives in Fort Wayne and, of the 30 friends he would like to visit in the city, he can only visit one due to the difficulty getting into their homes and around their neighborhoods.

- Chemical sensitivity issues can be a problem in housing that is near agricultural areas. Landlords are not always aware of the requirement to make reasonable accommodations.

- One attendee recommended a program that would help low income homeowners with well and septic take replacements.

The public hearings and comments were recorded on video and can be accessed at: https://youtu.be/5H3bevHrVlw.

Findings from Interviews and Surveys

This section presents the findings from the surveys and interviews that were conducted for the Consolidated Plan. These findings were used in the development of five year goals, priorities and projects; were measured against the proposed PY2015 allocation plan; and will be considered in future allocation plans.

Industry/organization and demographics of respondents. Figure III-1 presents the types of industries and organizations represented by stakeholder respondents. The greatest proportions of respondents provide services to low income residents and persons with disabilities. Respondents represent the public, private and nonprofit sectors. This was a similar distribution of stakeholder respondents as in 2013 and 2014.

Figure III-1.
Type of Industry/Organization Represented by Stakeholder Respondents

Industry/Organization Type	Percent	Industry/Organization Type	Percent
Services for low income residents	27%	Regional planning	4%
Services for persons with disabilities	26%	Homeownership counseling or services	4%
Homeless services	22%	Land use planning	4%
Local government	21%	Other	12%
Government general	18%	Services for businesses	4%
Economic development	16%	Public housing authority	3%
Services for seniors	16%	Landlord/tenant services	3%
Affordable housing advocacy	13%	Lending	3%
Services for persons with drug or alcohol addictions	11%	Business owner/manager	2%
Affordable housing development	10%	Criminal justice	2%
Services for veterans	8%	Services for farmworkers	2%
Food pantry	8%	Services for immigrants	1%
Affordable housing provision	7%	Services for refugees	1%
Education	7%	Transit provider	1%
Fair housing/Legal Aid	7%	Sales	0%
Own rental property	6%	Insurance	0%
Property management	6%	Market rate housing development	0%
Services for persons with HIV/AIDS	4%	Residential appraisals	0%

Note: n=225. Numbers add to greater than 100 percent due to multiple responses.

Source: BBC Research & Consulting from 2015-2019 Consolidated Plan Stakeholder Survey.

Figure III-2 shows the counties represented by stakeholder responses.

Figure III-2.
Counties in Which Stakeholder Respondents Provide Services

County	Percent	County	Percent	County	Percent
Adams	4%	Hendricks	12%	Pike	4%
Allen	7%	Henry	5%	Porter	3%
Bartholomew	6%	Howard	5%	Posey	3%
Benton	3%	Huntington	6%	Pulaski	3%
Blackford	6%	Jackson	3%	Putnam	5%
Boone	11%	Jasper	2%	Randolph	5%
Brown	7%	Jay	4%	Ripley	5%
Carroll	3%	Jefferson	2%	Rush	4%
Cass	5%	Jennings	4%	St. Joseph	6%
Clark	1%	Johnson	10%	Scott	1%
Clay	3%	Knox	7%	Shelby	10%
Clinton	3%	Kosciusko	6%	Spencer	3%
Crawford	2%	La Porte	4%	Starke	2%
Daviess	6%	Lagrange	4%	Steuben	7%
Dearborn	5%	Lake	5%	Sullivan	5%
Decatur	4%	Lawrence	6%	Switzerland	3%
De Kalb	5%	Madison	5%	Tippecanoe	4%
Delaware	6%	Marion	13%	Tipton	5%
Dubois	3%	Marshall	4%	Union	3%
Elkhart	4%	Martin	5%	Vanderburgh	5%
Fayette	4%	Miami	4%	Vermillion	5%
Floyd	1%	Monroe	10%	Vigo	5%
Fountain	4%	Montgomery	12%	Wabash	7%
Franklin	5%	Morgan	10%	Warren	3%
Fulton	4%	Newton	1%	Warrick	2%
Gibson	4%	Noble	7%	Washington	3%
Grant	5%	Ohio	4%	Wayne	5%
Greene	8%	Orange	4%	Wells	3%
Hamilton	11%	Owen	6%	White	2%
Hancock	9%	Parke	4%	Whitley	7%
Harrison	1%	Perry	3%		

Note: n=195. Numbers add to greater than 100 percent due to multiple responses.

Source: BBC Research & Consulting from 2015-2019 Consolidated Plan Stakeholder Survey.

As Figure III-3 shows, responses were well-distributed regionally.

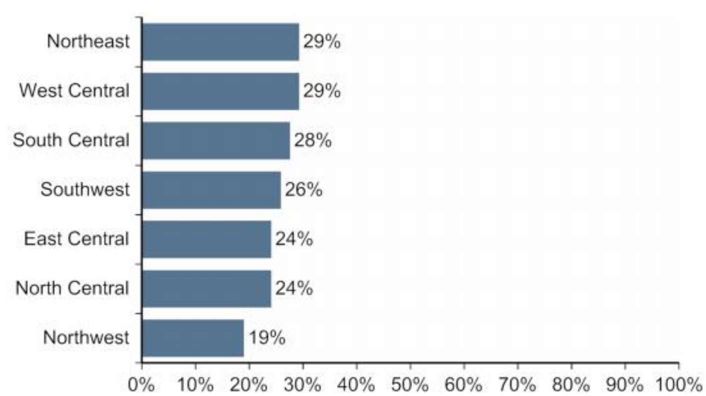
Figure III-3.
Stakeholder Responses by Region

Note:

n=58.

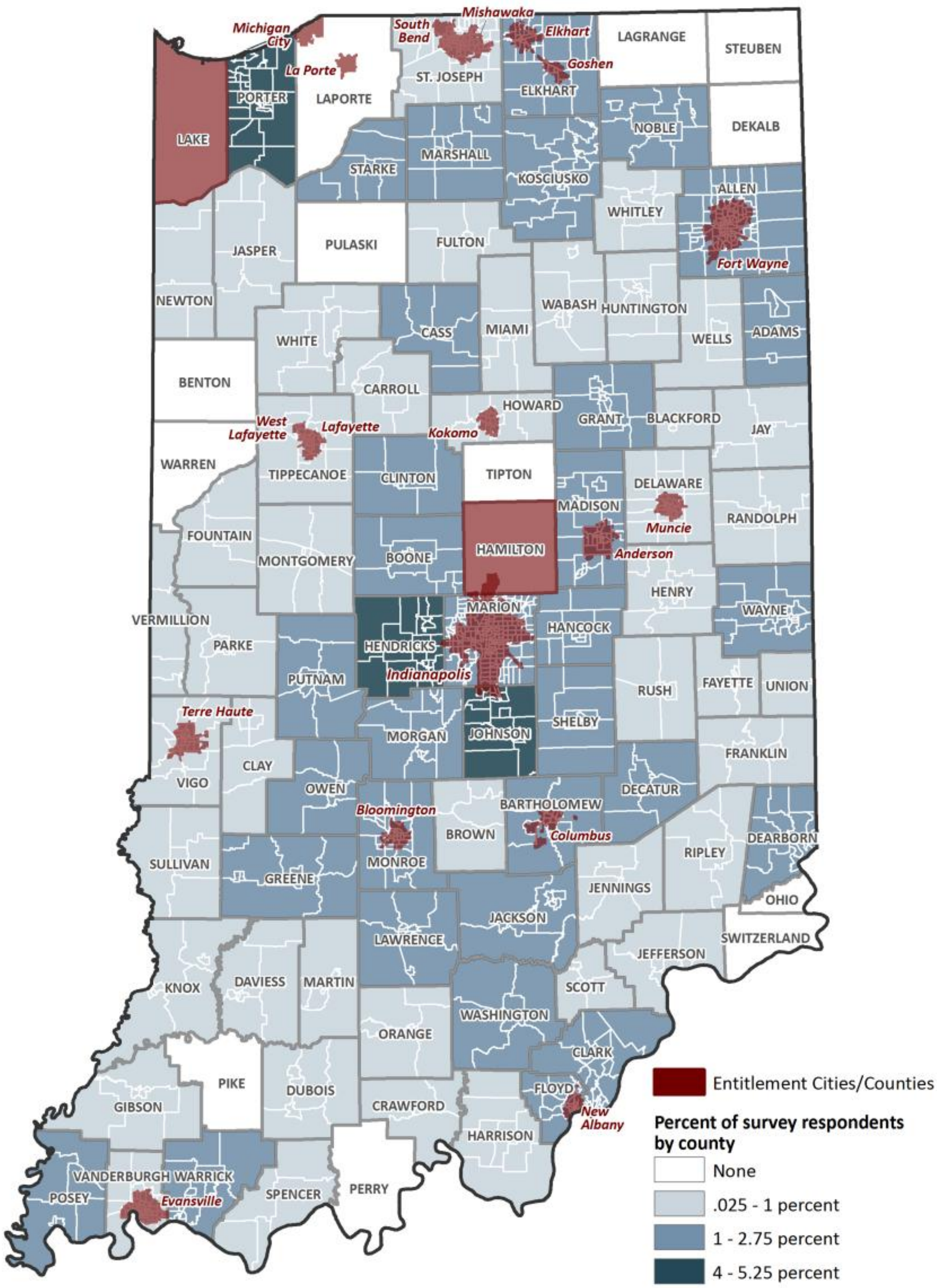
Source:

