Draft Report

State of Indiana Consolidated Plan

2007 Action Plan

DUNS No. 80-989-6723

Draft Report

April 5, 2007

2007 Indiana Action Plan
DUNS No. 80-989-6723

Prepared for

State of Indiana
Indiana Office of Community and Rural Affairs
Indiana Housing and Community Development Authority
Indianapolis, Indiana

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Map of Indiana Counties

Frequently Used Acronyms

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

Frequently Used Acronyms

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

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EXECUTIVE SUMMARY

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Each year 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 statewide. The dollars are primarily meant for investment in the State's less populated and rural areas, which do not receive such funds directly from HUD[1].

HUD requires that any state or local jurisdiction that receives block grant funds prepare a report called a Consolidated Plan every three to five years. The Consolidated Plan is a research document that identifies a state's, county's or city's housing and community development needs. It also contains a strategic plan to guide how the HUD block grants will be used during the Consolidated Planning period.

In addition to the Consolidated Plan, every year states and local jurisdictions must prepare two other documents related to the Consolidated Plan:

- **Annual Action Plan**—this document details how the HUD block grants *are planned to be* allocated to meet a state's/county's/city's housing and community development needs; and
- **Consolidated Annual Performance and Evaluation Report (CAPER)**—this document reports how each year's dollars were *actually allocated* and where the actual allocation varied from what was planned.

This report is the State of Indiana's 2007 Action Plan. The State of Indiana five-year Consolidated Plan was prepared in 2005, and covers the years from 2005 through 2009. The 2007 Action Plan report contains a plan for how the State proposes to allocate the CDBG, HOME, ESG and HOPWA during the 2007 program year.

Compliance with Consolidated Plan Regulations

The State of Indiana's Five-Year Consolidated Plan and 2007 Action Plan were prepared in accordance with Sections 91.300 through 91.330 of the U.S. Department of Housing and Urban Development's Consolidated Plan regulations.

Lead and Participating Agencies

The Indiana Office of Community and Rural Affairs (OCRA) and the Indiana Housing and Community Development Authority (IHCDA) are the lead agencies responsible for overseeing the development of the 2007 Action Plan. OCRA administers the State's CDBG grant. IHCDA administers the State's HOME, ESG and HOPWA grant programs.

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[1] Some cities and counties in Indiana, mostly because of their size, are able to receive HUD grant dollars for housing and community development directly. These "entitlement" areas must complete a Consolidated Plan separately from the State's to receive funding. The entitlement areas in Indiana include the cities of Anderson, Bloomington, Carmel, Columbus, East Chicago, Elkhart, Evansville, Fort Wayne, Gary, Goshen, Hammond, Indianapolis, Kokomo, La Porte, Lafayette, Michigan City, Mishawaka, Muncie, New Albany, South Bend, Terre Haute, West Lafayette, Hamilton County and Lake County.

The State of Indiana retained BBC Research & Consulting (BBC), an economic research and consulting firm specializing in housing research, to assist in the preparation of the 2007 Action Plan. BBC worked with the Indiana minority-owned business Engaging Solutions and Indiana women-owned business Briljent to complete the 2007 Action Plan.

Citizen Participation Process and Consultation

The State's five-year Consolidated Plan was developed with a strong emphasis on community input. Citizens were able to share their opinions about the State's housing and community development needs in numerous ways including:

- A targeted survey of low-income citizens, citizens receiving public housing assistance and citizens with special needs;
- A key person/organization survey sent to approximately 1,800 stakeholders in the State's nonentitlement areas; and
- A telephone survey, the Indiana Rural Poll, conducted of Indiana residents living outside of Indiana's urbanized areas.

Citizens had the opportunity to comment on the 2007 Draft Action Plan for CDBG, HOME, ESG and HOPWA through two public hearings held during the 30-day public comment period, April 5 through May 7, 2007. In addition, stakeholders were consulted about the State's greatest needs and encouraged to provide comments on the Action Plan through personal interviews conducted in March and April 2007.

Acceptance of public comments. The State of Indiana will accept public comments on the 2007 Draft Action Plan between April 5 and May 7, 2007. All of the comments received—both verbal and written—will be summarized or appended to the Action Plan, unless otherwise requested by the commenter.

Updated Research Findings

This section contains relevant demographic, housing market and community development data and information that has been released since the preparation of the State's five-year Consolidated Plan.

Trends in Housing and Community Development

Population growth. New data released from the U.S. Census Bureau showed that the State is growing more slowly than it did over the last decade. The U.S. Census Bureau estimates the State's 2006 population at 6,313,520, up from 6,080,485 in 2000 and 6,266,019 in 2005. From 2000 to 2006, the State's population increased by 3.8 percent, or at an average annual rate of .76 percent. Between 1990 and 2000, the state's average annual population growth was about .9 percent.

The State's growth rate from 2000 to 2006 is comparable to the growth rates of surrounding states. Kentucky grew at a similar rate of 4.0 percent and Ohio grew at the lowest rate of 1.0 percent.

Exhibit ES-1 identifies county growth patterns between 2005 and 2006. Counties growing at rates higher than the State overall between 2005 and 2006 are, for the most part, clustered around the State's largest metropolitan areas, while counties with declining population are mostly east and due north of the Indianapolis MSA.

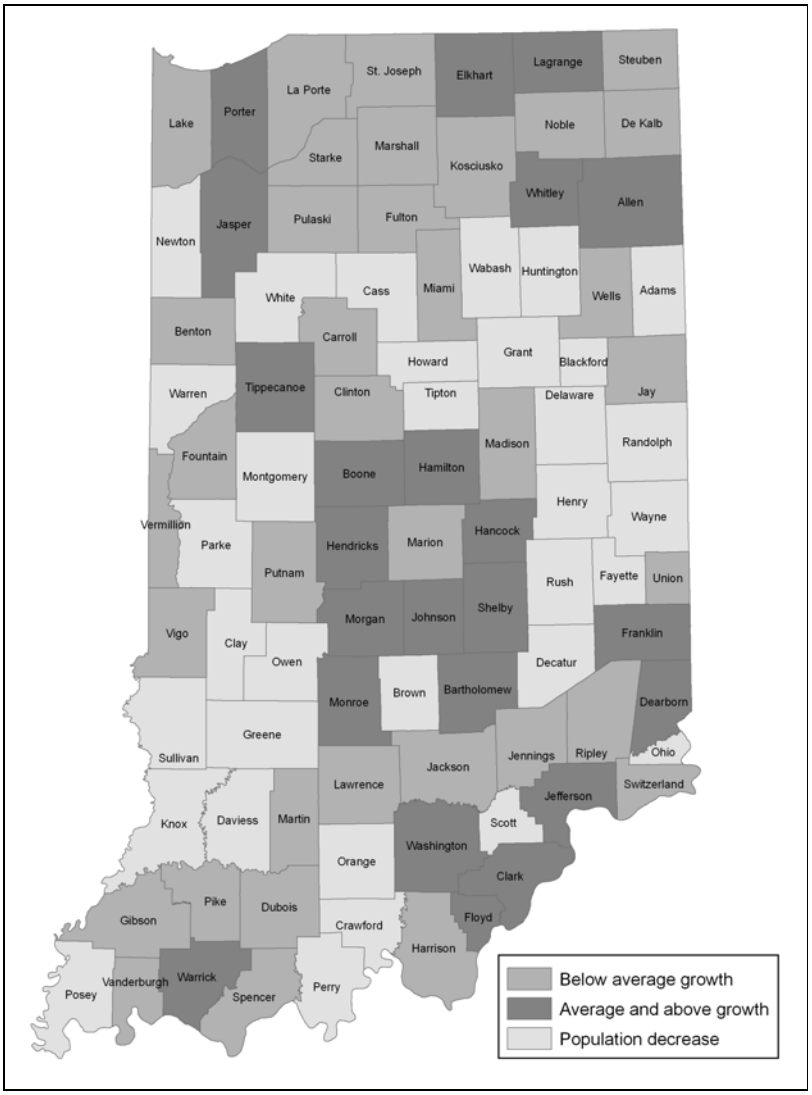
Exhibit ES-1. Population Change of Indiana Counties, 2005 to 2006

Note:

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

Source:

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



Components of population change. The Census Bureau reports the cumulative estimates of population change from 2000 to 2006. The primary reason for the State's population growth during this period was natural increase, through which the State added 31,308 people in 2006, which included 86,790 births and 55,482 deaths. Exhibit ES-2 shows the components of the population change for 2001 through 2006. Although natural increase remains the primary reason for population growth in Indiana, net migration is an increasing factor, as shown in the Exhibit.

Exhibit ES-2.
Components of Population Change in Indiana, 2001 to 2006

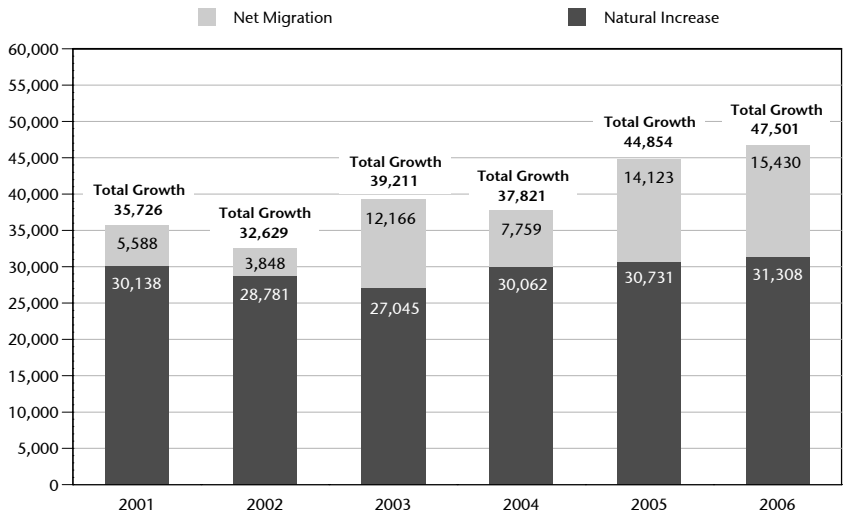
Note:

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

Natural increase is births minus deaths.

Source:

U.S. Census Bureau Population Estimates.



Age. According to the Population Division of the U.S. Census, the State's median age is estimated to be 35.9 in 2005, compared to 35.2 in 2000 and 35.7 in 2004. In 2005, approximately 62 percent of the State's population was between the ages of 18 and 64 years. Overall, 12 percent of Indiana's population was age 65 years and over in 2005.

Exhibit ES-3.
Change in Age Composition for Indiana, 2000, 2004 and 2005

	2005		2000	Percent Change 00-05	2004	Percent Change 04-05
Total Population	**6,271,973**	**100%**	**6,091,955**	**3.0%**	**6,226,537**	**0.7%**
Under 18 years	1,602,847	25.6%	1,576,759	1.7%	1,601,068	0.1%
18 to 24 years	621,687	9.9%	618,154	0.6%	630,913	-1.5%
25 to 44 years	1,732,768	27.6%	1,788,238	-3.1%	1,728,790	0.2%
45 to 64 years	1,537,165	24.5%	1,355,065	13.4%	1,495,484	2.8%
65 years and over	777,506	12.4%	753,739	3.2%	770,282	0.9%
Median age	**35.9**		**35.2**		**35.7**	

Source: U.S. Census Bureau Population Estimates.

The age cohort of 45 to 64 years increased at the fastest rate of all age cohorts, rising by 2.8 percent from 2004 to 2005 and 13.4 percent from 2000 to 2005.

Racial/ethnic diversity. The Population Division of the U.S. Census provides a comparison of racial and ethnic population of Indiana for 2000, 2004 and 2005. As shown in Exhibit ES-4, the Asian population increased at the fastest rate of all races, rising by 4 percent from 2004 to 2005 and 23.7 percent from 2000 to 2005. Indiana's White population grew at the slowest rate of all races, only increasing by 0.6 percent from 2004 to 2005.

Growth was very strong for residents of Hispanic ethnicity: The number of Latinos living in Indiana increased by 15,182 residents, or 5.6 percent, from 2004 to 2005, and by 67,990 residents, or a 31.3 percent growth, from 2000 to 2005.

Exhibit ES-4.
Change in Race and Ethnic Composition for Indiana, 2000, 2004 and 2005

	2005		2000	Percent Change 00-05	2004	Percent Change 04-05
Total Population	**6,271,973**	**100%**	**6,091,955**	**3.0%**	**6,226,537**	**0.7%**
American Indian and Alaska Native Alone	16,928	0.3%	15,834	6.9%	16,682	1.5%
Asian Alone	74,997	1.2%	60,638	23.7%	72,137	4.0%
Black or African American Alone	554,974	8.8%	518,077	7.1%	547,160	1.4%
Native Hawaiian/Other Pacific Islander Alone	2,871	0.0%	2,332	23.1%	2,774	3.5%
White Alone	5,553,954	88.6%	5,439,298	2.1%	5,522,125	0.6%
Two or More Races	68,249	1.1%	55,776	22.4%	65,659	3.9%
Hispanic or Latino (of any race)	284,909	4.5%	216,919	31.3%	269,727	5.6%

Source: U.S. Census Bureau Population Estimates.

Income growth. The ACS reported a median household income of $43,993 in 2005, compared to $42,195 in 2004—an annual increase of 4.2 percent. Exhibit ES-5 shows the distribution of income in the State in 2000, 2002, 2003, 2004 and 2005 in inflation-adjusted dollars. The percentage of residents in the higher end of the income spectrum has risen since 2000. Over 12 percent of Indiana households earned more than $100,000 in 2005.

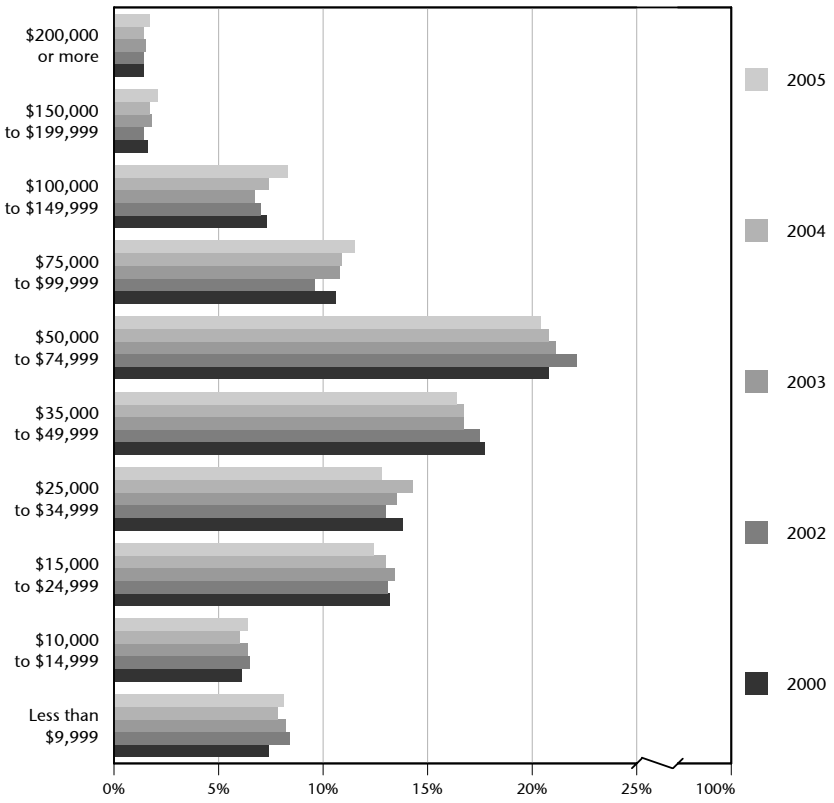
Exhibit ES-5. Percent of Households by Income Bracket, State of Indiana, 2000, 2002, 2003, 2004 and 2005

Note:

Data are adjusted for inflation.

Source:

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

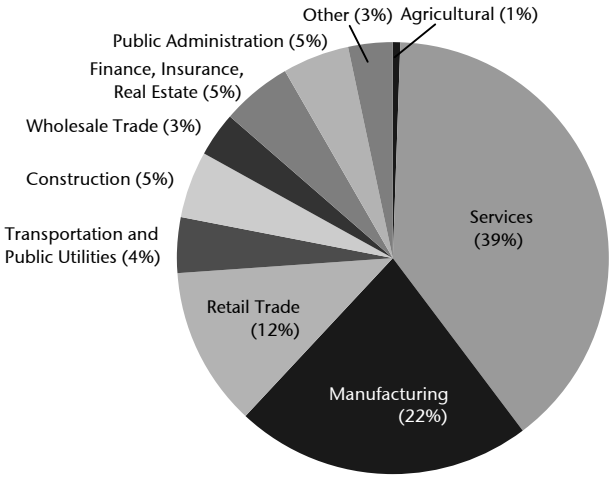


Employment sectors. Manufacturing, a stalwart industry of many Midwestern states, continues to play a large role in Indiana's job market, employing more than 20 percent of the State's jobs in the second quarter of 2006 (the most recent data available). The retail trade industry employed 12 percent of the State's workforce, and services, which includes management, educational and healthcare services, employed the largest share at 39 percent. Exhibit ES-6 shows the distribution of jobs by industry for the second quarter of 2006.

Exhibit ES-6. Employment by Industry, State of Indiana, Second Quarter 2006

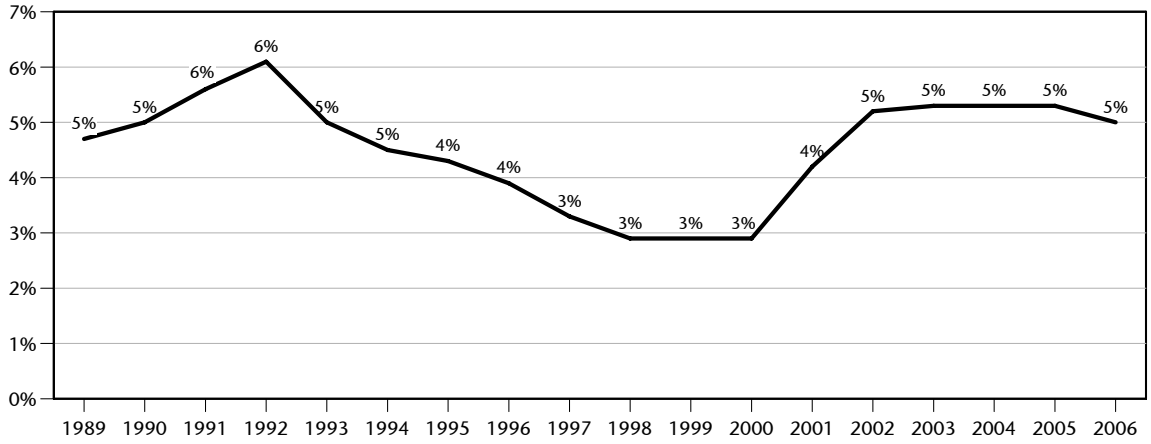
Source:

Indiana Business Research Center.



Unemployment. As of 2006, the average unemployment rate in Indiana was 5.0 percent. This compares to 5.3 percent in 2005 and 5.3 percent (the same rate) in 2004. Unemployment rates are stabilizing after having risen significantly from 2000 to 2002. Exhibit ES-7 displays the broad trend in unemployment rates since 1989.

Exhibit ES-7.
Indiana's Average Annual Unemployment Rate from 1989 to 2006



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

Poverty. In 2005, the U.S. Census Bureau reported 12.2 percent of Indiana residents were living in poverty. This included 17 percent of persons aged under 18, and 8 percent of those aged 65 and older. Almost 40 percent of female-headed households with children present were living in poverty in 2005. Exhibit ES-8 below displays poverty statistics for Indiana from 2005.

Exhibit ES-8.
Indiana Residents in Poverty, 2005

Source:
2005 American Community Survey, U.S. Census Bureau.

Indiana Resident	Percentage of Population in Poverty
All Residents	12%
Persons under age 18	17%
Persons age 18 to 64	11%
Persons age 65 and over	8%
Households with related children under 18 years	14%
Female head of household with children present	39%

Housing and affordability. Data from the 2005 ACS indicate that most of the housing stock in Indiana (74 percent) is made up of single-family, detached homes. Almost 80 percent of units were in structures with two or fewer units, with only 15 percent in structures with 3 units or more.

The ACS estimated the median value of an owner occupied home in the State as $114,400 in 2005. This compares with the U.S. median of $167,500 and is the second lowest median compared to surrounding States, as shown in Exhibit ES-9.

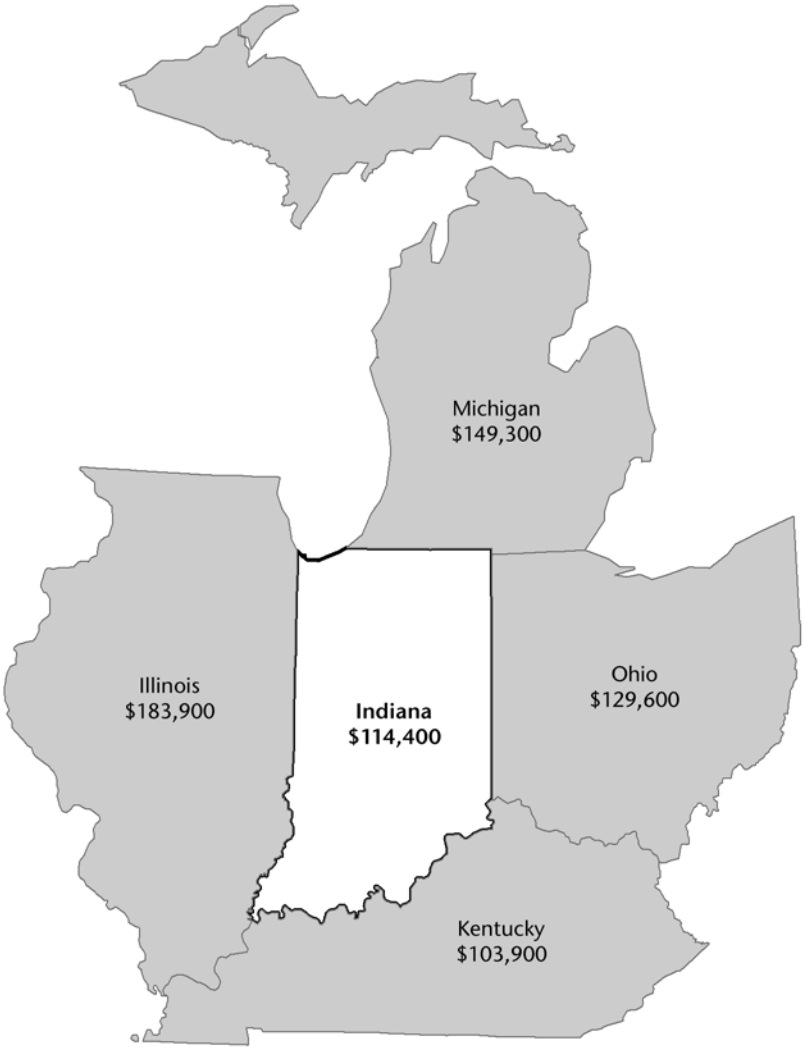
Exhibit ES-9.
Regional Median Owner Occupied Home Values, 2005

Note:

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

Source:

U.S. Census of the Bureau, American Community Survey, 2005.



Indiana's median gross rent (including contract rent) plus utilities and fuels, was $615 per month in 2005.

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

The ACS reported that in 2005, 26 percent of all homeowners (about 455,604 households) in the State were paying more than 30 percent of their household income for housing and 43.4 percent of Indiana renters—or 296,821—paid more than 30 percent of household income for gross rent.

The State's low-income households are more likely to be cost burdened, as shown in Exhibits ES-10 and ES-11.

Exhibit ES-10.
Cost Burden by Income, Owner Households with a Mortgage, 2002

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

Note: Owner households who pay no mortgage were not included in calculation.
Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

Exhibit ES-11.
Cost Burden by Income of Householders Who Pay Cash Rent, Renters, 2002

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

Note: Renter households paying "no cash rent" were not included in calculation. The possible difference between the ACS Summary Table numbers of cost burdened renters' households (238,114) versus the PUMS cost burdened renters (219,709) may be due to different sampling methodology used for the Summary Tables.
Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

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

Exhibit ES-12.
HUD-Defined Housing Unit Problems by Household Income in 1999 by Household Type, Indiana

Percent of Renters with Housing Unit Problems	Total	Elderly Family Household	Small Family Household	Large Family Household	Elderly Non-Family Household	Other Non-Family Household
less than or equal to 30%	71%	68%	77%	85%	55%	74%
31% to 50%	62%	49%	60%	67%	54%	68%
51% to 80%	24%	23%	18%	40%	34%	23%
81% to 95%	9%	9%	6%	32%	18%	6%
greater than 95%	6%	5%	4%	29%	13%	2%
Total	**35%**	**29%**	**30%**	**49%**	**46%**	**35%**
Percent of Owners with Housing Unit Problems	**Total**	**Elderly Family Household**	**Small Family Household**	**Large Family Household**	**Elderly Non-Family Household**	**Other Non-Family Household**
less than or equal to 30%	69%	63%	78%	87%	62%	71%
31% to 50%	44%	28%	63%	72%	28%	58%
51% to 80%	29%	15%	36%	42%	15%	42%
81% to 95%	18%	8%	19%	24%	10%	26%
greater than 95%	5%	4%	5%	11%	4%	8%
Total	**17%**	**13%**	**13%**	**24%**	**27%**	**26%**

Note: The 1999 HUD Area Median Family Income for Indiana is $50,256.

Housing unit problems: Lacking complete plumbing facilities, or lacking complete kitchen facilities, or with 1.01 or more persons per room, or with cost burden more than 30.0 percent.

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

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

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

Affordability by minimum wage. A 2006 study by the National Low-Income Housing Coalition found that extremely low-income households (earning $17,658, which is 30 percent of the AMI of $58,860) in Indiana can afford a monthly rent of no more than $441, while the HUD Fair Market Rent for a two bedroom unit in the State is $643. For single-earner families at the minimum wage, it would be necessary to work 96 hours a week to afford a two-bedroom unit at the HUD Fair Market Rent for the State. This is an increase of 4 hours from the 2005 study of 92 hours a minimum wage worker must work.

The study analyzed the affordability of rental housing for the State overall and for the State excluding the metropolitan areas. Exhibit ES-13 reports the key findings from the 2006 study. As shown in the Exhibit, in the State's non-metro areas, studio and one-bedroom apartments are relatively affordable to renters earning the median income—that is, households are not as likely to be cost burdened if they rented apartments of this size. However, households with one worker earning the minimum wage would have difficulty renting any size apartment without working more than a 40-hour week.

Exhibit ES-13.
Housing Cost Burden, Indiana Non-Metro Areas, 2006

	No Bedrooms	One Bedroom	Two Bedrooms	Three Bedrooms	Four Bedrooms
Percent of median family income needed	31%	34%	42%	54%	60%
Work hours/week needed at the minimum wage	61	67	84	108	119
Income needed	$16,354	$18,021	$22,369	$28,801	$31,913

Note: The HUD 2006 family annual median income was estimated at $53,364 for non-metropolitan Indiana.
Source: National Low-income Housing Coalition, *Out of Reach, 2006.*

According to the study, Indiana's non-metro areas annual median family income increased slightly by 9.5 percent from 2000 to 2006 and increased 1.75 percent from 2005 to 2006. However, the fair market rent for a two-bedroom apartment increased by 29 percent from 2000 to 2006 and increased 3 percent from 2005 to 2006.

Summary of housing market analysis. The exhibit on the following page is a summary of key findings for Indiana as reported throughout this section and in the detailed housing market analysis in the five-year Consolidated Plan. The exhibit shows findings concerning housing condition, affordability and HUD's CHAS tables.

Exhibit ES-14.
Summary of Housing Market Analysis, Indiana

Housing Condition	Source	Households
Percent of households overcrowded:	2002 PUMS	1.9%
Less than or equal to 30% of AMI		1.7%
31% to 50% of AMI		2.2%
51% to 80% of AMI		1.6%
81% to 100% of AMI		2.5%
Greater than 100% of AMI		1.8%
Occupied units lacking:		
Complete plumbing	2005 ACS	9,610
Complete kitchen facilities	2005 ACS	13,765
Lead-based paint risk:		
Very low income (less than 50%) and built 1939 or earlier		
Renters	2002 PUMS	53,233
Owners	2002 PUMS	77,919
Affordability		**Households**
Owners:		
Cost burdened	2005 ACS	383,314
Severely cost burdened	2005 ACS	129,548
Renters:		
Cost burdened	2005 ACS	296,809
Severely cost burdened	2005 ACS	154,939
Cost burdened households with disabled members	2002 PUMS	201,840
Households "underpaying" for housing:		
51% to 80% of AMI	2002 PUMS	111,142
81% to 100% of AMI	2002 PUMS	138,348
CHAS	**CDBG**	**HOME**
Households with housing problems:		
Elderly (1 & 2 members)	332,364	338,363
Small related (2 to 4)	728,966	729,069
Larger related (5 or more)	137,066	137,125
All other households	222,720	230,014
Total	**1,421,116**	**1,434,571**

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

Strategic Plan and Action Items

During FY2007 the State expects to receive more than $50 million in the HUD block grants, as shown in Exhibit ES-15 to address housing and community development needs.