BBC Research & Consulting from 2015-2019 Consolidated Plan Stakeholder Survey.



The residents responding to the survey lived throughout the state, as shown in the following map.

Figure III-4.
Residents Responding to Survey by County



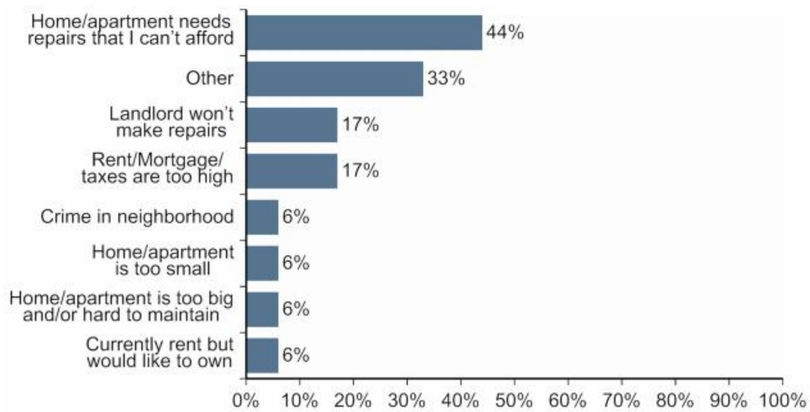
Source: BBC Research & Consulting from 2015 Resident Survey.

Seventy eight percent of households represented in the survey were owners; 14 percent were renters; and the remainder were living with others but not paying rent or mortgage. The majority of households lived in single family homes (88%), followed by apartments or condos (5%), mobile homes (4%) and townhomes/duplexes/triplexes/fourplexes (2%).

Housing and Homeless Needs

The majority of residents surveyed for the Plan said they were satisfied with their housing situation (90%). When asked about the most important factors in their choice of a home, residents listed cost, location and "liked the neighborhood." Of those who were unsatisfied, the top reason for dissatisfaction was the need for repairs (see Figure III-5).

Figure III-5.
If you are dissatisfied with your home, why are you unsatisfied?



Note: n=18. Due to multiple responses, sum of values is greater than 100%.

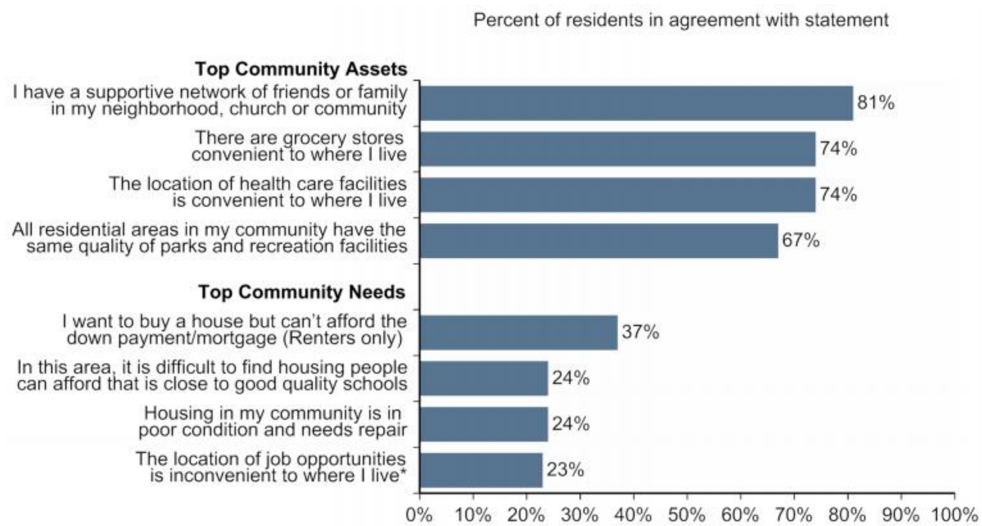
Source: BBC Research & Consulting from 2015 Resident Survey.

In order to evaluate community assets and stressors, residents were asked to rate their level of agreement with a series of statements about their community. Overall, residents exhibited higher levels of agreement with positive statements (assets) than with need statements (stressors)—again indicating a high level of satisfaction among residents. Figure III-6 displays the top assets and the top needs that were identified by residents in the survey.

The top housing needs included:

- Ownership opportunities for renters who would like to purchase a home
- Housing that is affordable and close to good quality schools;
- Condition of housing and need for repairs; and
- Proximity of jobs to housing.

Figure III-6.
Top Community Assets and Needs



Note: n=400.
*In the survey, this statement was presented in the positive (the location of job opportunities is convenient to where I live). It is presented here in the inverse form, along with the inverse percentage.

Source: BBC Research & Consulting from 2015 Resident Survey.

Stakeholders responded to a series of questions regarding housing and homeless needs in their community, including how needs may have changes in the past two to three years.

Recent changes in housing needs. Stakeholders shared their perceptions of how housing needs have changed in the past two to three years in the communities they serve. The changes stakeholders described were varied, with most described as affecting low income residents.

The most prominent themes were: 1) Greater need for affordable housing in good condition, 2) Loss of jobs, and 3) Increased need for affordable, workforce housing in areas with economic growth. Several respondents said that the supply of affordable housing had increased in their communities, especially for persons with disabilities.

In some cases, the housing needs described were conflicting, depending on economic conditions. The majority of respondents expressed a need for affordable housing, yet the needs differed: In areas with strong economies, housing needs take the form of increased housing prices that are reducing affordable, workforce housing opportunities. Areas that have not recovered from the recession describe a market still hurt by foreclosures with substandard housing stock and persistently high unemployment.

In many rural communities, public housing authorities (PHAs) provide the only programs to serve poverty-level households. PHAs were asked how easy it is for their clients to find vouchers: The majority, 72 percent, said it was easy (with 4% reporting "very easy"); 32 percent said it was difficult. No PHAs reported that finding a landlord to take vouchers was "very difficult."

A growing demand for higher quality housing was a strong theme in the survey and interviews. Some said that seniors were most affected by housing condition.

- "Housing rehabilitation is the greatest need by far; there are a lot of old, run-down houses with many low income seniors living in this housing stock."

- "It's hard to attract senior living facilities in small communities, so most seniors age in their homes—but they are in need of rehabilitation."

When asked about housing condition, PHAs did not identify required Housing Quality Standards (HQS) as a barrier to housing choice. Instead some recommended that HQS be a standard statewide to improve housing condition.

Populations most affected by housing changes. Stakeholders were asked which resident groups, if any, have been most affected by the changes in the housing market. The resident groups most consistently mentioned included:

- Persons with disabilities,
- Low income seniors,
- Low income families, and
- Low income residents in general.

PHAs reported that large families (75% reported challenges) and residents with criminal backgrounds (58%) are most challenged in using their housing choice vouchers, followed by residents with substance abuse histories (42%) and persons with disabilities (33%).

Greatest unmet housing needs. Figure III-7 presents the proportion of stakeholders who selected particular needs as one of three top unmet housing needs in their area. The greatest proportion of stakeholders (42%) selected housing for extremely low income residents (earning less than 30% AMI) as a top need. This is consistent with the 2014 stakeholder survey, but not the 2013 survey, where the needs of seniors were the highest ranked need.

Figure III-7.
Greatest Unmet Housing Needs

What are the top three greatest unmet housing needs in your service area?	Percent
Housing for persons at 30% Area Median Income or AMI or less (extremely low income, generally poverty level)	42%
Housing rehabilitation for low income homeowners (earning less than 80% AMI or about $45,000/year)	26%
Housing for persons at 60% AMI or less (very low income, generally earning less than $35,000/year)	24%
Housing for homeless families	22%
Housing for seniors	21%
Housing for persons with serious mental illness	20%
Housing for persons at 80% AMI or less (low income, generally earning less than $45,000/year)	19%
Emergency shelter for homeless/homeless shelter	17%
Housing for persons with physical disabilities	17%
Housing for adults with criminal histories (felonies)	17%
Other	17%
Housing for chronic homeless	15%
Homeownership opportunities for low income residents (earning less than 80% AMI or about $45,000/year)	14%
Housing for persons with cognitive disabilities	11%
Homeownership opportunities for moderate income residents (earning 80-120% AMI or generally between $50,000 and $75,000/year)	9%
Housing for homeless women	8%
Housing for homeless veterans	7%
Housing for homeless men	7%
Housing for youth transitioning out of foster care	7%
Housing rehabilitation for moderate income homeowners (earning 80-120% AMI or generally between $50,000 and $75,000/year)	7%
Housing rehabilitation for low income renters (earning less than 80% AMI or about $45,000/year)	6%
Housing rehabilitation for moderate income renters (earning between 80-120% AMI or generally between $50,000 and $75,000/year)	3%
Housing for persons with HIV/AIDS	2%

Note: n=121. Numbers add to greater than 100 percent due to multiple responses.

Source: BBC Research & Consulting from 2015-2019 Consolidated Plan Stakeholder Survey.

Figure III-8 compares responses to the top Greatest Unmet Housing needs in 2013, 2014 and 2015.

Figure III-8.
Greatest Unmet Housing needs in 2013, 2014 and 2015 Stakeholder Surveys

	Top needs 2013		Top needs 2014		Top needs 2015
1	Housing for seniors	1	Housing for < 30% AMI residents ($25,000 and less/year)	1	Housing for < 30% AMI residents ($25,000 and less/year)
2	Housing rehabilitation for low income homeowners	2	Emergency shelter for homeless	2	Housing rehabilitation for low income homeowners
3	Homeownership opportunities for low income residents	3	Housing rehabilitation for low income homeowners	3	Housing for < 60% AMI residents ($35,000 and less/year)
4	Emergency shelter for homeless	4	Housing for persons with serious mental illness	4	Housing for < 80% AMI residents ($45,000 and less/year)
5	Housing rehabilitation for moderate income homeowners	5	Housing for persons with physical disabilities	5	Housing for seniors
6	Housing rehabilitation for low income renters	6	Housing for seniors	6	Housing for persons with serious mental illness
		7	Housing for homeless families		
		8	Housing for adults with criminal histories		

Note: More than one-fifth of stakeholders ranked these as the Greatest Unmet Housing Needs.

Source: BBC Research & Consulting from 2013, 2014 and 2015-2019 Consolidated Plan Stakeholder Survey.

Community Development Needs

In the survey, stakeholders responded to a series of questions regarding community development needs. Stakeholders also discussed community development concerns in their interviews.

Greatest unmet community development needs. Stakeholders identified the top three greatest unmet community development needs in their area. As shown in Figure III-9, public transit and job training programs were identified as the top needs for about 40 percent of stakeholders. These are followed by sidewalks and water and sewer infrastructure.

Figure III-9.
Greatest Unmet Community Development Needs

What are the top three greatest unmet community development needs in your service area?	Percent
Public transit for all	41%
Job training programs	39%
Sidewalks	26%
Water and sewer infrastructure	24%
Infrastructure for Internet access	19%
Accessibility (ADA) improvements to community amenities (e.g., parks, trails)	17%
Stormwater infrastructure	17%
Other (please specify)	16%
Accessibility (ADA) improvements to public buildings	15%
Public transportation for persons with disabilities	15%
Youth center	11%
Public safety support (e.g., fire stations, fire trucks)	10%
Technical assistance—Identifying loan/grant opportunities	10%
Technical assistance—Business plan development, entrepreneurship training	7%
Public transportation for seniors	6%
Street lighting	6%
Technical assistance—Energy efficiency and renewable energy services	6%
Senior center	4%
Flood plain mitigation	4%
Technical assistance—Business skills development (e.g., accounting, software training)	3%
Technical assistance—Market research and competitive intelligence	2%
Technical assistance—Internet and social media strategy/search engine optimization	1%
Technical assistance—Water conservation services	1%
Technical assistance—other (specify)	1%

Note: n=165.

Source: BBC Research & Consulting from 2015-2019 Consolidated Plan Stakeholder Survey.

Figure III-10 compares responses to the top Greatest Unmet Community Development needs in 2013, 2014 and 2015.

Figure III-10.
Greatest Unmet Community Development Needs for 2013, 2014 and 2015 Stakeholder Surveys

Top needs 2013	Top needs 2014	Top needs 2015
1 Public transit for all	1 Job training programs	1 Public transit for all
2 Job training programs	2 Public transit for all	2 Job training programs
3 Water and sewer infrastructure	3 Sidewalks	3 Sidewalks
4 Sidewalks	4 Water and sewer infrastructure	3 Water and sewer infrastructure
5 Stormwater infrastructure	5 Youth centers	

Note: More than one-fifth of stakeholders ranked these as the Greatest Unmet Community Development Needs.

Source: BBC Research & Consulting from 2013, 2014 and 2015-2019 Consolidated Plan Stakeholder Survey.

There is more consistency in stakeholder-identified community development needs than housing needs across 2013, 2014 and 2015. Unfortunately, the top two needs—public transit and job training programs—are some of the more difficult needs to address through CDBG due to the federal requirements governing the program.

Increasing Program Effectiveness

Stakeholders provided advice on how the state can increase the effectiveness of its housing and community development programs. This section reports on the feedback from stakeholders.

What advice do you have for the state to be able to increase the effectiveness of its housing programs? What would you do differently?

Stakeholders interviewed offered several suggestions:

- "The state does a good job overall—but more de-regulation and reductions in red tape would lower the cost of building and/or repairing housing."
- "A larger share of CDBG should be allocated to housing programs. Housing rehabilitation needs to be a top priority."
- One stakeholder feels that "CDBG disaster recovery funds should be allowed to be used for rentals; some of the rental stock has been devastated by weather."
- Safe and secure transitional housing is needed as an alternative to rapid re-housing (which has no security or regulations), particularly for victims of domestic violence.

Several stakeholders shared thoughts on the HOME application process:

- One stakeholder described a timing issue in HOME applications also seeking AHP funds through the Federal Home Loan Bank of Indianapolis. Due to changes in the HOME regulations in the federal HOME Final Rule, IHCDA began requiring applications to have all other sources of funding (except the HOME) already committed. The Federal Home Loan Bank does not announce awards until July, after the HOME applications are due. *Note: after learning about this conflict, IHCDA announced a modification in policy specific to AHP funds. This can be found in RED-15-21, http://www.in.gov/myihcda/rednotices.htm.*

- Some stakeholders expressed concern about the rental tax credit scoring emphasis on community impact and adaptive re-use making it difficult for other types of projects—that may do a better job of meeting community development needs—from receiving tax credits.

- HOME applications for projects that assist persons with disabilities require single room occupancy units to have a kitchen per unit, which raises costs and may not be necessary for the development type.

- "HOME needs to find ways for more frequent, rolling applications and/or a short application for certain projects. It is difficult for small nonprofits to buy land when it becomes available and hold onto to them until they receive funding."