Exhibit ES-15.
2007 Consolidated Plan Funding, by Program and State Agency

Program	FY 2007 Funding Allocations
CDBG (Indiana Office of Community and Rural Affairs)	$31,790,913
HOME (Indiana Housing and Community Development Authority)	$15,519,476
ADDI (Indiana Housing and Community Development Authority)	$316,513
ESG (Indiana Housing and Community Development Authority)	$1,916,143
HOPWA (Indiana Housing and Community Development Authority)	$822,000
Total	**$50,365,045**

Source: State of Indiana and HUD, 2007.

Based on the research conducted for the FY2005-FY2009 Consolidated Plan, the State has developed the following goals and benchmarks for addressing current and future housing and community development needs:

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

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

The State has established Specific Outcome Indicators and funding and assistance goals that it will use to evaluate its performance during FY2007. These include:

Objective Category: Decent Housing

1. Availability/Accessibility and Affordability—HOME. During FY2007, the State will allocate $10.1 million of HOME funds to assist in the production and/or rehabilitation of 336 housing units. The type of units will be determined based on the greatest needs in nonentitlement areas.

Eligible unit types include:

- Transitional housing (Availability/Accessibility of Housing);
- Permanent supportive housing (Availability/Accessibility of Housing);
- Affordable rental housing (Affordability);
- Affordable owner housing (Affordability).

During FY2007, the State will also provide homeownership assistance to 500 households (Affordability).

2. Availability/Accessibility and Affordability—CDBG. In the 2007 program year, the State will allocate $4.2 million of CDBG funding to produce 244 units of housing for special-needs populations, to acquire and demolish units in support of affordable housing development, and to conduct affordable housing feasibility studies.

The type of units will be determined based on the greatest needs in nonentitlement areas. Eligible unit types include:

- Emergency shelters;
- Youth shelters;
- Transitional housing;
- Migrant/seasonal farmworker housing;
- Permanent supportive housing;
- Rental housing;
- Owner-occupied housing.

3. Availability/Accessibility and Sustainability of shelters. In FY2007, the State will use CDBG, HOME, ESG and HOPWA dollars to improve the accessibility and availability of decent housing to special-needs populations. The dollars will also be used to ensure the sustainability of the shelters. In all, 24,523 persons who are homeless will be assisted through the various activities.

ESG dollars will be used for the following:

- Operating support—89 shelters receiving support totaling $1,436,993, assisting 24,523 clients (Sustainability for shelters);

- Homeless prevention activities—25 shelters provided with homeless prevention activity funding of $93,936. These 25 shelters will provide direct rental assistance to prevent eviction, utility assistance and legal services for tenant mediation to 80 percent of the clients who ask for assistance, serving approximately 300 clients. (Availability/Accessibility).

- Essential services—51 shelters provided with funding totaling $317,668 for essential services, assisting 740 clients. These services will assist approximately 80 percent of clients at each shelter in the form of case management, mainstream resources referral and counseling, as needed. (Availability/Accessibility).

- Rehabilitation funding –Emergency shelters and/or transitional housing providers will receive rehabilitation funding totaling $57,000 to provide better accessibility of the physically disabled clients who need assistance. In addition, a portion of ESG is available for rehabilitation that will be awarded to those shelters whose facilities need updated to improve the accessibility of the shelter for those homeless clients who have physical disabilities. Approximately 3 to 4 shelters may be assisted. (Availability/Accessibility and Sustainability of shelters).

HOPWA dollars will be used for the following:

- Housing Information—HOPWA care sites provide community-based advocacy and information/referral services for the purposes of either placement into housing or homeless prevention. Via care site case management, homeless outreach will occur to increase the number of those living with HIV/AIDS that become housed. An anticipated 25 HOPWA-eligible homeless individuals will be housed during the 2007 program year due to homeless outreach from HOPWA care sites. $53,860 in funding will be allocated in 2007. (Availability/Accessibility).

- Operating Costs—HOPWA care sites provide housing costs that are specific to HIV/AIDS housing, such as furniture for group homes and utilities. Operating costs may also include the salaries of security and maintenance crews. $16,000 in funding, benefiting an anticipated 75 individuals will be provided in 2007. (Suitable Living Environment).

- Rental Assistance—HOPWA care sites provide case management, mainstream resource assistance and housing assistance for up to 12 months of a HOPWA program to increase housing stability for those living with HIV/AIDS and their families. $370,040 in funding will be dedicated to this activity, which will assist approximately 170 individuals (Availability/Accessibility).

- Short-Term Rent, Mortgage and Utility Assistance—HOPWA care sites provide case management, mainstream resource assistance and housing assistance for up to 21 weeks of a HOPWA program year to increase housing stability for those living with HIV/AIDS and their families. Short-term rent, mortgage and utility payments will be provided to prevent homelessness of the tenant. $221,500 in funding will be provided in 2007, assisting an anticipated 300 individuals (Availability/Accessibility).

- Supportive Services—HOPWA care sites provide the following forms of assistance in order to increase housing stability for those living with HIV/AIDS, including, but not limited to, food/nutrition, transportation, housing case management, mental health treatment, substance abuse treatment and basic telephone provision. An anticipated 125 individuals will receive supportive service assistance from HOPWA in 2007 with $111,200 in funding (Suitable Living Environment).

Objective Category: Economic Opportunities

In FY2007, CDBG will be allocated to provide downtown revitalization, job creation and micro-enterprise activities. Downtown/neighborhood revitalization projects are also eligible under the CFF program and OCRA anticipates receiving applications for 2 to 3 projects in 2007.

The State will also continue the use of the OCRA's Community Economic Development Fund (CEDF), which funds job training and infrastructure improvements in support of job creation for low- to moderate-income persons. The projected allocation in 2007 is $1,700,000. The State will also fund a Micro-enterprise Assistance Program, which funds training and micro-lending for low- to moderate-income persons. The projected allocation in 2007 is $500,000.

Objective Category: Suitable Living Environment

Community development. In FY2007, CDBG will be allocated to provide various activities that improve living environments of low- to moderate-income populations. The following performance measures are expected to be achieved:

- ***Construction/rehabilitation of 26 wastewater, water and storm water infrastructure systems.*** Projected allocation: $12,564,977.
- ***Twenty-six miscellaneous community development projects*** (e.g., libraries, community centers, social service facilities, youth centers, fire stations, downtown revitalization, historic preservation, etc). Projected allocation: $10,280,436.
- ***Technical Assistance Fund:*** Projected allocation is $317,909
- ***Planning grants:***
  - Thirty-three planning grants
  - Projected allocation: $1,400,000
  - Anticipated match: $140,000

Essential service activities. ESG dollars will also be used to provide a suitable living environment for those who are homeless and at-risk of homelessness. ESG will provide funding to emergency shelters and/or transitional housing for case management, housing search, substance abuse counseling, mainstream resource assistance, employment assistance and individual assistance to clients who are homeless.

Operations activities. Emergency shelters and/or transitional housing will provide temporary housing for homeless individuals and families. The shelters provide all of the client's necessities of food, clothing,

heat, bed, bathroom facilities, laundry facilities, and a mailing address. The facilities provide assistance to achieve self-sufficiency.

Operating costs. HOPWA care sites provide housing costs that are specific to HIV/AIDS housing, such as furniture for group homes and utilities. Operating costs may also include the salaries of security and maintenance crews. $16,000 in funding, benefiting an anticipated 75 individuals will be provided in 2007.

Supportive services. HOPWA care sites provide the following forms of assistance in order to increase housing stability for those living with HIV/AIDS, including, but not limited to, food/nutrition, transportation, housing case management, mental health treatment, substance abuse treatment and basic telephone provision. An anticipated 125 individuals will receive supportive service assistance from HOPWA in 2007 with $111,200 in funding.

Action Plan Matrix

A matrix that outlines the Consolidated Plan Strategies and Action Items for the FY2007 program year appears on the following page. The matrix includes:

- The State's Five-Year Strategic Goals;
- Type of HUD grant;
- Objective category the funding will address;
- Outcome category the funding will address;
- The activities proposed to address housing and community development needs;
- Funding targets (by dollar volume); and
- Assistance goals (by number of households, number of facilities, etc).

Exhibit ES-16.
Strategies and Action Matrix, 2006 Action Plan

Goals	Funds	Objective Category	Outcome Categories	Activities	Specific Objectives	Funding Goals	Assistance Goals
1. Expand and preserve affordable housing opportunities throughout the housing continuum.	HOME and ADDI	Decent Housing	Availability/Accessibility	Transitional Housing—Rehabilitation and New Construction	Improve range of housing options for special-needs populations.		For Housing from Shelters to Homeownership, QAP, HOME OOR = 336 units, For First Home = 500 units
		Decent Housing	Availability/Accessibility	Permanent Supportive Housing—Rehabilitation and New Construction	Increase number of homeless in permanent housing.	$10,117,529	
		Decent Housing	Affordability	Rental Housing—Rehabilitation and New Construction	Increase the supply and improve the quality of affordable rental housing.		
		Decent Housing	Affordability	Homebuyer—Rehabilitation and New Construction	Increase the supply and improve the quality of affordable homeownership.		
		Decent Housing	Availability/Accessibility	CHDO Operating Support	Improve services for low/mod income persons.	$700,000	
		Decent Housing	Affordability	CHDO Predevelopment and Seed Money Loans	Increase the supply of affordable housing.	$400,000	
		Decent Housing	Affordability	Downpayment Assistance	Increase the supply and improve the quality of affordable homeownership.	$3,066,513	
	CDBG	Decent Housing	Availability/Accessibility	Emergency shelters	End chronic homelessness.		For all CDBG (Housing) = 244 units
		Decent Housing	Availability/Accessibility	Youth shelters	End chronic homelessness.		
		Decent Housing	Availability/Accessibility	Transitional housing	Improve range of housing options for special-needs populations.		
		Decent Housing	Availability/Accessibility	Migrant/seasonal farmworker housing	Improve range of housing options for special-needs populations.		
		Decent Housing	Availability/Accessibility	Permanent supportive housing	Increase number of homeless in permanent housing		
		Decent Housing	Affordability	Rental housing	Increase the supply and improve the quality of affordable rental housing.		
		Decent Housing	Affordability	Owner-occupied units	Increase the supply and improve the quality of affordable homeownership.		
		Decent Housing	Sustainability	Voluntary acquisition/demolition	Improve the quality of rental and owner housing.		
		Decent Housing	Availability/Accessibility	Feasibility studies	Increase the supply of affordable housing.		
2. Reduce homelessness and increase housing stability for special-needs populations.	HOME	Decent Housing	Availability/Accessibility	See special-needs housing activities in Goal 1.	Improve range of housing options for special-needs populations.		
	CDBG	Decent Housing	Availability/Accessibility	See special-needs housing activities in Goal 1.	Improve range of housing options for special-needs populations.		
	ESG	Decent Housing	Availability/Accessibility	Operating support	Improve range of housing options for special-needs populations.	$1,436,933	89 shelters
		Decent Housing	Availability/Accessibility	Homeless prevention	End chronic homelessness.	$93,936	25 shelters
		Decent Housing	Availability/Accessibility	Essential services	End chronic homelessness.	$317,668	51 shelters
		Decent Housing	Availability/Accessibility	Accessibility Rehab	Improve range of housing options for special-needs populations.	$57,000	3–4 shelters
							For all activities = 47,259 unduplicated clients served
	HOPWA	Decent Housing	Availability/Accessibility	Rental assistance	Improve range of housing options for special-needs populations.	$370,040	170 households/units
		Decent Housing	Availability/Accessibility	Short-term rent, mortgage, utility assistance	Improve range of housing options for special-needs populations.	$221,500	300 households/units
		Suitable Living Environment	Availability/Accessibility	Supportive services	Improve range of housing options for special-needs populations.	$111,200	125 households
		Decent Housing	Availability/Accessibility	Housing information	Improve range of housing options for special-needs populations.	$53,860	25 households
		Suitable Living Environment	Availability/Accessibility	Project sponsor information	Improve range of housing options for special-needs populations.	$49,400	
		Decent Housing	Availability/Accessibility	Acquisition, Rehabilitation and Conversion	Improve range of housing options for special-needs populations.		
		Suitable Living Environment	Availability/Accessibility	Operating costs	Improve range of housing options for special-needs populations.	$16,000	5 units
3. Promote livable communities and community revitalization through addressing unmet community development needs.	CDBG			**Community Focus Fund:**			
		Suitable Living Environment	Sustainability	Construction/rehabilitation of wastewater water and storm water systems	Improve quality/quantity of public improvements for low/mod persons.	$12,564,977	26 systems
		Suitable Living Environment	Availability/Accessibility	Community development projects (Senior Centers, Youth Centers, Community Centers, Historic Preservation Downtown Revitalization, ADA Accessability, Fire Stations, Fire Trucks)	Improve quality/quantity of neighborhood services for low/mod persons.	$10,280,436	26 facilities/projects
	CDBG	Suitable Living Environment	Sustainability	Planning/Feasibility Studies	Improve quality/quantity of public improvements for low/mod persons.	$1,400,000	33 planning grants
4. Promote activities that enhance local economic development efforts.	CDBG	Economic Opportunities	Sustainability	Community Economic Development Fund	Improve economic opportunities for low/mod persons.	$1,700,000	340 jobs
				Micro-enterprise Assistance Program	Improve economic opportunities for low/mod persons.	$500,000	

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

SECTION I.
Strategies and Actions

SECTION I.
Strategies and Actions

Pursuant to Section 91.315 of the Consolidated Plan regulations, this section contains the following:

- A reiteration of the State's philosophy of addressing housing and community development issues;
- How the State intends to address the identified housing and community development needs;
- How the State determined priority needs and fund allocations;
- A discussion of the general obstacles the State faces in housing and community development; and
- The State's FY2007 One-Year Action Plan.

This section also fulfills the requirements of Section 91.320 of the Consolidated Plan regulations. The additional information concerning Section 91.320—a discussion of funding activities and allocation plans, geographic distribution of assistance, and program-specific requirements—are found in the attached FY2007 Allocation Plans.

Approach and Methodology

Planning principles. The State determined and followed the following guiding principles during its FY2005–2009 strategic planning process. These principles were retained for the FY2007 Action Plan process.

- Focus on the findings from citizen participation efforts (key person interviews, consultation with housing and social service providers, community surveys, public comments);
- Allocate program dollars to their best use, with the recognition that nonprofits and communities vary in their capacities and that some organizations will require more assistance and resources;
- Recognize that the private market is a viable resource to assist the State in achieving its housing and community development goals;
- Emphasize flexibility in funding allocations, and de-emphasize geographic targeting;
- Maintain local decision making and allow communities to tailor programs to best fit their needs;
- Leverage and recycle resources, wherever possible; and
- Understand the broader context within which housing and community development actions are taken, particularly in deciding where to make housing and community development investments.