- Clarity on the process to access HOME funds is needed.

Figure III-11 summarizes stakeholder responses to the survey question about changes to housing programs.

Figure III-12 shows how stakeholders would expect these changes to impact outcomes.

Figure III-11.
Recommended Changes to Housing Programs

What would you do differently?
General Affordable Housing Programs and Funding
Provide more funding for housing programs and seek diversified funding sources
Re-establish Section 8 homeownership program and expand homeowner rehabilitation program to include scattered sites
Increase availability of Section 8 housing, affordable housing for low and middle income households, seniors at 30% AMI and affordable farmworker and homeownership housing opportunities
Ensure program funds are used for home and rental repairs, create a revolving fund for local home repairs and/or require landlords to make needed repairs
Provide assistance and tailor program design and funding application processes for small, rural communities, e.g., separate competition for funding from large communities
Find creative ways to do bond financing with 4 percent tax credits
Provide more authority to local HUD agencies, improve program administrative flexibility and oversight and prioritize program funds for local families
Require drug testing and proof of employment/active search for employment to be eligible for housing programs
Homelessness/Mental Health and Substance Use
Increase the amount of stable and subsidized housing opportunities for persons with mental illnesses and persons released from prison
Update and enforce the state's regulations on operators of healthcare housing
Extend the 30 to 40 day emergency shelter stay to 60 to 90 days to provide more time to access permanent housing and employment
Provide more housing assistance funding in order to meet HUD's target 20 to 30 day maximum shelter stay
Increase funding for homelessness prevention services, e.g., rent and utility arrears, repairs
Create incentives for jurisdictions to set maximum rent limits in areas with significant homelessness
Provide financial support to small, rural communities to establish homeless shelters
Increase funding for permanent supportive housing and case management for chronically homeless adults and families
Do not prioritize Housing First for all homeless persons; it is not always the best path to housing stability
Provide more resources to house and support unaccompanied homeless youth and homeless Veterans
Accessible Housing
Ensure programs have sufficient funding set aside for accessible modifications
Require new development to be visitable and accessible at least on the first floor
Connect with Centers for Independent Living for input and development of housing programs for low-income persons with disabilities
Provide grants to property managers to renovate older homes into accessible homes for those with disabilities
Education/ Capacity Building
Increase access to or require attendance at financial literacy and life skills education and training for tenants in subsidized housing
Provide more education training to housing providers and consumers in order to improve knowledge of fair housing
Provide technical assistance to struggling affordable housing property managers
Provide financial resources to housing providers for bedbug prevention and treatment
Strengthen internal efforts at affirmatively furthering fair housing
Provide persons with disabilities a greater role in the decision making process and the opportunity to take on leadership roles
Improve communication with the public with regards to waiting lists for housing programs
New Development/ Holistic Approach
Take a holistic approach to solving housing affordability issues, e.g., access to housing, jobs, food and public transit
Improve incentives for the development of low and middle income housing and mixed-income projects
Require new residential development in urban areas to include mixed income and/or subsidized units
Reduce segregation by building affordable housing in opportunity areas (areas with low unemployment and job growth)
Streamline and expedite the application and approval process for affordable housing development
Require a share of market affordable housing be provided in all communities based on median income

Source: BBC Research & Consulting from 2015-2019 Consolidated Plan Stakeholder Survey.

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Figure III-12.
Anticipated Effects on Housing Program Changes

If your change is made, how do you think it will positively impact outcomes?
More efficient use and equitable distribution of state and federal resources would benefit very low to moderate income households
More funding for housing rehabilitation would increase the ability for seniors and persons with disabilities to remain in their homes and result in less reliance on nursing homes
Indiana would be a much more accessible and disability friendly state
Persons with disabilities would have more opportunities for housing and a greater role in decision making
Working closely with disability organizations would provide the state with valuable insight in order to become a more visitable, accessible and affordable state for individuals to age in place
More resources for affordable housing programs would house more people, the population would be more accepting of diversity and of low-income and disabled persons
Programs would be more effective and tailored to their needs of each community with more funds to provide additional services and hire program leads
More affordable and accessible housing with supports and better case management would allow individuals to live independently
Proactive support for persons with mental illnesses would reduce emergency visits and reliance on homeless shelters, lowering criminal justice and healthcare costs
Incentives would lead to the development of more affordable housing to better meet the need
Better treatment of farmworkers so they remain in the state
Program applications would be scored on logical basis
Communities would be able to focus on longer term housing solutions, prices would stabilize, neighborhoods would not deteriorate as rapidly, employment would rise, there would be fewer abandoned homes and more community pride
Housing providers would have better tenants, less turnover and reduced property maintenance costs
More housing assistance would decrease the reliance on the social programs and homeless shelters and people would have their needs met in small communities instead of having to go to Indianapolis
Nonprofit organizations would be better equipped to adapt to the changing realities in communities
Reduced utility costs and home repair grants would help prevent homelessness
If the provision of low to moderate income housing met the demand, communities could recruit laborers to fill jobs, vehicle miles traveled would be greatly reduced
Improved bedbug management would reduce costs for landlords and have a positive impact on whole communities
The continuation of the foreclosure prevention program would keep home owners in their homes and help to maintain neighborhoods
Transitional housing helps people find work and stability before finding permanent housing
More attention to healthcare and residential care would improve the standard of care and abuse would be eliminated
More emphasis on mixed-income housing would benefit low-income households
More housing choice would reduce the impacts of poverty, improve mental health and reduce crime
Higher property values would make communities more attractive to future residents
More support to very low-income seniors (30% AMI) would prevent homelessness and help ensure they can enjoy stable and secure housing
Requiring a drug test and evidence of employment search for admission into housing programs would hold people accountable for their actions and improve program outcomes

Source: BBC Research & Consulting from 2015-2019 Consolidated Plan Stakeholder Survey.

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Recommendations from stakeholders interviewed about community development needs included the following:

- Would like to see infrastructure programs geared toward workforce development and economic growth: 1) Assistance in developing sites for prospective businesses; 2) Infrastructure support for alternative housing types growing in demand for workforce (e.g., duplexes, lofts); 3) Marketing support to encourage entrepreneurism.

- Two rounds of funding are better than one. If an application gets tossed out for something silly/a technical mistake it can take more than a year to get funding in a one-round application cycle.

- Would be nice to get more assistance through Stellar Communities. It's a great program which "really makes you look at your community…and identify opportunities you may have considered before"

The open-ended contributions from survey respondents are shown in Figures III-13 and III-14.

Figure III-13.
Recommended Changes to Community Development Programs

What would you do differently?
Increase state support for local governments and non-profits, provide more funding and grant opportunities, e.g., capital grants, make grants easier to apply for and provide two grant opportunities per year (as per previous CFF program)
Ensure persons with disabilities are part of the decision making process and have opportunities to take on leadership roles
Community support must reach all communities, not simply Indianapolis and the surrounding area
Increase the share of funding dedicated to accessible modifications and provide in-home services to ensure persons with disabilities and senior can age in place and be engaged in the community, e.g., accessible public bathrooms
Ensure persons with a range of physical and mental illnesses can access programs and services, including homeless shelters
Provide more resources for local communities to improve infrastructure, e.g., sewage, roads, accessible sidewalks
Ensure public transit is affordable and accessible for persons with disabilities and expand service outside of business hours; more funding for public transit is needed
Provide more funding for new affordable housing for persons with disabilities
Improve state transparency and efficient and targeted use of public funds, realign the areas funds are dispersed to better represent needs and reduce burdensome rules and reporting requirements
Increase local government autonomy and authority, and require state decision-makers visit communities before making funding/policy decisions
Improved early childhood education and high school and college graduation rates, strengthen educational offering (e.g., shop class, business coops), provide job skills training and employment opportunities for youth and adults, especially in rural and low-income areas
Establish a long term statewide education strategy
Increase attention, technical assistance, funding and grant opportunities for small, rural communities, e.g., limited resources to be heard and apply for grants, challenges maintaining enrolment levels at rural schools
Reduce the burden on households of costly utility bills and high rents
Improve internet access in small, rural communities
Provide funds to accommodate for revenue lost by tax caps
Provide more funds for strategic planning, improve regional and state coordination and implement a regional development plan
Establish a partnership with IEDA and offer enhanced economic development training to state economic and community development agencies
Expand Stellar Communities program, provide support to communities that would like to join and provide a grant for infrastructure in the program
Improve access to and quality of data and communication with the public and to local governments about program and funding options, particularly in rural areas
Provide incentives for businesses to locate low-income, rural areas and support to attract development
Develop a transportation system that would link housing and service providers, e.g., transport housing tenants to the FSSA office, WorkOne office
Eliminate the income requirements restrictions for the communities; many low income people do not fill out income surveys and as a result some communities do not qualify for grants because they are above the income limit
Make the blight program easier to use for small communities
Raise property taxes in small rural areas; very low assessed values and property tax cap limits funding for basic infrastructure and the ability to provide a decent standard of living
Require banks work with communities to manage foreclosed, vacant properties
Utilize public schools in the summer for youth centers for those with and without disabilities and contract with local universities to offer credits for students majoring in education or social work to run these summer programs

Source: BBC Research & Consulting from 2015-2019 Consolidated Plan Stakeholder Survey.

Figure III-14.
Anticipated Effects on Community Development Program Changes

If your change is made, how do you think it will positively impact outcomes?
There would be more funding and access to services, more affordable living options and people would have more hope and less stress
The disability community would be meaningfully involved in all decisions that affect them
Seniors would be better able to age in place and remain integrated in the community
The state would become friendlier and more accessible for persons with disabilities, making Indiana more attractive to new populations and desirable to investment
More public transportation would allow people to get to work without a car and participate in their communities and infrastructure improvements would create safer communities
Keeping young motivated people in small, rural areas would help with community development
A fair market for small business markets competing against big-box retail
There would be more attention to and investment in the quality of life in small and rural communities, not just in Indianapolis
More targeted training opportunities would increase local knowledge and capacity
Improved local capacity, knowledge, comprehensive panning and collaborative processes would improve community development and private investment
If students graduated with more skills and more families made a living wage there would be less reliance on community assistance programs and Section 8 housing
Small communities would be able to afford infrastructure maintenance, there would be improved energy efficiency and cost savings to households
Higher employment, better quality jobs and higher wages, new businesses and investment, leading to improved infrastructure and economic development
More efficient use of funds, more grant opportunities, better grant applications and final projects, targeted to the right low-income communities and better communication with communities about funding options
Elected officials and the general public would be more informed and would make better decisions
More businesses located in low-income areas
Lower crime, better family planning and a decrease in drug use
Improved educational outcomes from early childhood education to high school graduation
Better infrastructure and improved housing would attract jobs and people to stay or move to small towns
More services and programs to youth and children with disabilities would improve their outcomes and reduce reactive social costs
There would be less dependence on group homes and day programs

Source: BBC Research & Consulting from 2015-2019 Consolidated Plan Stakeholder Survey.

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Stakeholders were asked about the specific outcomes they would like to see in their clients through the question of: *In your opinion, if the state is successful in directing HUD block grant funds to address the housing and community development needs in your area or of your clients, what would you expect to see as outcomes in your town/city? List the top three outcomes you would prefer to see in your community or for your client.* Figure III-15 shows the responses to this question. More affordable rental housing, independent-living housing options and housing to address homelessness were the top expected outcomes.

Figure III-15.
Successful Outcomes from Block Grant Program Investments

Successful Outcomes from Block Grant Program Investment	Percent
More affordable rental housing	29.2%
accessible to persons with disabilities	21.4%
More seniors able to live independently/less seniors leaving their homes to live in nursing homes	20.8%
A job training center or enhanced job training programs	19.5%
More persons with disabilities able to live independently	19.5%
Permanent housing and programs to assist persons who are homeless	19.5%
Increased number of Section 8 vouchers or rental subsidies	18.8%
More opportunities to for business to start up/expand/locate here	18.8%
Improvements to water and sewer systems to reduce costs to residents	18.2%
Rehabilitation to housing for existing homeowners	16.2%
Main Street revitalized	14.9%
More jobs	14.9%
More housing that is accessible to persons with disabilities	13.6%
More opportunities for homeownership	12.3%
More shelters to assist persons who are homeless	11.7%
Energy efficiency improvements to existing housing to reduce utility costs	11.0%
Rehabilitation to rental housing	9.1%
Housing for specific types of residents	7.1%
Improvements to emergency services (fire stations, fire trucks, emergency equipment)	7.1%
Historic buildings and housing preserved and rehabilitated	6.5%
Additional and higher quality child care centers	5.8%
A community center or improvements to the community center	5.8%
More trainings and technical assistance to area nonprofits	5.8%
Other (please specify)	5.2%
A senior center or improvements to the senior center in our town/city	2.6%
More health care facilities	1.9%
A library or improvements to the library	0.0%

Note: n=154.

Source: BBC Research & Consulting from 2015-2019 Consolidated Plan Stakeholder Survey.

Housing for Persons with Disabilities

Seventy respondents (17.5%) to the resident survey said they have a household member with a disability of any type. Of those households, 21 percent said their housing *does not meet* their family's accessibility needs.

If applied to the number of housing units in nonentitlement areas, an estimated 300,000 units statewide (including entitlement areas) do not have the accessibility improvements residents need.

Figure III-16 shows the proportion of households needing accessibility improvements by unit type. The most common accessibility improvements needed were bathroom improvements (grab bars, roll-in shower, etc.) and ramps.

Figure III-16.
Does the house or apartment you currently live in meet your or your family's accessibility needs?

Source:
BBC Research & Consulting from 2015 Resident Survey.

Type of Housing Unit	Percent that said, "no"
All Households with a member with a disability *(n=189)*	**21%**
Single family home/house *(n=141)*	24%
Townhome/duplex/triplex/fourplex *(n=7)*	14%
Apartment or condo unit in an apartment or condo building *(n=20)*	15%
Mobile home/manufactured home/mobile home park *(n=14)*	7%
Retirement community/independent living/assisted living *(n=4)*	0%

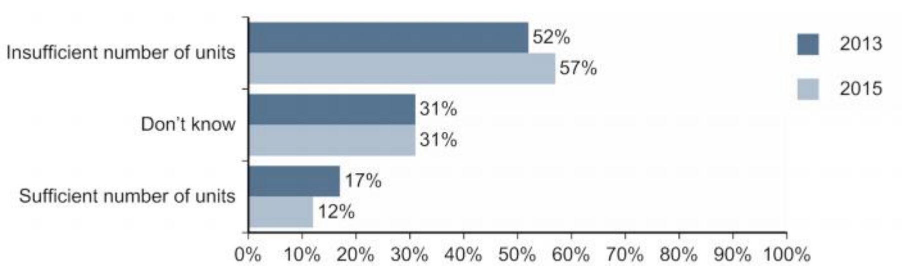
Stakeholders were asked how easy it is for persons with disabilities to get information about programs to help fund accessibility improvements. The vast majority—77 percent—felt that it was difficult or very difficult for persons with disabilities to easily access such information. This was a much higher percentage than in 2013 (64%).

In 2013 and 2015, stakeholders responded to a series of questions about the availability of and type of housing needed in their community for persons with physical or cognitive disabilities and severe mental illness. This section compares the questions that were asked in 2013 with those asked in 2015.

Housing for persons with physical disabilities. With respect to housing units accessible to persons with physical disabilities, stakeholders responded to questions about unit availability and quality as well as the types of units needed in their community.

Availability of accessible units. In 2013, less than one in five stakeholders reported a sufficient number of units for persons with physical disabilities are available in their community, as shown in Figure III-17. About half reported an insufficient amount. In 2015, the proportion reporting an insufficient amount had increased by 5 percentage points.

Figure III-17.
Availability of Housing for Persons with Physical Disabilities, 2013 and 2015



Note: n=207 in 2013; 106 in 2015.