Geographical allocation of funds. In the past, the responsibility for deciding how to allocate funds geographically has been at the agency level. The State has maintained this approach, with the understanding that the program administrators are the most knowledgeable about where the greatest needs for the funds are located. Furthermore, the State understands that since housing and community development needs are not equally distributed, a broad geographic allocation could result in funds being directed away from their best use.

2007 funding levels. Exhibit I-1 provides the estimated 2007 program year funding levels for each of the four HUD programs. These resources will be allocated to address the identified housing and community development strategies and actions.

Exhibit I-1.
2007 Consolidated Plan Funding, by Program and State Agency

Program	FY 2007 Funding Allocations
CDBG (Indiana Office of Community and Rural Affairs)	$31,790,913
HOME (Indiana Housing and Community Development Authority)	$15,519,476
ADDI (Indiana Housing and Community Development Authority)	$316,513
ESG (Indiana Housing and Community Development Authority)	$1,916,143
HOPWA (Indiana Housing and Community Development Authority)	$822,000
Total	**$50,365,045**

Source: State of Indiana and HUD, 2007.

Five-Year Strategic Goals

Four goals were established to guide funding during the FY2005–2009 Consolidated Planning period:

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

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

The following section outlines the FY2005–2009 Strategic Plan and FY2007 Action Plan in detail.

Strategic Plan and Action Plan

Strategic Goal 1. Expand and preserve affordable housing opportunities throughout the housing continuum.

HOME and ADDI Program Activities

HOME funds will be allocated by the Indiana Housing and Community Development Authority (IHCDA) via the following funding programs:

- HOME application
- HOME portion of the Qualified Allocation Plan
- HOME Owner-Occupied Rehabilitation
- CHDO Works

ADDI funds are allocated via IHCDA's First HOME program. Resale and recapture guidelines associated with ADDI are located in the Program Description and Allocation Plan 2007 for HOME and ADDI, which is attached to this section. To be eligible for downpayment assistance using ADDI, borrowers must successfully complete a homeownership training program, provided by the participating lender.

To achieve the desired outcomes related to Goal 1, these programs make available funding for the following activities for applicants utilizing HOME funds:

- Transitional Housing—rehabilitation/new construction/refinance
- Permanent Supportive Housing—rehabilitation/new construction/refinance
- Rental Housing—rehabilitation/new construction/refinance
- Homebuyer—rehabilitation/new construction
- CHDO Operating Support
- CHDO Predevelopment Loans
- CHDO Seed Money Loans

Downpayment assistance is another activity that is used to achieve Goal 1. In recent years, IHCDA used both ADDI and HOME funding via the First Home program to fund this initiative. While IHCDA will continue to offer downpayment assistance through the First Home program, it also proposes to use

HOME funds for homeownership counseling and downpayment assistance through the Community Development department.

HOME and ADDI 2007 Outcomes

IHCDA will use the indicators listed below to determine their ability to achieve the desired outcomes associated with Goal 1.

Indicators:	Indicators:
Via the Housing from HOME application, HOME portion of the Qualified Allocation Plan, and HOME Owner-Occupied Rehabilitation Programs ■ Match ■ Number of units ■ Income level of units by AMI ■ Number of counties assisted (primary development county) ■ Current racial/ethnic and special-needs categories	Via the First Home Program ■ Match ■ Number of units ■ Income level of units by AMI ■ Number of counties assisted ■ Current racial/ethnic and special-needs categories

Using these indicators, a numeric goal was determined for the FY2007 HOME and ADDI allocations. Exhibit I-2 identifies the numeric indicators associated with the HOME application, HOME portion of the Qualified Allocation Plan, and the HOME Owner-Occupied Rehabilitation program and the HOME Homeownership Counseling and Downpayment Assistance Programs. Exhibit I-3 represents HOME and ADDI via the First Home program.

Exhibit I-2.
HOME and ADDI 2007 Goals for Shelters, QAP, HOME, OOR Indicators

Source:
Indiana Housing and Community Development Authority.

	FY 2007 Goal
Anticipated Match	$3,000,000
Anticipated Number of Units	336
Anticipated Number Units by AMI:	
Below 30% AMI	83
30.1–40% AMI	52
40.1–50% AMI	98
50.1–60% AMI	73
60.1–80% AMI	30
Anticipated Number of Counties Assisted	48
Anticipated Number Assisted by Race/Ethnicity:	
White	296
Black/African American	25
Asian	0
American Indian/Alaskan Native	0
Native Hawaiian/Other Pacific Islander	0
American Indian/Alaskan Native and White	0
Asian and White	0
Black/African American & White	0
American Indian/Alaskan Native & Black/African American	0
Other Multi-Racial	15
Anticipated Number Assisted by Special Needs Category:	
Disabled	45
Elderly	90
Female-Headed Household	60

Exhibit I-3.
HOME and ADDI 2007 Goals for First Home Indicators

Source:
Indiana Housing and Community Development Authority.

	FY 2007 Goal
Anticipated Match	$375,000
Anticipated Number of Units	500
Anticipated Number Units by AMI:	
Below 30% AMI	10
30.1–50% AMI	89
50.1–60% AMI	125
60.1–80% AMI	276
Anticipated Number of Counties Assisted	65
Anticipated Number Assisted by Race/Ethnicity:	
White	388
Black/African American	60
Asian	20
American Indian/Alaskan Native	0
Native Hawaiian/Other Pacific Islander	0
American Indian/Alaskan Native and White	0
Asian and White	0
Black/African American & White	0
American Indian/Alaskan Native & Black/African American	0
Other Multi-Racial	32
Anticipated Number Assisted by Special Needs Category:	
Disabled	5

CDBG Program Activities (Housing)

CDBG funds allocated by both IHCDA and the Office of Community and Rural Affairs (OCRA) may be used to work to achieve Goal 1. IHCDA allocates CDBG funds via the following programs:

- Housing from Shelters to Homeownership, $4,291,773 allocated in 2007
- Foundations, funded as needed

To achieve the desired outcomes related to Goal 1, the following activities will be available to applicants using CDBG funds from IHCDA's programs:

- Emergency Shelter—rehabilitation/new construction
- Youth Shelter—rehabilitation/new construction
- Migrant/Seasonal Farm Worker—rehabilitation/new construction
- Transitional Housing—rehabilitation
- Permanent Supportive Housing—rehabilitation
- Rental Housing—rehabilitation
- Owner-Occupied Rehabilitation
- Voluntary Acquisition/Demolition

CDBG (Housing) 2007 Expected Accomplishments

IHCDA will use the indicators to determine their ability to achieve the desired outcomes associated with Goal 1, as shown in the table to the right.

Indicators:

IHCDA

- Leverage
- Number of units
- Income level of units by AMI
- Number of assisted counties assisted (primary development county)
- Current racial/ethnic and special-needs categories

Using these indicators, a numeric goal has been determined associated with the FY2007 CDBG allocation for housing activities.

Exhibit I-4. CDBG (Housing) 2007 Goals

Source:

Indiana Housing and Community Development Authority.

	FY 2007 Goal
Anticipated Leverage	$400,000
Anticipated Number of Units	244
Anticipated Number Units by AMI:	
Below 30% AMI	125
30.1–40% AMI	36
40.1–50% AMI	28
50.1–60% AMI	25
60.1–80% AMI	30
Anticipated Number of Counties Assisted	35
Anticipated Number Assisted by Race/Ethnicity:	
White	225
Black/African American	19
Anticipated Number Assisted by Special Needs Category:	
Disabled	25
Elderly	75
Female-Headed Household	40

Other Activities

- Work to reduce the environmental hazards in housing, including lead-based paint risks. Also, participate in meetings of the Lead-Safe Indiana Task Force, which convenes stakeholders quarterly to discuss current issues.
- Promote homeownership to the State's minority populations, specifically African American and Hispanic homebuyers, those living in manufactured housing, and residents of public housing.
- Promote housing solutions that meet the growing desire of Hoosiers to age in place.

Goal 2. Reduce homelessness and increase housing stability for special-needs populations.

HOME Program Activities

Via the HOME funds allocated by IHCDA through the Housing from Shelters to Homeownership and HOME portion of the Qualified Allocation Plan programs, IHCDA is able to provide funding for activities that assist those that are at risk of being homeless or who would otherwise be homeless.

These activities include:

- Transitional Housing—rehabilitation/new construction/refinance
- Permanent Supportive Housing—rehabilitation/new construction/refinance

With special-needs populations these beneficiaries have activities available to them via the Housing from Shelters to Homeownership, HOME portion of the Qualified Allocation Plan, First Home and the HOME OOR programs for the following types of activities:

- Transitional Housing—rehabilitation/new construction/refinance
- Permanent Supportive Housing—rehabilitation/new construction /refinance
- Tenant based rental assistance—targeted special-needs populations
- Rental Housing—rehabilitation/new construction/refinance
- Homebuyer—rehabilitation/new construction
- Downpayment Assistance
- Owner-Occupied Rehabilitation

For both the homeless population and those with special needs, IHCDA's programs often give preference or require applicants to target these types of beneficiaries. The Indiana Interagency Council on the Homeless's 10-Year State Plan to End Chronic Homelessness identifies the linkage of rental assistance and integrated case management and supportive services programs as a key action item in addressing the housing needs of special-needs populations. IHCDA will utilize tenant-based rental assistance on a limited basis to serve targeted populations.

Other Homelessness prevention Activities and Elements

The five priorities identified in Indiana's Plan to End Chronic Homelessness are:

- Enhance prevention activities and strategies;
- Increase organizational capacity for supportive housing development, increase supply of supportive housing, and revenue for supportive housing units;
- Enhance and coordinate support systems (mental health, substance abuse, employment, case management, outreach, primary health care);
- Optimize use of existing mainstream resources; and
- Develop a policy and planning infrastructure.

IHCDA as one of the lead agencies in the state's Interagency Council on the Homeless will undertake the following activities and strategies to address the plan priorities during program year 2007:

- ***Increase resources for family homelessness prevention.*** HOPWA funds can be used to prevent homelessness for low-income families with HIV/AIDS. Local HOPWA project sponsors provide short-term rent, mortgage and utility assistance to help families through financial crisis. In addition, some of the shelters that receive ESG funds allocate resources to homelessness prevention. Families can access homelessness prevention through local shelters to pay for rent and utility assistance.

- ***Provide preferences*** under the Section 8 Housing Choice Voucher program for the chronically homeless and for homelessness prevention.

- Though recognized as a population, homeless vets have not received sufficient attention. Presently, the Veterans Health Administration operates in fourteen locations throughout the state without a program to secure decent, safe, affordable supported housing for individuals (and families) who have served their country with distinction. IHCDA will ***partner with Partners in Housing Development Corporation*** to educate, build partnerships, link traditional housing financial resources, bring new resources and focus attention on a group that represents roughly 19% of the homeless population in Indiana. The first step in this endeavor will be a technical assistance application under HUD's VA Homeless Providers Grant and Per Diem Program.

- IHCDA has partnered with Great Lakes Capital Fund to open a ***Corporation for Supportive Housing (CSH) office in Indiana*** starting in June of 2007. This office will increase the capacity of local Continuum of Cares to develop permanent supportive housing. In addition, the CSH office will assist the state in implementing its 10 Year Plan to End Chronic Homelessness. CSH will also conduct its Supportive Housing Institute. The Institute is designed to provide technical assistance to 10 to 12 project teams over eight months, up to $250,000 in no-interest Project Initiation Loans to eligible project sponsors and up to $4 million in low-interest predevelopment/acquisition loans. It is expected to result in an estimated 200 to 250 new units added to the pipeline per year.

- ***Reinforce the importance of stable housing as necessary component of the service continuum.*** IHCDA has served as the lead applicant for two Shelter Plus Care programs to link rental assistance with supportive services for chronically homeless people. We have also made a commitment to the importance of Shelter Plus Care as stable housing by providing administrative reimbursement to local project sponsors as an incentive to bring more Shelter Plus Care stable housing programs to Indiana. IHCDA is also using HOME funds on two targeted tenant based rental assistance programs.

- ***Use HMIS*** for chronically homeless people to reduce duplication, streamline access, ensure consistency of service provision and generate data to carry out this plan. Currently all of the non-domestic violence shelters funded by ESG and Shelter Plus Care grantees are entering beneficiary data into HMIS. IHCDA enters in information on HOPWA clients who are chronically homeless. IHCDA is working with ICHHI and our HMIS provider to customize HMIS to facilitate entry of all HOPWA clients, not just those who are chronically homeless.

CDBG Program Activities (Housing)

Via the CDBG funds allocated by IHCDA through the Housing from Shelters to Homeownership, IHCDA is able to provide funding for activities that assist those that are at risk of being homeless or who would otherwise be homeless.

These activities include:

- Emergency Shelter—rehabilitation/new construction
- Youth Shelter—rehabilitation/new construction
- Migrant/Seasonal Farm Worker—rehabilitation/new construction
- Transitional Housing—rehabilitation
- Permanent Supportive Housing—rehabilitation

With special-needs populations these beneficiaries have activities available to them via the Housing from Shelters to Homeownership, program for the following types of activities:

- Emergency Shelter—rehabilitation/new construction
- Youth Shelter—rehabilitation/new construction
- Migrant/Seasonal Farm Worker—rehabilitation/new construction
- Transitional Housing—rehabilitation
- Permanent Supportive Housing—rehabilitation
- Rental Housing—rehabilitation
- Owner-Occupied Rehabilitation
- Voluntary Acquisition/Demolition

For both the homeless population and those with special needs, IHCDA's programs often give preference or require applicants to target these types of beneficiaries.

CDBG Program Activities and 2007 Expected Accomplishments (Community Focus Fund)

Through the Community Focus Fund, funds will be provided to public social service organizations that work with special needs populations and shelter workshop facilities, in addition to modifications to make facilities accessible to persons with disabilities.

Goals for types of activities:

- Construction of three new facilities—projected allocation of $1,101,000
- Anticipated match of $220,000.

ESG Activities and 2007 Expected Accomplishments

Through the ESG program, provide operating support to shelters, homelessness prevention activities and case management to persons who are homeless and at risk of homelessness.