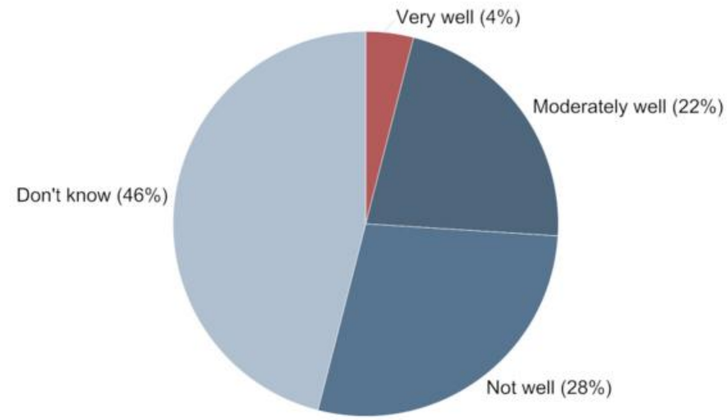
Source: BBC Research & Consulting from 2013 Action Plan and 2015-2019 Consolidated Plan Stakeholder Surveys.

Integrated settings. The 2015 survey asked how well state policies and practices encourage the placement of persons with disabilities in apartments, single family homes and other integrated community settings. Many stakeholders did not know; the rest were split in their opinions, as shown in Figure III-18.

Figure III-18.
How Well State Policies and Practices Encourage Integrated Settings for Persons with Disabilities

Note:
n=108.

Source:
BBC Research & Consulting from 2015-2019 Consolidated Plan Stakeholder Survey



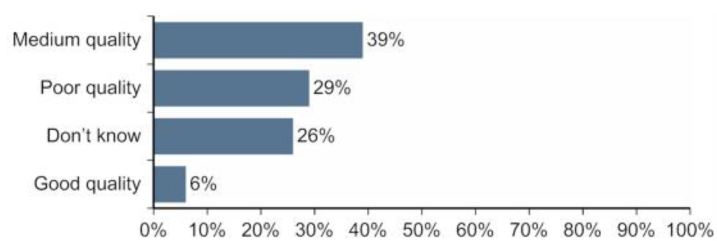
The reasons stakeholders gave for the policies and practices not working well included: Lack of housing units and policies within FSSA that limit opportunities for housing choice (specific policies were not described).

Quality of accessible units. With respect to the quality of units accessible to persons with physical disabilities, in2013, only one in twenty stakeholders considered these units to be of good quality. About 30 percent rated accessible unit quality to be poor and one in four did not know how to rate the quality, as shown in Figure III-19.[1]

Figure III-19.
Quality of Housing Accessible to Persons with Physical Disabilities, 2013

Note:
n=207.

Source:
BBC Research & Consulting from 2013 Action Plan Stakeholder Survey.



With respect to a lack of quality accessible units, stakeholders' comments included:

- Accessibility modification challenges are exacerbated in communities with old (pre-1960) housing stock;
- In some communities, accessible units are found in seniors-only buildings;

[1] This and the following questions were not repeated in 2015 due to the length of the survey. The 2015 survey incorporated more questions about fair housing barriers for the AI.

- Many units that are affordable to persons living on SSI are not accessible and are not located in safe areas or areas with amenities (e.g., grocery stores, good schools, good transit access); and
- Regardless of accessibility, affordable rental units are often in poor condition.

Type of housing needed. Those respondents who reported an insufficient number of units available in their community for persons with physical disabilities shared the types of housing units they believe are most needed. Stakeholders' comments about the types of housing needed generally fell into the following categories:

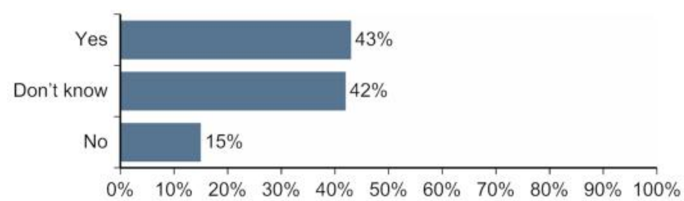
- Accessible housing affordable to persons living on SSI;
- Accessible, affordable multi-bedroom units needed for persons with disabilities living with family;
- Accessible, affordable housing that is not senior housing;
- Waitlists for subsidized accessible housing are very long;
- Tenant based rental assistance is needed;
- While landlords are willing to make modifications, the tenant cannot afford the cost;
- Need for single family homes and townhomes that are accessible and visitable; and
- Accessible housing needs to be connected to or near public transit.

Challenges accessing housing. As shown in Figure III-20, in 2013, about two in five stakeholders believe that persons with physical disabilities encounter challenges accessing housing in their area. About the same proportion of stakeholders did not know if persons with physical disabilities have challenges accessing housing.

Figure III-20.
Challenges Accessing Housing for Persons with Physical Disabilities, 2013

Note:
n=198.

Source:
BBC Research & Consulting from 2013 Action Plan Stakeholder Survey.



With respect to the challenges persons with physical disabilities face when trying to access housing, stakeholders' comments focused largely on the lack of accessible and affordable units in their community. In addition, stakeholders named the following challenges:

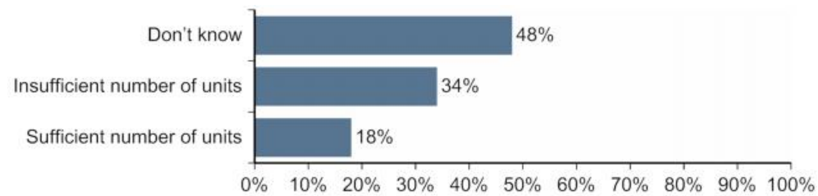
- A lack of public transportation limits where persons with disabilities can live;
- Sidewalks and curbs are not accessible to persons using wheelchairs;
- Many building entrances are not accessible, including some buildings built post-2000;

- Long waitlists for accessible and affordable housing, particularly for those with incomes less than 30 percent of AMI; and
- Few, if any, accessible units have more than one bedroom.

Housing for persons with cognitive disabilities. As with housing for persons with physical disabilities, stakeholders responded to a series of questions about the accessibility and quality of housing for persons with cognitive disabilities, the types of housing needed and challenges faced by this population in securing housing.

Availability of units. Compared to availability of units for persons with physical disabilities, about the same proportion of stakeholders (18%) believe there are a sufficient number of units available to persons with cognitive disabilities. A much greater proportion of respondents (48%) did not know if a sufficient number of units are available.

Figure III-21.
Availability of Units Accessible to Persons with Cognitive Disabilities, 2013



Note:

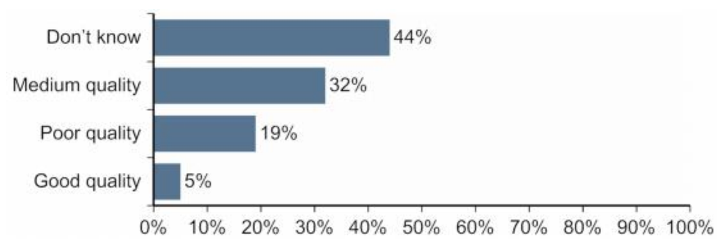
n=196.

Source:

BBC Research & Consulting from 2013 Action Plan Stakeholder Survey.

Quality of available units. The greatest proportion of stakeholders (44%) did not know how to characterize the quality of housing units accessible to persons with cognitive disabilities. Of those rating the quality, only 5 percent rated the quality as good.

Figure III-22.
Quality of Housing Available to Persons with Cognitive Disabilities, 2013



Note:

n=194.

Source:

BBC Research & Consulting from 2013 Action Plan Stakeholder Survey.

With respect to the quality of housing available to persons with cognitive disabilities, the primary concern among stakeholders is that these individuals rely on SSI/SSDI and are very low income; therefore, the quality of the units they can afford to rent is often poor. Other comments about the quality of housing include:

- Group homes being located in undesirable areas with limited access to grocery stores, medical services or transportation;

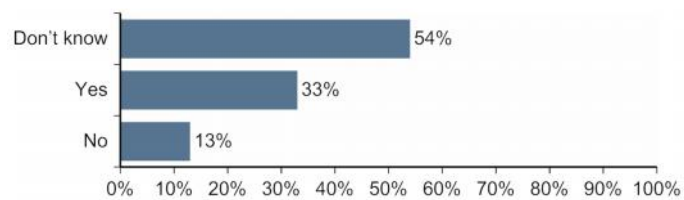
- Because alternative living arrangements are either not available or affordable, people with cognitive disabilities may be forced to live in group homes, nursing homes or other institutions when they would prefer another living arrangement; and
- A desire among stakeholders to see housing opportunities for persons with cognitive disabilities developed to be more integrated into the larger community.