Goals for activities:

- Operating support—89 shelters receiving support, $1,436,993 allocated in 2007
- Homelessness prevention activities—25 shelters provided with homelessness prevention activity funding, $93,936 allocated in 2007
- Essential services—51 shelters provided with funding for essential services, $317,668 allocated in 2007
- Rehabilitation funding—3 or 4 shelters provided with funding to increase the accessibility of their shelters, $57,000 allocated in 2007
- Anticipated match: Shelters match 100 percent of their rewards
- Anticipated number of counties assisted: 91
- Anticipated number of clients served: 47,259 (unduplicated count)

Overall ESG indicators: Increase the availability and access to services, mainstream resources, case management and financial assistance, employment assistance, counseling for drug/alcohol abuse, mental illness, domestic violence, veterans' services and youth pregnancy. By utilizing these activities, individuals will increase their ability to access permanent housing and decrease the likelihood of repeated homelessness.

Outcomes are measured through indicators that grant recipients/shelters choose. These performance indicators are organized around Essential Services, Homelessness prevention Activities, and Operations. It is anticipated that the shelters will achieve the required percent of the goals (under each of these three activities) that they establish for their grant performance periods.

Other Activities

- Encourage the use of Homeless Management Information System (HMIS). This will be accomplished by funding only entities that agree to participate in HMIS and only continue funding when information is entered in HMIS on a regular and consistent nature.
- Encourage ESG grantees to attend their Continuum of Care meetings regularly.

HOPWA Activities

Through the HOPWA program, IHCDA provides recipients that assist persons with HIV/AIDS with funding for rental assistance, housing information and resource identification, short-term rental, mortgage and utility assistance and supportive services.

HOPWA funds are used to support Goals 1 and 2 via the following activities:

- Rental Assistance, $370,040 allocated in 2007 to assist 170 households;
- Short-Term Rent, Mortgage and Utility Assistance, $221,500 allocated in 2007 to assist 300 households;
- Supportive Services, $111,200 allocated in 2007 to assist 125 households;
- Housing Information, $53,860 allocated in 2007 to assist 25 households;
- Operating Costs, $16,000 allocated in 2007 to support 5 units.

IHCDA uses the following indicators to determine their ability to achieve the desired outcomes

Indicators:

Via the HOPWA Program Application

- Rental Assistance Households/Units
- Short-term Rent, Mortgage and Utility Assistance Households/Units
- Supportive Services Households
- Housing Information Households
- Operating Cost—number of units

Using these indicators, a numeric goal has been determined associated with the FY2007 HOPWA allocation. Exhibit I-5 identifies the numeric indicators.

Exhibit I-5.
HOPWA 2007 Goals

Source:
Indiana Housing and Community Development Authority.

	FY 2007 Goal
Rental Assistance Households/Units	170
Short-term Rent, Mortgage and Utility Assistance Households/Units	300
Supportive Services Households	125
Housing Information Households	25
Operating Cost—number of units	5

For program year 2007 HOPWA funding, IHCDA requested that existing project sponsors submit annual plans detailing their use of HOPWA funds for the period of July 1, 2007 through June 30, 2008.

In prior program years, IHCDA offered a competitive process for allocating HOPWA funds. Previously, IHCDA staff conducted outreach and information sessions to community based volunteer AIDS action groups and Task Forces and organizations created and staffed by people living with HIV/AIDS. There was, however, no marked demand for new HOPWA projects for the 2007 program year. Many organizations have had success in receiving other sources of funding for HIV/AIDS and have elected to partner with existing providers instead of trying to create new programs that may divert limited resources from them. In 2006, for example, Region 1 received funding for a Shelter Plus Care project serving homeless individuals living with HIV/AIDS. Existing project sponsors are all community-based, not-for-profit organizations that serve persons with HIV/AIDS. IHCDA will utilize a competitive RFP process for the 2008 HOPWA program year.

IHCDA's goal for the HOPWA program is to reduce homelessness and increase housing stability for people with HIV/AIDS and their families. Existing project sponsors provided information on each HOPWA program's ability to support that goal.

Exhibit I-6.
Existing HOPWA Project Sponsors

Project Sponsor	Service Area Counties
AIDS Ministries/AIDS Assist of North Indiana, Inc.	Elkhart, Fulton, Marshall, Pulaski, St. Joseph
AIDS Resource Group of Evansville, Inc.	Daviess, Dubois, Gibson, Knox, Martin, Perry, Pike, Posey, Spencer, Vanderburgh, Warrick
AIDS Task Force, Inc.	Adams, Allen, DeKalb, Huntington, Kosciusko, LaGrange, Noble, Steuben, Wabash, Wells, Whitley
The Center for Mental Health, Inc.	Benton, Carroll, Clinton, Fountain, Jasper, Montgomery, Newton, Tippecanoe, Warren, White
Bloomington Hospital, Inc.	Bartholomew, Greene, Lawrence, Monroe, Owen
The Center for Mental Health, Inc.	Cass, Howard, Madison, Miami, Tipton
Greater Hammond Community Services, Inc.	Lake, LaPorte, Porter
Brothers Uplifting Brothers, Inc.	Lake, LaPorte, Porter
Hoosier Hills AIDS Coalition, Inc.	Crawford, Jackson, Jefferson, Jennings, Orange, Switzerland
The Center for Mental Health, Inc.	Blackford, Delaware, Grant, Jay, Randolph
West Central Indiana Economic Development District	Clay, Parke, Sullivan, Vermillion, Vigo
The Center for Mental Health, Inc.	Decatur, Fayette, Henry, Ripley, Rush, Union, Wayne

Source: Indiana Housing and Community Development Authority.

Other Activities

- Encourage the use of the Homeless Management Information System (HMIS). This will be accomplished by funding only entities that agree to participate in HMIS with emergency shelter, youth shelter, transitional housing, and permanent supportive housing activities.

- Implement a fully connected Homeless Management Information System.

- Provide Indiana Civil Rights Commission contact information to concerned beneficiaries.

- Continue to submit an annual SuperNOFA application to fund continuum-of-care activities. The State will be responsible for ensuring that the State Continuum of Care application is submitted to HUD annually.

- Maintain regional continuum-of-care consortia to coordinate continuum-of-care activities and provide guidance on specific needs.

Goal 3. Promote livable communities and community revitalization through addressing unmet community development needs.

CDBG Program Activities (Community Focus Fund)

Continue funding OCRA's Community Focus Fund (CFF), which uses CDBG dollars for community development projects ranging from environmental infrastructure improvements to development of community and senior centers.

2007 Expected Accomplishments, Community Focus Fund

- ***Construction/rehabilitation of 26 wastewater, water and storm water infrastructure systems.*** Projected allocation: $12,564,977

- ***Twenty-six other miscellaneous community development projects*** (e.g. libraries, community centers, social service facilities, youth centers, fire stations, downtown revitalization, historic preservation etc.). Projected allocation: $10,280,436

- Anticipated match, above activities: $4,569,083

Continue the use of the planning and community development components that are part of the Planning Grants and Foundations programs funded by CDBG and HOME dollars. These programs provide planning grants to units of local governments and CHDOs to conduct market feasibility studies and needs assessments, as well as (for CHDOs only) predevelopment loan funding.

2007 Expected Accomplishments, Technical Assistance Fund, Planning Grants and Foundations Program

- ***Technical Assistance Fund:*** Projected allocation is $ 317,909
- ***Planning grants:***
  - Thirty-three planning grants
  - Projected allocation: $1,400,000
  - Anticipated match: $140,000
- ***Foundations grants:*** Funded as needed

Goal 4. Promote activities that enhance local economic development efforts

Continue the use of the OCRA's Community Economic Development Fund (CEDF), which funds job training and infrastructure improvements in support of job creation for low- to moderate-income persons. The projected allocation in 2007 is $1,700,000.

OCRA has created a Micro-enterprise Assistance Program in 2007, which funds training and micro-enterprise lending for low- to moderate income persons. The proposed allocation in 2007 is $500,000.

Through its CEDF and Micro-enterprise Assistance Program, OCRA coordinates with private industry, businesses and developers to create jobs for low- to moderate-income populations in rural Indiana.

Priority Needs

The Consolidated Plan identifies the areas of greatest need for the State (and nonentitlement areas) in general, and this information is used to guide the funding priorities for each program year. However, the Plan is unable to quantify specific needs on the local level. For local needs, the State relies on the information presented in the funding applications. Exhibits I-6 and I-7 show the prioritization of housing and community development activities for FY2007.

Exhibit I-6. Community Development Needs, Priorities for FY2007

Source:

Indiana Office of Community and Rural Affairs.

Priority Community Development Needs	Need Level
Public Facility Needs	
Neighborhood Facilities	Medium
Parks and/or Recreation Facilities	Low
Health Facilities	High
Parking Facilities	Low
Solid Waste Disposal Improvements	Medium
Asbestos Removal	Medium
Non-Residential Historic Preservation	Low
Other	Medium
Infrastructure	
Water/Sewer Improvements	High
Street Improvements	Medium
Sidewalks	Low
Sewer Improvements	High
Flood Drain Improvements	High
Other Infrastructure Needs	Medium
Public Service Needs	
Handicapped Services	High
Transportation Services	Medium
Substance Abuse Services	Low
Employment Training	High
Health Services	Medium
Other Public Service Needs	Medium
Anti-Crime Programs	
Crime Awareness	Low
Other Anti-Crime Programs	Low
Youth Programs	
Youth Centers	High
Child Care Centers	Medium
Youth Services	Low
Child Care Services	Low
Other Youth Programs	Medium
Senior Programs	
Senior Centers	Medium
Senior Services	Medium
Other Senior Programs	Medium
Economic Development	
Rehab of Publicly or Privately Owned Commercial/Industrial	Medium
CI Infrastructure Development	High
Other Commercial/Industrial Improvements	Medium
Micro-Enterprise Assistance	High
ED Technical Assistance	Medium
Other Economic Development	Medium
Planning	
Health Facility Studies	High
Youth Center Studies	High
Water/Sewer/Stormwater Plans	High
Community Center Studies	Medium
Day Care Center Studies	Medium
Senior Center Studies	Medium
Historic Preservation	Low
Downtown Revitalization	Low
Parks/Recreation	Low

Exhibit I-7.
Housing Needs,
Priorities for FY2007

Source:
Indiana Housing and Community Development Authority.

Priority Housing Needs	Priority Need Level: Percentage	Priority Need Level: Need Level
Renter		
Small and Large Related	0–30%	High
	31–50%	High
	51–80%	Medium
Elderly	0–30%	High
	31–50%	High
	51–80%	Medium
All Other	0–30%	High
	31–50%	High
	51–80%	Medium
Owner		
Owner-Occupied	0–30%	High
	31–50%	High
	51–80%	Medium
Homebuyer	0–30%	Low
	31–50%	Medium
	51–80%	High
Special Populations	0–80%	High

During the program planning period (FY2007), the State will monitor housing conditions and, through its scoring criteria used to evaluation award applications, adjust funding allocations as appropriate to address changes in housing market conditions.

ADDI Funds

IHCDA will implement the following activities in conjunction with administration of the ADDI grant.

Targeted outreach. IHCDA will make the Indiana Manufactured Housing Association and the Indiana State National Association of Housing and Redevelopment Officials (NAHRO) aware of the ADDI program and how members of their respective organizations can obtain additional information to educate their clients on IHCDA programs and how to join the IHCDA List-Serve.

As part of their agreement with IHCDA, recipients of homeownership counseling funds must conduct targeted outreach to residents and tenants of public and manufactured housing and other families assisted by public housing agencies. IHCDA will monitor this activity to ensure compliance with this requirement.

Homeownership stability. To ensure that families receiving ADDI funds are suitable to undertake and maintain homeownership, clients receiving ADDI funding will be required to complete a homeownership training program. It is strongly recommended that clients participated in a face-to-face or classroom course given by a HUD-approved counselor.

Performance Measurements

This section provides Specific Outcome Indicators that the State will use to evaluate its performance during FY2007. The indicators are organized around HUD's Objective Categories.

Objective Category: Decent Housing

1. Availability/Accessibility and Affordability—HOME. During FY2007, the State will allocate $10.1 million of HOME funds to assist in the production and/or rehabilitation of 336 housing units. The type of units will be determined based on the greatest needs in nonentitlement areas.

Eligible unit types include:

- Transitional housing (Availability/Accessibility of Housing);
- Permanent supportive housing (Availability/Accessibility of Housing);
- Affordable rental housing (Affordability);
- Affordable owner housing (Affordability).

During FY2007, the State will also provide homeownership assistance to 500 households (Affordability).

2. Availability/Accessibility and Affordability—CDBG. In the 2007 program year, the State will allocate $4.2 million of CDBG funding to produce 244 units of housing for special-needs populations, to acquire and demolish units in support of affordable housing development, and to conduct affordable housing feasibility studies.

The type of units will be determined based on the greatest needs in nonentitlement areas. Eligible unit types include:

- Emergency shelters;
- Youth shelters;
- Transitional housing;
- Migrant/seasonal farmworker housing;
- Permanent supportive housing;
- Rental housing;
- Owner-occupied housing.

3. Availability/Accessibility and Sustainability of shelters. In FY2007, the State will use CDBG, HOME, ESG and HOPWA dollars to improve the accessibility and availability of decent housing to special-needs populations. The dollars will also be used to ensure the sustainability of the shelters. In all, 24,523 persons who are homeless will be assisted through the various activities.

ESG dollars will be used for the following:

- Operating support—89 shelters receiving support totaling $1,436,993, assisting 24,523 clients (Sustainability for shelters);

- Homelessness prevention activities—25 shelters provided with homelessness prevention activity funding of $93,936. These 25 shelters will provide direct rental assistance to prevent eviction, utility assistance and legal services for tenant mediation to 80 percent of the clients who ask for assistance, serving approximately 300 clients. (Availability/Accessibility).

- Essential services—51 shelters provided with funding totaling $317,668 for essential services, assisting 740 clients. These services will assist approximately 80 percent of clients at each shelter in the form of case management, mainstream resources referral and counseling, as needed. (Availability/Accessibility).

- Rehabilitation funding –Emergency shelters and/or transitional housing providers will receive rehabilitation funding totaling $57,000 to provide better accessibility of the physically disabled clients who need assistance. In addition, a portion of ESG is available for rehabilitation that will be awarded to those shelters whose facilities need updated to improve the accessibility of the shelter for those homeless clients who have physical disabilities. Approximately 3 to 4 shelters may be assisted. (Availability/Accessibility and Sustainability of shelters).

HOPWA dollars will be used for the following:

- Housing Information—HOPWA care sites provide community-based advocacy and information/referral services for the purposes of either placement into housing or homelessness prevention. Via care site case management, homeless outreach will occur to increase the number of those living with HIV/AIDS that become housed. An anticipated 25 HOPWA-eligible homeless individuals will be housed during the 2007 program year due to homeless outreach from HOPWA care sites. $53,860 in funding will be allocated in 2007. (Availability/Accessibility).