Type of housing units/arrangements needed. Stakeholders suggested several types of housing units or living arrangements that are needed for housing persons with cognitive disabilities:

- Affordable and accessible units, particularly units affordable to individuals living on SSI/SSDI or on incomes below 30 percent of AMI;
- More group home living arrangements;
- Shared housing arrangements (not formal group homes) such as three individuals with cognitive disabilities and live-in supportive/supervisory staff;
- Living arrangements that are integrated into the community; and
- Living arrangements that promote independent living to the greatest extent possible, while also providing some degree of supportive services/supervision.

Challenges accessing housing. One in three stakeholders report that they believe persons with cognitive disabilities encounter challenges in accessing housing. The greatest proportion of stakeholders (54%) did not know if persons with cognitive disabilities have challenges accessing housing.

Figure III-23.
Challenges Accessing Housing Encountered by Persons with Cognitive Disabilities, 2013



Note:
n=200.

Source:
BBC Research & Consulting from 2013 Action Plan Stakeholder Survey.

Those stakeholders who believe persons with cognitive disabilities encounter challenges described their perceptions of the challenges faced. These include:

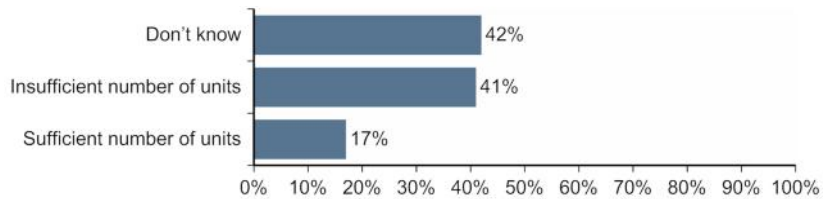
- Limited availability of affordable units to rent overall, regardless of quality—in many cases, the units persons with cognitive disabilities can afford to rent are substandard and located in undesirable neighborhoods;
- Discriminatory practices by landlords (e.g., refusal to rent);
- Zoning limits placement of group homes to only certain areas or restricts the number of unrelated persons able to live together;

- Insufficient opportunities for non-group home or non-institutional living arrangements; and
- Difficulties associated with having a sufficient number of housemates to secure caregiver or other supportive benefits.

Housing for persons with severe mental illness. Stakeholders gauged the availability and quality of housing accessible to persons with severe mental illness and the types of housing/living arrangements needed by this population.

Availability of units. As with persons with physical or cognitive disabilities, about the same proportion of stakeholders (17%) believe the availability of housing units accessible to persons with severe mental illness are sufficient.

Figure III-24.
Availability of Housing Accessible to Persons with Severe Mental Illness, 2013

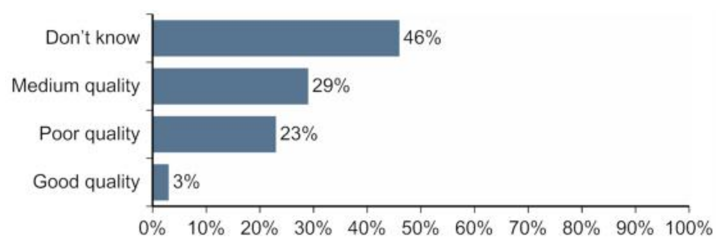


Note:
n=196.

Source:
BBC Research & Consulting from 2013 Action Plan Stakeholder Survey.

Quality of units. Stakeholders' perceptions of the quality of housing accessible to persons with severe mental illness generally fell into the "medium" and "poor" categories, but the greatest proportion of respondents (46%) did not know how to assess the quality.

Figure III-25.
Quality of Units Accessible to Persons with Severe Mental Illness, 2013



Note:
n=195.

Source:
BBC Research & Consulting from 2013 Action Plan Stakeholder Survey.

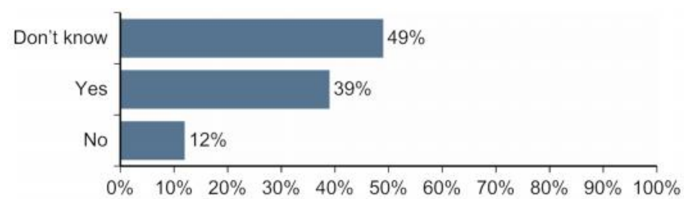
Since many persons with severe mental illness live on fixed disability income, stakeholders' perceive the types of units this population can afford to rent (without additional subsidy) tends to be older, in need of rehabilitation, and often located in higher crime areas and away from community mental health services. Stakeholders also discussed the need for housing for persons with severe mental illness with supportive services and the need for increased attention and funding for mental health services.

Type of housing units/arrangements needed. Stakeholders shared the types of housing needed most for persons with severe mental illness in their community. By far, the greatest number of responses stressed the need for housing that is affordable to someone living on SSI/SSDI that is located in safe areas with access to social service and psychiatric supports. Other needs identified include:

- Group homes with supervision;
- Permanent supportive housing integrated into the community;
- Transitional housing; and
- Private landlords willing to rent to this population.

Challenges in accessing housing. As shown in Figure III-26, about half of stakeholders do not know if persons with severe mental illness have challenges accessing housing, and 39 percent believe they do have challenges.

Figure III-26.
Challenges Accessing Housing for Persons with Severe Mental Illness, 2013



Note:
n=196.

Source:
BBC Research & Consulting from 2013 Action Plan Stakeholder Survey.

From the perspective of stakeholders, persons with severe mental illness face numerous challenges in accessing safe, quality housing they can afford. These include:

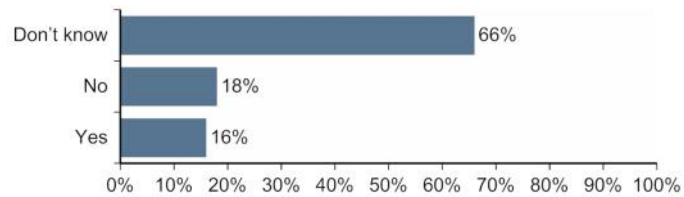
- Lack of safe, quality units affordable to those on SSI/SSDI or at 30 percent or below AMI;
- NIMBYism and zoning restrictions on group homes;
- Discrimination or unwillingness to lease by private landlords;
- Lack of sufficient community mental health services;
- Lack of housing with supportive services;
- Poor credit or rental histories; and
- Lack of affordable housing near transit and services.

Challenges in accessing housing for persons with HIV/AIDS. As shown in Figure III-27, the majority of stakeholders (66%) do not know if persons with HIV/AIDS encounter challenges accessing housing.

Figure III-27.
Challenges Accessing Housing for Persons with HIV/AIDS, 2013

Note:
n=199.

Source:
BBC Research & Consulting from 2013 Action Plan Stakeholder Survey.



Among stakeholders who believe persons with HIV/AIDS face challenges securing housing, two themes emerged:

- A lack of units affordable to persons living on 30 percent or less of AMI; and
- Discrimination in the private rental market due to the stigma of HIV/AIDS.