- Operating Costs—HOPWA care sites provide housing costs that are specific to HIV/AIDS housing, such as furniture for group homes and utilities. Operating costs may also include the salaries of security and maintenance crews. $16,000 in funding, benefiting an anticipated 75 individuals will be provided in 2007. (Suitable Living Environment).

- Rental Assistance—HOPWA care sites provide case management, mainstream resource assistance and housing assistance for up to 12 months of a HOPWA program to increase housing stability for those living with HIV/AIDS and their families. $370,040 in funding will be dedicated to this activity, which will assist approximately 170 individuals (Availability/Accessibility).

- Short-Term Rent, Mortgage and Utility Assistance—HOPWA care sites provide case management, mainstream resource assistance and housing assistance for up to 21 weeks of a HOPWA program year to increase housing stability for those living with HIV/AIDS and their families. Short-term rent, mortgage and utility payments will be provided to prevent homelessness of the tenant. $221,500 in funding will be provided in 2007, assisting an anticipated 300 individuals (Availability/Accessibility).

- Supportive Services—HOPWA care sites provide the following forms of assistance in order to increase housing stability for those living with HIV/AIDS, including, but not limited to, food/nutrition, transportation, housing case management, mental health treatment, substance abuse treatment and basic telephone provision. An anticipated 125 individuals will receive supportive service assistance from HOPWA in 2007 with $111,200 in funding (Suitable Living Environment).

Objective Category: Economic Opportunities

In FY2007, CDBG will be allocated to provide downtown revitalization, job creation and micro-enterprise activities. Downtown/neighborhood revitalization projects are also eligible under the CFF program and OCRA anticipates receiving applications for 2 to 3 projects in 2007.

The State will also continue the use of the OCRA's Community Economic Development Fund (CEDF), which funds job training and infrastructure improvements in support of job creation for low- to moderate-income persons. The projected allocation in 2007 is $1,700,000. The State will also fund a Micro-enterprise Assistance Program, which funds training and micro-lending for low- to moderate-income persons. The projected allocation in 2007 is $500,000.

Objective Category: Suitable Living Environment

Community development. In FY2007, CDBG will be allocated to provide various activities that improve living environments of low- to moderate-income populations. The following performance measures are expected to be achieved:

- ***Construction/rehabilitation of 26 wastewater, water and storm water infrastructure systems.*** Projected allocation: $12,564,977.

- ***Twenty-six miscellaneous community development projects*** (e.g., libraries, community centers, social service facilities, youth centers, fire stations, downtown revitalization, historic preservation, etc). Projected allocation: $10,280,436.

- ***Technical Assistance Fund:*** Projected allocation is $317,909.

- ***Planning grants:***

  - Thirty-three planning grants

  - Projected allocation: $1,400,000

  - Anticipated match: $140,000

Essential service activities. ESG dollars will also be used to provide a suitable living environment for those who are homeless and at risk of homelessness. ESG will provide funding to emergency shelters and/or transitional housing for case management, housing search, substance abuse counseling, mainstream resource assistance, employment assistance and individual assistance to clients who are homeless.

Operations activities. Emergency shelters and/or transitional housing will provide temporary housing for homeless individuals and families. The shelters provide all of the client's necessities of food, clothing, heat, bed, bathroom facilities, laundry facilities, and a mailing address. The facilities provide assistance to achieve self-sufficiency.

Operating costs. HOPWA care sites provide housing costs that are specific to HIV/AIDS housing, such as furniture for group homes and utilities. Operating costs may also include the salaries of security and maintenance crews. $16,000 in funding, benefiting an anticipated 75 individuals will be provided in 2007.

Supportive services. HOPWA care sites provide the following forms of assistance in order to increase housing stability for those living with HIV/AIDS, including, but not limited to, food/nutrition, transportation, housing case management, mental health treatment, substance abuse treatment and basic telephone provision. An anticipated 125 individuals will receive supportive service assistance from HOPWA in 2007 with $111,200 in funding.

Other Resources to Fulfill Goals

Low Income Housing Tax Credits (LIHTC). IHCDA utilizes set-aside categories in its Low Income Housing Tax Credit Program to target the housing priorities set forth in the agency's strategic plan and to achieve the goals in the Statewide Consolidated Plan. Below is a list of the set-aside categories in the 2007-2008 Qualified Allocation Plan:

- Qualified Nonprofit;
- Persons with Disabilities;
- Senior Housing;
- Lowest Income;
- Preservation; and
- Development Location.

IHCDA further supports strategic objectives by targeting evaluation criteria of LIHTC applications based on rents charged, constituency served, development characteristics, project financing, market strength, and other unique features and services.

Section 8 voucher program. In July 2006, Section 8 Housing Choice Voucher program was transferred from the Indiana Family and Social Services Administration to IHCDA. In an effort to better align Indiana's strategic housing goals with targeted voucher recipients, IHCDA has established the following preference categories:

- Existing Applicant—applicant was on waiting list prior to new preferences.
- Residency—applicant is a legal resident of the State of Indiana.
- Chronic Homelessness—applicant is a homeless veteran, head of household of a homeless family with children or a homeless individual emancipated from foster care.
- Homelessness prevention—applicant is a victim of domestic violence or an individual that will be released from an institution or will be emancipated from foster care.
- Self-Sufficiency—applicants are working families or enrolled in an educational or training program.
- Elderly—applicant is age 62 or older.
- Disability—applicant has been diagnosed with a disability by a medical professional.

McKinney-Vento. In an effort to attract the maximum amount of McKinney-Vento dollars to Indiana, IHCDA has identified the following action steps that focus on providing technical assistance, integrating of Continuum of Care plans, and developing permanent supportive housing. As such, IHCDA proposes to:

- With other partners, provide technical and financial support for each CoC to have a ten-year plan to address homelessness.
- Support a comprehensive data collection system in order to develop housing and services pro formas for each CoC ten-year plan.
- With Great Lakes Capital Fund, support a Corporation for Supportive Housing office in Indiana to work with IHCDA and the thirteen Continua of Care pursuant to their ten-year plans.
- Support a Supportive Housing Institute that will be available to the thirteen Continua to develop permanent supportive housing in their communities. Agencies participating in the institute will be eligible for project initiation loans and grants.
- Establish a comprehensive planning process for new projects applying under the Balance of State Application. This process will involve early review and technical assistance for new application.

FSSA partnership. The Indiana Family and Social Services Administration Division of Aging is partnering with IHCDA to assist elderly persons transition from nursing homes back into the community of their choice where they can live more independently with appropriate support services. The Division of Aging will contribute $1 million to the Affordable Housing and Community Development Fund administered by IHCDA. These funds will be used to provide 100 to 125 seniors with reduced rents in IHCDA financed units that are made accessible based on the specific needs of the resident.

USDA. IHCDA received a $2.25 million-dollar loan from USDA to rehabilitate 15 to 20 rural multi-family properties. This loan will be matched dollar-for-dollar from the Affordable Housing and Community Development Fund. Owners are encouraged to utilize Rural and Preservation Set Aside Categories through IHCDA's LIHTC program to attract additional equity to offset project development costs. Nonprofit developers are encouraged to access HOME funds through the Community Development department for the acquisition of these rural properties ensuring a stable source of affordable housing remains in the community.

RECAP program. IHCDA in collaboration with the Office of Community and Rural Affairs and the Office of Tourism will pilot the Real Estate Capital Access Program (RECAP) designed to facilitate the development of commercial space and related residential space in areas or for projects that are not sufficiently attractive to the private market, particularly in the "Main Streets" of rural areas and small towns, as well as commercial nodes that may be outside the downtown area. RECAP will provide predevelopment funds, a loan loss reserve pool, as well as matching grants for façade and beautification improvements for 3-5 communities. The three agencies have committed $1 million for this program.

Institutional Structure and Coordination

Many firms, individuals, agencies and other organizations are involved in the provision of housing and community development in the State. Some of the key organizations within the public, private and not-for-profit sector are discussed below.

Public sector. Federal, State and local governments are all active in housing policy. At the federal level, two primary agencies exist in Indiana to provide housing: the U.S. Department of Housing and Urban Development (HUD) and Rural Economic Community Development (RECD) through the Department of Agriculture. HUD provides funds statewide for a variety of housing programs. RECD operates mostly in non-metropolitan areas and provides a variety of direct and guaranteed loan and grant programs for housing and community development purposes.

In addition to these entities, other federal agencies with human service components also assist with housing, although housing delivery may not be their primary purpose. For example, both the Department of Health and Human Services and the Department of Energy provide funds for the weatherization of homes. Components of the McKinney program for homeless assistance are administered by agencies other than HUD.

At the State level, the Indiana Housing and Community Development Authority (IHCDA) is the lead agency for housing in the State. It coordinates the Mortgage Revenue Bond (MRB) and the Mortgage Credit Certificates (MCC) first-time homebuyer programs through its First Home program, and administers the State's allocation of Rental Housing Tax Credits. IHCDA is responsible for the non-entitlement CDBG dollars dedicated to housing, the Indiana Affordable Housing and Community Development Fund, and non participating jurisdiction HOME monies. IHCDA also administers community development programs for the state, including the Neighborhood Assistance Program tax credits and Individual Development Account, and is the grant administrator for HOPWA and ESG. Finally, IHCDA is currently a HUD designated Participating Administrative Entity for expiring use contracts and an approved contract administrator of certain project-based Section 8 contracts. Since July 1, 2006, IHCDA has administered Section 8 vouchers, LIHEAP and Weatherization programs formerly housed at FSSA.

The Indiana Family Social Services Administration (FSSA) coordinates the State's tenant-based Section 8 program through a contract with community action agencies. It also administers the Medicaid CHOICE program, the childcare voucher program, and other social service initiatives, and is the lead agency overseeing State institutions and other licensed residential facilities. FSSA is the focal point for policies that integrate housing with the provision of social services. The Indiana State Department of Health (ISDH) coordinates many of the State's programs relating to persons living with HIV/AIDS and also administers the State's blood screening program for lead levels in children.

The newly created Indiana Office of Community and Rural Affairs (OCRA) will be the State's main agency involved in community and economic development and related programs. It administers the State's CDBG program, a portion of which has been designated for affordable housing purposes since 1989.

Communities throughout Indiana are involved in housing to greater or lesser degrees. Entitlement cities and participating jurisdictions are generally among the most active as they have direct resources and oversight for housing and community development.

Private sector. A number of private-sector organizations are involved in housing policy. On an association level, the Indiana Realtors Association, Indiana Homebuilders Association, Indiana Mortgage Bankers Association and other organizations provide input into housing and lending policies. Private lending institutions are primarily involved in providing mortgage lending and other real estate financing to the housing industry. Several banks are also active participants in IHCDA's First Home program.

Fannie Mae funds programs such as HomeChoice, which provides flexible underwriting criteria on conventional mortgages to persons with disabilities. The Federal Home Loan Bank (FHLB) and its member banks in Indiana provide mortgage lending as well as participate in FHLB's Affordable Housing Program.

The private sector is largely able to satisfy the demands for market-rate housing throughout the State.

Not-for-profit sector. Many not-for-profit organizations or quasi-governmental agencies are putting together affordable housing developments and gaining valuable experience in addressing housing needs on a local level. The State now has 50 organizations certified as Community Housing Development Organizations (CHDOs). Community action agencies administer the Section 8 program under contract to FSSA. There are currently 24 community action agencies in the State administering weatherization and energy assistance programs; 22 agencies administer Section 8.

The State has an active network of community development corporations, many of which have become increasingly focused on housing issues. These organizations are engaged in a variety of projects to meet their communities' needs, from small-scale rehabilitation programs to main street revitalization. The projects undertaken by community development corporations are often riskier and more challenging than traditional development projects.

Public housing authorities exist in the major metropolitan areas and in small to medium-sized communities throughout the State.

The State also has several organizations that advocate for state policies and organize housing and community development activities at the state level. The Indiana Association for Community Economic Development (IACED) is a membership organization for the State's housing and community

development nonprofits and provides top level policy coordination, as well as training and technical assistance. The Indiana Coalition on Housing and Homeless Issues (ICHHI) is instrumental in development and implementation of the State's policies for persons who are homeless. Rural Opportunities, Incorporated (ROI) is an advocacy organization that focuses on the housing and social service issues of the State's migrant farmworker population.

Many not-for-profit organizations have become more actively engaged in delivering social services. Community mental health centers, religious and fraternal organizations and others provide support in the form of counseling, food pantries, clothing, emergency assistance, and other activities. The State's 16 Area Agencies on Aging have also become more involved in housing issues for seniors.

Overcoming gaps in delivery systems. Several gaps exist in the above housing and community development delivery system, especially for meeting the need for affordable housing. The primary gaps include:

- **Lack of coordination and communication.** Many social service providers, local business leaders and citizens continually express frustration about not knowing what programs are available and how to access those programs. Without full knowledge of available programs, it is difficult for communities to start addressing their housing needs. The State continues to address this gap through distribution of information about resources through regional agency networks and at public events.

- **Lack of capacity for not-for-profits to accomplish community needs.** In many communities, the nonprofits are the primary institutions responsible the delivery of housing and community development programs. These organizations function with limited resources and seldom receive funding designated for administrative activities. The State continues to include planning and capacity-building grants as eligible activities for CDBG and HOME.

Lead-Based Paint Hazards

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

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

- Children living in older housing,

- Children living in poverty or families with low incomes,

- Children enrolled in Hoosier Healthwise (HH, Indiana's Medicaid and S-CHIP program), and

- Minority children.

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

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

The CDC reported in 2004 there were 583 Indiana children under age six with elevated blood lead levels. According to the ISDH, Indiana has more than 13,000 active cases of children with lead poisoning and more than 2 million homes with lead-based paint. Marion County Health Department has alone issued citations to reduce lead hazards in more than 1,100 homes.

PHA Assistance

During FY2007, IHCDA will collect regular information from the Indianapolis HUD field office on the "troubled" status of public housing authorities (PHA).

If a PHA in an area covered by the State HOME grant is designated as "troubled" by HUD, IHCDA will contact the PHA, interview their Executive Directors and other staff as appropriate about their needs and review their plan to address the problems that are putting them in a "troubled" status. IHCDA will then consult HUD to explore potential funding sources for technical assistance in financial and program management as well as physical improvements as may be required.

At the time of this report, the following PHAs within the State HOME jurisdiction were designated as troubled: Bloomfield (Public Housing), Rome City (Public Housing), Bedford (Public Housing), Jasonville (Section 8), Franklin County (Section 8), and Portland (Section 8).

Barriers to Affordable Housing

See the Housing Market Analysis section of the full Consolidated Plan and the 2007 Analysis of Impediments to Fair Housing Choice for a complete discussion of barriers to affordable housing.

Additional information on barriers to affordable housing and services was gathered from housing and community development stakeholders throughout the state as a part of the citizen participation process. A description of all comments from the stakeholders is included in Section II of this report. The following are affordable housing and service barriers suggested by the stakeholders:

- *Community perceptions/social stigma of low-income housing in certain communities prevents building.*

- *Drug dependency in rural areas.*
- *In many cases in rural areas, the lack of any land use or zoning regulations impedes development.*
- *Lack of education on available resources (public).*
- *Lack of good land use planning and subdivision planning.*
- *Lack of transportation to community services in rural areas.*
- *We need tax abatement ordinances put in place to encourage rehabilitation of homes (give owners a 5-year tax break).*
- *Not enough businesses to provide affordable housing.*
- *Poor government and state funding.*
- *The process is too labor-intensive for lenders to process government grants.*
- *The process is too paper-intensive and may be over-governed. (No public policies that impede access to fair housing.)*
- *There are zoning boards and commissions in Indiana that only want to approve homes for $200,000 and up, thinking if they approve those for $100,000 it will bring down property values. There is a zoning assumption that the lower the density, the better. Not always true.*
- *There may be some issues in regards to Planned Urban Development (PUDs) that could and should be addressed.*
- *There seems to be a propensity not to want anyone to plan in some areas. The only way homeowners can protect their investments is through restrictive covenants in subdivision planning.*
- *Uncooperative landlords/land owners who do not want to serve low-income tenants.*
- *We have empty lots in our community where we have torn down buildings. It is difficult to develop on these lots because we often run into special easements.*

Anti-Poverty Strategy

The State of Indiana does not have a formally adopted statewide anti-poverty strategy. In a holistic sense, the entirety of Indiana's Consolidated Plan Strategy and Action Plan is anti-poverty related because a stable living environment is also a service delivery platform. However, many of the strategies developed for the Five-Year Plan directly assist individuals who are living in poverty.

Indiana has a history of aggressively pursuing job creation through economic development efforts at the state and local levels. This emphasis on creating employment opportunities is central to a strategy to reduce poverty by providing households below the poverty level with a means of gaining sustainable employment.

Other efforts are also needed to combat poverty. Many of the strategies outlined in the Consolidated Plan are directed at providing services and shelter to those in need. Once a person has some stability in a housing situation, it becomes easier to address related issues of poverty and provide resources such as childcare, transportation and job training to enable individuals to enter the workforce. Indiana's community action agencies are frontline anti-poverty service providers. They work in close cooperation with State agencies to administer a variety of State and federal programs.

Education and skill development 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.

Discharge Policies

Indiana has implemented formal discharge policies pertaining to persons released from publicly funded institutions and systems of care. Each of these policies was developed and is monitored by its respective administrative agency. The Department of Health, the Department of Corrections, the Division of Child Services and the Division on Mental Health and Addiction are all represented on the Interagency Council to End Homelessness. Beginning late 2006, the Interagency Council began developing a set of recommendations for an integrated, statewide discharge policy. The Interagency Council intends to approve a set of recommendations in 2007. A synopsis of the current agency specific policies is provided below:

Foster care. The Division of Child Services conducts a comprehensive independent living assessment to identify areas of strength and challenges for youth age 14 to 18. Services provided include financial, housing, mentoring, counseling, employment, education, and other appropriate support to ensure youth live as healthy, productive and self-sufficient adults.

Health care. The Bureau of Quality Improvement Services is responsible for ensuring that individuals transition from state operated facilities, large private ICF, MR settings and nursing homes into a community smoothly. The process includes a minimum of one pre-transition visit and two post-transition visits. Individuals are also surveyed six months after transition regarding residential and support services.

Mental health. The Division of Mental Health and Addiction requires that the admitting mental health center remain involved in the treatment and discharge planning of individuals placed in state-operated facilities. Facility staff, in conjunction with the consumer, develop the plan to ensure that the individual is not released into homelessness.

Corrections. The Department of Corrections requires case managers to 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, but are not limited to: 1) enrollment in Medicaid, Food Stamps, TANF, and 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.

Obstacles to Meeting 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, during the 2007 program year, the State will 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.

Action Plan Matrix

A matrix follows that outlines the Consolidated Plan Strategies and Action Items for the FY2007 program year. The matrix includes:

- The State's Five-Year Strategic Goals;
- Type of HUD grant;
- Objective category the funding will address;
- Outcome category the funding will address;
- The activities proposed to address housing and community development needs;
- Funding targets (by dollar volume); and
- Assistance goals (by number of households, number of facilities, etc.).

Exhibit I-8.
Strategies and Action Matrix, 2007 Action Plan

Goals	Funds	Objective Category	Outcome Categories	Activities	Specific Objectives	Funding Goals	Assistance Goals
1. Expand and preserve affordable housing opportunities throughout the housing continuum.	HOME and ADDI	Decent Housing	Availability/Accessibility	Transitional Housing—Rehabilitation and New Construction	Improve range of housing options for special-needs populations.		For Housing from Shelters to Homeownership, QAP, HOME OOR = 336 units, For First Home = 500 units
		Decent Housing	Availability/Accessibility	Permanent Supportive Housing—Rehabilitation and New Construction	Increase number of homeless in permanent housing.	$10,117,529	
		Decent Housing	Affordability	Rental Housing—Rehabilitation and New Construction	Increase the supply and improve the quality of affordable rental housing.		
		Decent Housing	Affordability	Homebuyer—Rehabilitation and New Construction	Increase the supply and improve the quality of affordable homeownership.		
		Decent Housing	Availability/Accessibility	CHDO Operating Support	Improve services for low/mod income persons.	$700,000	
		Decent Housing	Affordability	CHDO Predevelopment and Seed Money Loans	Increase the supply of affordable housing.	$400,000	
		Decent Housing	Affordability	Downpayment Assistance	Increase the supply and improve the quality of affordable homeownership.	$3,066,513	
	CDBG	Decent Housing	Availability/Accessibility	Emergency shelters	End chronic homelessness.		For all CDBG (Housing) = 244 units
		Decent Housing	Availability/Accessibility	Youth shelters	End chronic homelessness.		
		Decent Housing	Availability/Accessibility	Transitional housing	Improve range of housing options for special-needs populations.		
		Decent Housing	Availability/Accessibility	Migrant/seasonal farmworker housing	Improve range of housing options for special-needs populations.		
		Decent Housing	Availability/Accessibility	Permanent supportive housing	Increase number of homeless in permanent housing		
		Decent Housing	Affordability	Rental housing	Increase the supply and improve the quality of affordable rental housing.		
		Decent Housing	Affordability	Owner-occupied units	Increase the supply and improve the quality of affordable homeownership.		
		Decent Housing	Sustainability	Voluntary acquisition/demolition	Improve the quality of rental and owner housing.		
		Decent Housing	Availability/Accessibility	Feasibility studies	Increase the supply of affordable housing.		
2. Reduce homelessness and increase housing stability for special-needs populations.	HOME	Decent Housing	Availability/Accessibility	See special-needs housing activities in Goal 1.	Improve range of housing options for special-needs populations.		
	CDBG	Decent Housing	Availability/Accessibility	See special-needs housing activities in Goal 1.	Improve range of housing options for special-needs populations.		
	ESG	Decent Housing	Availability/Accessibility	Operating support	Improve range of housing options for special-needs populations.	$1,436,933	89 shelters
		Decent Housing	Availability/Accessibility	Homeless prevention	End chronic homelessness.	$93,936	25 shelters
		Decent Housing	Availability/Accessibility	Essential services	End chronic homelessness.	$317,668	51 shelters
		Decent Housing	Availability/Accessibility	Accessibility Rehab	Improve range of housing options for special-needs populations.	$57,000	3–4 shelters
							For all activities = 47,259 unduplicated clients served
	HOPWA	Decent Housing	Availability/Accessibility	Rental assistance	Improve range of housing options for special-needs populations.	$370,040	170 households/units
		Decent Housing	Availability/Accessibility	Short-term rent, mortgage, utility assistance	Improve range of housing options for special-needs populations.	$221,500	300 households/units
		Suitable Living Environment	Availability/Accessibility	Supportive services	Improve range of housing options for special-needs populations.	$111,200	125 households
		Decent Housing	Availability/Accessibility	Housing information	Improve range of housing options for special-needs populations.	$53,860	25 households
		Suitable Living Environment	Availability/Accessibility	Project sponsor information	Improve range of housing options for special-needs populations.	$49,400	
		Decent Housing	Availability/Accessibility	Acquisition, Rehabilitation and Conversion	Improve range of housing options for special-needs populations.		
		Suitable Living Environment	Availability/Accessibility	Operating costs	Improve range of housing options for special-needs populations.	$16,000	5 units
3. Promote livable communities and community revitalization through addressing unmet community development needs.	CDBG			**Community Focus Fund:**			
		Suitable Living Environment	Sustainability	Construction/rehabilitation of wastewater water and storm water systems	Improve quality/quantity of public improvements for low/mod persons.	$12,564,977	26 systems
		Suitable Living Environment	Availability/Accessibility	Community development projects (Senior Centers, Youth Centers, Community Centers, Historic Preservation Downtown Revitalization, ADA Accessability, Fire Stations, Fire Trucks)	Improve quality/quantity of neighborhood services for low/mod persons.	$10,280,436	26 facilities/projects
	CDBG	Suitable Living Environment	Sustainability	Planning/Feasibility Studies	Improve quality/quantity of public improvements for low/mod persons.	$1,400,000	33 planning grants
4. Promote activities that enhance local economic development efforts.	CDBG	Economic Opportunities	Sustainability	Community Economic Development Fund	Improve economic opportunities for low/mod persons.	$1,700,000	340 jobs
				Micro-enterprise Assistance Program	Improve economic opportunities for low/mod persons.	$500,000	

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

CDBG Allocation Plan

STATE OF INDIANA

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

INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS

FY 2007 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 2007. **The State of Indiana's anticipated allocation of federal Community Development Block Grant (CDBG) funds for FY 2007 is $31,790,913.**

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. **During FY 2007, the State of Indiana does not propose to pledge a portion 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).**

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.

Activities and projects funded by the Office of Community and Rural Affairs must be eligible for CDBG assistance pursuant to 24 CFR 570, et. seq., and meet one of the three (3) national objectives prescribed under the Federal Housing and Community Development Act, as amended (Federal Act). To fulfill a national CDBG objective a project must meet one (1) of the following requirements pursuant to Section 104 (b)(3) of the Federal Act, and 24 CFR 570.483, et seq., and must be satisfactorily documented by the recipient:

1. Principally benefit persons of low and moderate income families; or,

2. Aid in the prevention or elimination of slums and blight; or,

3. Undertake activities, which have urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where no other financial resources are available to meet such needs.

In implementing its FY 2007 CDBG Consolidated Plan, the Indiana Office of Community and Rural Affairs will pursue the following goals respective to the use and distribution of FY 2007 CDBG funds:

GOAL 1: Invest in the needs of Indiana's low and moderate income citizens in the following areas:

a. Safe, sanitary and suitable housing
b. Health services
c. Homelessness
d. Job creation, retention and training
e. Self-sufficiency for special needs groups
f. Senior lifestyles

The Office of Community and Rural Affairs will pursue this goal of **investing in the needs of Indiana's low and moderate income citizens** and all applicable strategic priorities by distributing CDBG funds in a manner which promotes suitable housing, viable communities and economic opportunities.

GOAL 2: Invest in the needs of Indiana's communities in the following areas:

a. Housing preservation, creation and supply of suitable rental housing
b. Neighborhood revitalization
c. Public infrastructure improvements
d. Provision of clean water and public solid waste disposal
e. Special needs of limited-clientele groups
f. Assist local communities with local economic development projects, which will result in the attraction, expansion and retention of employment opportunities for low and moderate income persons

The Office of Community and Rural Affairs will pursue this goal of investing in the needs of Indiana's communities and all applicable strategic priorities by distributing CDBG funds in a manner which promotes suitable housing, preservation of neighborhoods, provision and improvements of local public infrastructure and programs which assist persons with special needs. The Office of Community and Rural Affairs will also pursue this goal by making CDBG funds available to projects, which will expand and/or retain employment opportunities for low and moderate income persons.

GOAL 3: Invest CDBG funds wisely and in a manner which leverages all tangible and intangible resources:

a. Leverage CDBG funds with all available federal, state and local financial and personal resources
b. Invest in the provision of technical assistance to CDBG applicants and local capacity building
c. Seek citizen input on investment of CDBG funds
d. Coordination of resources (federal, state and local)
e. Promote participation of minority business enterprises (MBE) and women business enterprises (WBE)
f. Use performance measures and continued monitoring activities in making funding decisions

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 2007 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 2007 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 2007 Consolidated Plan if the Office of Community and Rural Affairs' **Method of Distribution for FY 2007 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 2007 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 2007 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 2007 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 not 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. This requirement shall not apply to principal and interest balances within a local CDBG Revolving Loan Fund approved by the Office of Community and Rural Affairs pursuant to 24 CFR 570.489.

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

FY 2007 FUND DISTRIBUTION

Sources of Funds:

FY 2007 CDBG Allocation	$31,790,913
CDBG Program Income(a)	$0
Total:	$31,790,913

Uses of Funds:

1. Community Focus Fund (CFF)	$22,845,413
2. Housing Program	$4,291,773
3. Community Economic Development Fund	$1,700,000
4. Micro-enterprise Assistance Program	$500,000
5. Quick Response Fund	$0
6. Technical Assistance Fund	$317,909
7. Planning Fund	$1,400,000
8. Administration	$735,818
Total:	$31,790,913

(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 2007 Consolidated Plan. In the event the Office of Community and Rural Affairs receives such CDBG Program Income, such moneys will be placed in the Community Focus Fund for the purpose of making additional competitive grants under that program. Reversions of other years' funding will be placed in the Community Focus Fund 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. CDBG program income funds contained in a duly established local Revolving Loan Fund(s) for economic development or housing rehabilitation loans which have been formally approved by the Office of Community and Rural Affairs. However, all local revolving loan funds must be “revolving” and cannot possess a balance of more than $50,000 at the time of application of additional CDBG funds.

3. Program income generated by CDBG grants awarded by the Office of Community and Rural Affairs (State) using FY 2007 CDBG funds must be returned to the Office of Community and Rural Affairs, however, such amounts of less than $25,000 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, except locally-administered revolving loan funds approved by the Office of Community and Rural Affairs, 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 Grants Management Section of the Business Office of the Indiana Office of Community and Rural Affairs at (317) 232-8333 for application instructions and documents for use of program income prior to obligation of such funds.