INDIANA OFFICE OF
Community & Rural Affairs
Where Rural Matters

ihcda
Indiana Housing & Community Development Authority

STATE OF INDIANA

2015-2019 Consolidated Plan and 2015 Action Plan

Public Hearings — April 23, 2015

Presented by:

Heidi Aggeler, Director

BBC Research & Consulting
1999 Broadway
Suite 2200
Denver, Colorado 80202
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www.bbcresearch.com

Agenda

- Introductions
- Background on the Consolidated Plan
- What's New in 2015
- Public comments and input

Introduction and Hearing Rules

- **To ensure that everyone in attendance has a chance to voice their opinion and to make sure we can hear all comments:**
  - **Please hold your comments to 3 minutes on each subject. This will give everyone an equal chance to make comments.**
  - **Please do not interrupt or debate others. There are no right or wrong answers in our discussion today.**
  - **If you have more to say, or have very detailed questions about programs, visit with us after the hearing or contact one of us later (contact information is on both the cover and last slide).**

Purpose of the Consolidated Plan

- **In 1995, the U.S. Department of Housing and Urban Development (HUD) began requiring states and local communities to prepare a Consolidated Plan in order to receive federal housing and community development funding.**
- **The purpose of the Consolidated Plan is:**
  - **To identify a state's housing and community development needs, priorities, goals and strategies.**
  - **To stipulate how funds will be allocated to state housing and community development non-profit organizations and local governments.**
- **This the first Consolidated Plan using HUD's new online Consolidated Planning Suite (eCon Plan)**

The State of Indiana's Consolidated Plan

- **Five-Year Strategic Plan and Annual Action Plans**
  - **Pertains to specific HUD funding programs:**
    - ***Community Development Block Grant (CDBG)***
    - ***Home Investment Partnerships Program (HOME)***
    - ***Emergency Solutions Grant Program (ESG)***
    - ***Housing Opportunities for Persons with AIDS (HOPWA)***
    - ***Also reports allocation of CDBG disaster recovery funds received by the State***
- **A new Analysis of Impediments to Fair Housing Choice (AI) is in research phase now and will be completed in late summer/early fall.**

Summary of Consolidated Plan

- **Organized into five primary categories**
  - ***ES and PR—executive summary, consultation and input***
  - ***NA-needs assessment***
  - ***MA-market analysis***
  - ***SP-five-year strategic plan***
  - ***AP-one year action plan***

Summary of Consolidated Plan

- **Primary findings:**
  - **Population growth remains stagnant, 6% increase 2000 to 2011**
  - **Median income rose 16%, not enough to keep up with inflation**
  - **Single family home prices rose modestly between 2000 and 2011. 2011-2013 price stagnation. Aging owners need help with maintenance and improvements.**
  - **Family poverty rate doubled: 5.3% in 1999 to 11.2% in 2013. This has increased the need for deeply affordable rental units.**
  - **Top needs according to stakeholder survey: *housing for persons earning < 30% AMI, housing for low income households in general, housing to help persons who are homeless and housing for seniors, public transportation options, job training and water and wastewater infrastructure improvements.***

What will the State receive from HUD?
(2015 estimated funding allocations)

CDBG	$27,777,000
HOME	$9,369,000
ESG	$3,635,000
HOPWA	$953,000
TOTAL	$41,734,000

What's New (and the Same) in 2015

- **The first five-year Consolidated plan prepared using HUD's required online eCon Plan suite. This format will be used for Action Plans and CAPERs in the future.**

- **Program modifications:**

  CDBG: new workforce development program, increase in Section 108 to $80 million, slight shifts in funding for public improvements and community revitalization

  HOME: slight increase in RHTC/HOME combos, small reduction in rental competitive round, TBRA funded with past program year carry overs. Continued focus on expanding housing opportunities for low income households, persons with disabilities, seniors

  ESG: slight increase of funding from 2014 and most allocated to rapid rehousing and operations of shelter

  HOPWA: similar allocation of funds as in 2014, with most allocated to TBRA, STRUM and housing information services

Annual Goals and Objectives

CDBG funds:
\$2.7 million for owner-occupied rehabilitation (allocated to IHCDA)
\$7 million for wastewater/drinking water improvements
\$5 million for public facilities improvements
\$4 million for the Stellar Communities program
\$3.5 million for storm water improvements
\$1.4 million for planning
\$1.4 million for blight clearance
\$1 million towards workforce development activities
\$800,000 for Main Street Revitalization Program
\$655,000 for administration
\$278,000 for technical assistance
Section 108 loan program—up to \$80 million

Annual Goals and Objectives (continued)

CDBG-DR funds:
$5.5 multifamily housing (<51% AMI)
$4.4 million for owner occupied rehabilitation (100% AMI)
$3.5 million for comprehensive revitalization
$1 million for workforce development
$11 million for stormwater improvements

Annual Goals and Objectives (continued)

HOME funds:
$3.2 million rental projects (competitive funding)
$1 million homeownership projects (competitive funding)
$1.5 million for Housing First projects (maximum $500,000 per award)
$2.5 million for Rental Housing Tax Credit/HOME combos under the Qualified Allocation Plan (maximum $500,000 per award)
$250,000 for CHDO operating and predevelopment
$900,000 administrative uses ($550,000 internal and $350,000 organizational capacity building)
Tenant Based Rental Assistance (TBRA) will be funded with funds remaining from program years (PYs 2013 and 2014)

Annual Goals and Objectives (continued)

ESG funds:
$1.7 million emergency shelters with operations and essential services
$1.45 million rental assistance for rapid re-housing
$72,000 rental assistance associated with homeless prevention
$124,000 outreach activities
$270,000 program administration

Annual Goals and Objectives (continued)

HOPWA funds:
$425,000 in TBRA
$212,000 for housing information activities
$170,000 short-term rental, utilities and mortgage assistance
$90,000 support facility operations and supportive services

Your Input

- What do you think of the 2015-2019 Consolidated Plan and/or 2015 Action Plan?

- What do you like best? The least?

- What questions and comments do you have today?

How to Comment on the 2015 Action Plan

- **Through May 13, 2015 you may send email to:**

  coscott@ocra.in.gov (Corrie Scott at OCRA)

  Send a letter to:

  Indiana Office of Community and Rural Affairs
  One North Capitol Avenue, Suite 600
  Indianapolis, IN 46204-22288

  Attn: Consolidated Plan

- **Access the draft Plan at:**

  http://www.in.gov/ihcda

  OR

  http://www.in.gov/ocra

NOTICE OF PUBLIC HEARING
FY 2015 CONSOLIDATED PLAN FOR FUNDING

Para ver una versión española de este anuncio de la audición, www.in.gov/ocra visita. Para traducciones al español de los documentos mencionados en este anuncio, escribir al Indiana Office of Community and Rural Affairs, One North Capitol, Suite 600, Indianapolis, Indiana 46204, o E-mail coscott@ocra.in.gov.

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 2015. In accordance with this regulation, the State is providing the opportunity for citizens to comment on the 2015 Consolidated Plan draft report, which will be submitted to the US Department of Housing and Urban Development (HUD) on or before May 15, 2015. 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 2015 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 Solutions Grant Program
Housing Opportunities for Persons with AIDS Program

These public hearings will be conducted across the state. Your choice of public hearing time and date are:

Thursday, April 23rd

Indianapolis
Indiana State Fairgrounds
Discovery Hall, Suite 201
1202 East 38th Street
Indianapolis, IN 46205
2:30 p.m. or
5:30 p.m. EDT

Rensselaer
Purdue Extension Office
2530 North McKinley Avenue
Suite 1
Rensselaer, IN 47978
1:30 p.m. or
4:30 p.m. Central

Vincennes
Southwest Purdue Ag Program
4369 North Purdue Road
Vincennes, IN 47591
2:30 p.m. or
5:30 p.m. EDT

Huntington
Purdue Extension Office
Courthouse Annex, Suite 202
354 North Jefferson Street
Huntington, IN 46750
2:30 p.m. or
5:30 p.m. EDT

Scottsburg
Purdue Extension Office
1 East McClain Ave., Ste. 30
Scottsburg, IN 47170
2:30 p.m. or
5:30 p.m. EDT

All members of the public are invited to review the draft Plan prior to submission April 14, 2015 through May 13, 2015 during normal business hours of 8:30am to 5:00pm, Monday-Friday, at the Indiana Office of Community and Rural Affairs. A draft Plan will also be available on the IHCDA website (www.in.gov/ihcda) and the OCRA website (www.in.gov/ocra).

Written comments are invited from Tuesday, April 14, 2015 through Wednesday, May 13, 2015, at the following address:

2015 Consolidated Plan
Indiana Office of Community and Rural Affairs
One North Capitol – Suite 600
Indianapolis, IN 46204-2027

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 2015 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 317.233.3762, during normal business hours or via electronic mail at coscott@ocra.in.gov.