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 Grants Management Section of the Business's Office of the Office of Community and Rural Affairs at (317) 232-8333 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. Community Focus Fund (CFF): $22,845,413

The Office of Community and Rural Affairs will award community Focus Fund (CFF) grants to eligible applicants to assist Indiana communities in the areas of public facilities, housing-related infrastructure, and all other eligible community development needs/projects. Applications for economic development activities may not be appropriate for the CFF Program. Applications for funding, which are applicable to local economic development and/or job-related training projects, should be pursued under the Office of Community and Rural Affairs' Community Economic Development Fund (CEDF). Projects eligible for consideration under the CEDF program under this Method of Distribution shall generally not be eligible for consideration under the CFF Program. Eligible activities include applicable activities listed under Section 105(a) of the Federal Act. Typical Community Focus Fund (CFF) projects include, but are not limited to:

1. Local infrastructure improvements (i.e. water, sewer, storm water improvements);
2. Construction of other public facilities (i.e. youth centers, senior centers, etc.);
3. Commercial rehabilitation and downtown revitalization projects; and,
4. Special purpose facilities for "limited clientele" populations.

Applications will be accepted and awards will be made on a competitive basis two (2) times a year. Approximately one-half of available CFF funds shall be budgeted for each funding round. 55% of funds available in each funding round will be allocated to water, wastewater and storm water projects. 45% of funds available in each funding round will be allocated to all other community development projects. Awards will be scored competitively based upon the following criteria (total possible numerical score of 1,100 points):

1. Economic and Demographic Characteristics: 450 Points - Variable by Each Application:

a. Benefit to low and moderate income persons: 200 points
b. Community distress factors: 250 points

2. Project Design Factors: 450 Points - Variable by Each Application:

a. Financial impact
b. Project need
c. Local effort

3. Local Match Contribution: 100 Points - Variable by Each Application:

4. Priority Project Points: 75 Points – Variable by Each Application:

a. Infrastructure Projects	75 points
Water System Improvements	
Sewer System Improvements	
Storm water System Improvements	
b. Community Development Projects	
Group A Projects	75 points
Health Facilities	
Youth Centers	
Group B Projects	60 points
Community Centers	
Day Care Centers	
Senior Centers	
Fire Stations	
Libraries	
Infrastructure in support of housing	
ADA/Handicap Compliance	
Other Special Needs Facilities	
Group C Projects	45 points
Fire Trucks	
Historic Preservation	
Downtown Revitalization	
Parks/Recreation	
Slum/Blight Clearance	

5. Leveraging of Philanthropic Capital: 25 Points – Variable by Each Application:

2% of total Grant amount or $5,000 (whichever is greater) is being funded by Philanthropic capital. Sources include but are not limited to:

County Community Foundations
Lilly Foundation
Kellogg Foundation
University Foundations
Private Endowments

The specific threshold criteria and basis for project point awards for CFF grant awards are provided in attachments hereto. The Community Focus Fund (CFF) Program shall have a maximum grant amount of $500,000 for each project and each applicant may apply for only one project in a grant cycle. The only exception to this $500,000 limit will be for those CFF applicants who apply for the Office of Community and Rural Affairs' Minority Business Enterprise (MBE) Utilization Program. Under this program, the Office of Community and Rural Affairs will allocate an additional amount of CDBG-CFF grant funds to those applicants who apply for participation in the MBE program and who are awarded CFF grants. The maximum additional allocation to the CFF grant amount will be five-percent (5%) of the total amount of CDBG allocated to each CFF budget line item to be considered participatory for such MBE utilization, limited to $25,000 ($500,000 X 0.05 = $25,000).

Projects will be funded in two (2) cycles each year with approximately a six (6) month pre-application and final-application process. Projects will compete for CFF funding and be judged and ranked according to a standard rating system (Attachment D). The highest ranking projects will be funded to the extent of funding available for each specific CFF funding cycle/round. The Office of Community and Rural Affairs will provide eligible applicants with adequate notice of deadlines for submission of CFF proposal (pre-application) and full applications. Specific threshold criteria and point awards are explained in Attachments C and D to this Consolidated Plan.

For the CFF Program specifically, the amount of CDBG funds granted will be based on a $5,000 cost per project beneficiary, except for housing-related projects (e.g. infrastructure in support of housing) where the grant amount per beneficiary ratio will not exceed $10,000 per beneficiary.

B. Housing Program: $4,291,773

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 2007 Consolidated Plan for the method of distribution of such subcontracted CDBG funds from the Office of Community and Rural Affairs to the IHCDA.

C. Community Economic Development Fund/Program: $1,700,000

The Community Economic Development Fund (CEDF) will be available through the e Indiana Office of Community and Rural Affairs. This fund will provide funding for various eligible economic development activities pursuant to 24 CFR 507.203. The Office of Community and Rural Affairs will give priority for CEDF-IDIP funding to construction of off-site and on-site infrastructure projects in support of low and moderate income employment opportunities.

Eligible CEDF activities will include any eligible activity under 24 CFR 570.203, to include the following:

1. Construction of infrastructure (public and private) in support of economic development projects;
2. Loans or grants by applicants for the purchase of manufacturing equipment;
3. Loans or grants by applicants for the purchase of real property and structures (includes vacant structures);
4. Loans or grants by applicants for the rehabilitation of facilities (vacant or occupied);
5. Loans or grants by applicants for the purchase and installation of pollution control equipment;
6. Loans or grants by applicants for the mitigation of environmental problems via capital asset purchases.

Eligible CEDF activities will also include grants to applicants for job-training costs for low and moderate income persons as a limited clientele activity under 24 CFR 570.483(b)(2)(v), as well financial assistance to eligible entities to carry out economic development activities authorized under Section 105(a) of the Housing and Community Development Act of 1974, as amended.

Projects/applications will be evaluated using the following criteria:

1. The importance of the project to Indiana's economic development goals;
2. The number and quality of new jobs to be created;
3. The economic needs of the affected community;
4. The economic feasibility of the project and the financial need of the affected for-profit firm, or not-for-profit corporation; the availability of private resources;
5. The level of private sector investment in the project.

Grant applications will be accepted and awards made until funding is no longer available. The intent of the program is to provide necessary public improvements and/or job training for an economic development project to encourage the creation of new jobs. In some instances, the Office of Community and Rural Affairs may determine that the needed facilities/improvements may also benefit the project area as a whole (i.e. certain water, sewer, and other public facilities improvements), in which case the applicant will be required to also meet the “area basis” criteria for funding under the Federal Act.

1. Beneficiaries and Job Creation/Retention Assessment:

The assistance must be reasonable in relation to the expected number of jobs to be created or retained by the benefiting business(es) within 12 months following the date of substantial completion of project construction activities. Before CDBG assistance will be provided for such an activity, the applicant unit of general local government must develop an assessment, which identifies the businesses located or expected to locate in the area to be served by the improvement. The assessment must include for each identified business a projection of the number of jobs to be created or retained as a result of the public improvements.

2. Public Benefit Standards:

The Office of Community and Rural Affairs will conform to the provisions of 24 CFR 570.482(f) for purposes of determining standards for public benefit and meeting the national objective of low and moderate income job creation or retention will be all jobs created or retained as a result of the public improvement, financial assistance, and/or job training by the business(es) identified in the job creation/retention assessment in 1 above. The investment of CDBG funds in any economic development project shall not exceed an amount of $35,000 per job created; at least fifty-one percent (51%) of all such jobs, during the project period, shall be given to, or made

available to, low and moderate income persons.

Projects will be evaluated on the amount of private investment to be made, the number of jobs for low and moderate income persons to be created or retained, the cost of the public improvement and/or job training to be provided, the ability of the community (and, if appropriate, the assisted company) to contribute to the costs of the project, and the relative economic distress of the community. Actual grant amounts are negotiated on a case by case basis and the amount of assistance will be dependent upon the number of new full-time permanent jobs to be created and other factors described above. Construction and other temporary jobs may not be included. Part-time jobs are ineligible in the calculating equivalents. Grants made on the basis of job retention will require documentation that the jobs will be lost without such CDBG assistance and a minimum of fifty-one percent (51%) of the beneficiaries are of low and moderate income.

Pursuant to Section 105(e)(2) of the Federal Act as amended, and 24 CFR 570.209 of related HUD regulations, CDBG-CEDF funds allocated for direct grants or loans to for-profit enterprises must meet the following tests, (1) project costs must be reasonable, (2) to the extent practicable, reasonable financial support has been committed for project activities from non-federal sources prior to disbursement of federal CDBG funds, (3) any grant amounts provided for project activities do not substantially reduce the amount of non-federal financial support for the project, (4) project activities are determined to be financially feasible, (5) project-related return on investment are determined to be reasonable under current market conditions, and, (6) disbursement of CDBG funds on the project will be on an appropriate level relative to other sources and amounts of project funding.

A need (financial gap), which is not directly available through other means of private financing, should be documented in order to qualify for such assistance; the Office of Community and Rural Affairs will verify this need (financial gap) based upon historical and/or pro-forma projected financial information provided by the for-profit company to be assisted. Applications for loans based upon job retention must document that such jobs would be lost without CDBG assistance and a minimum of fifty-one percent (51%) of beneficiaries are of low-and-moderate income, or the recipient for-profit entity agrees that for all new hires, at least 51% of such employment opportunities will be given to, or made available to, persons of low and moderate income. All such job retention/hiring performance must be documented by the applicant/grantee, and the OCRA reserves the right to track job levels for an additional two (2) years after administrative closeout.

D. Micro-enterprise Assistance Program: $500,000

The Office of Community and Rural Affairs will set aside $500,000 of its FY 2007 CDBG funds for a Micro-enterprise Assistance Program. The Office of Community and Rural Affairs will make grants to units of local government to carry out various activities eligible under 24 CFR 507.291-203. The Office of Community and Rural Affairs will award such grants on a competitive basis.

E. The Quick Response Fund: $0

The Quick Response 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 Quick Response Fund program 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 Focus Fund 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 the Community Focus Fund. 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.

F. Technical Assistance: $317,909

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 2007 Consolidated Plan is $317,909, which constitutes one-percent (1%) of the State’s FY 2007 CDBG allocation of $31,790,913. 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 subrecipients 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 can not 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.

G. Planning Fund: $ 1,400,000

The State (Office of Community and Rural Affairs) will set aside $1,400,000 of its FY 2007 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 project-specific 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 Community Focus Fund or Community Economic Development Fund.

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.

H. Administrative Funds Set-aside: $735,818

The State (Office of Community and Rural Affairs) will set aside $735,818 of its FY 2007 CDBG funds for payment of costs associated with administering its State Community Development Block Grant (CDBG) Program (CFDA Number 14.228). This amount ($735,818) constitutes two-percent (2%) of the State's FY 2007 CDBG allocation ($635,818), plus an amount of $100,000 ($31,790,913 X 0.02 = $635,818 + $100,000 = $735,818). The amount constituted by the 2% set aside ($635,818) 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 June 1, 2007, and ending May 31, 2007, unless subsequently amended, for all FY 2007 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 the CFF Fund. 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 the Community Focus Fund (CFF).

PROGRAM APPLICATION

The Community Economic Development Fund Program (CEDF), Micro-enterprise Assistance Program (MAP), Quick Response Program (QR), and Planning Fund/Program (PL) will be conducted through a single-stage, continuous application process throughout the program year. The application process for the Community Focus Fund (CFF) will be divided into two stages. Eligible applicants will first submit a short program proposal 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 Community Focus Fund (CFF) application per cycle. 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 CFF applicants for applications lacking a credible readiness to proceed on the project or having other planning needs to support a CFF 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 Rebecca Skillman heads the Office of Community and Rural Affairs. Principal responsibility within the OCRA for the CDBG program is vested in Kathleen Weissenberger, Director of Community Affairs. 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 Community Focus Fund and Planning Fund process resides with the Office of Community and Rural Affairs. Primary responsibility for providing “outreach” and technical assistance for the Community Economic Development Program and award process also resides with OCRA. 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 Grants Supports Division of OCRA has the responsibilities for CDBG program management, compliance and financial monitoring of all CDBG programs. The Indiana State Board of Accounts pursuant to the federal Office of Management and Budget Circular A-133 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
Office of Community and Rural Affairs
One North Capitol, Suite 600
Indianapolis, Indiana 46204-2288
Telephone: 1-800-824-2476
FAX: (317) 233-6503

ATTACHMENT A

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 **minimum** level of local matching funds for Community Focus Fund (CFF) projects is ten-percent (10%) of the **total estimated project costs**. This percentage is computed by adding the proposed CFF grant amount and the local matching funds amount, and dividing the local matching funds amount by the total sum of the two amounts. The 2007 definition of match has been adjusted to include a maximum of 5% pre-approved and validated in-kind contributions. The balance of the ten (10) percent 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. Funds provided to applicants by the State of Indiana such as the Build Indiana Fund are not eligible for use as matching funds.

Private investment resulting from CDBG projects does not constitute local match for all OCRA-CDBG programs except the Community Economic Development Fund (CEDF); such investment will, however, be evaluated as part of the project's impact, and should be documented. The Business Office reserves the right to determine sources of matching funds for CEDF projects.

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.

ATTACHMENT C

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 6 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 OMB A-133 audit or OCRA monitoring finding resolutions (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. 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.

B. Community Focus Fund (CFF) and Planning Fund (PL):

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

   a. Overdue grant reports, subrecipient reports or project closeout documents; or

   b. More than one open or pending CDBG-CFF grant or CDBG-Planning grant (Indiana cities and incorporated towns).

   c. For those applicants with one open CFF, a "Notice of Release of Funds and Authorization to Incur Costs" must have been issued for the construction activities under the open CFF 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 CFF 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 application for the project.

e. An Indiana county may have two (2) open CFF's and/or Planning Grants and apply for a third CFF or Planning Grant. A county may have only three (3) open CFF's or Planning Grants. Both CFF contracts must have an executed construction contract by the application due date.

2. The cost/beneficiary ratio for CFF funds will be maintained at $5,000, except for daycare and housing-related projects where that ratio will not exceed $10,000. Housing-related projects are to be submitted directly to the Indiana Housing & Community Development Authority (IHCDA) under its programs, except for projects entailing construction of infrastructure (to be publicly dedicated right-of-way) in support of housing-related projects. Projects for infrastructure in support of housing needs may be submitted to the OCRA for CFF funding.

3. At least 10% leveraging (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.

4. The applicant may only submit one proposal or application per round. 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 a county where the purpose is clearly to circumvent the "one application per round" requirement for other eligible applicants.

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

6. For area basis projects, applicants must provide convincing evidence that circumstances in the community have so changed that a survey conducted in accordance with HUD survey standards is likely to show that 51% of the beneficiaries will be of low-and-moderate income. This determination is not applicable to specifically targeted projects.

C. Housing Programs: Refer to Method of Distribution for Indiana Housing & Community Development Authority within this FY 2007 Consolidated Plan

D. Quick Response Program:

Applicants for the Quick Response Program funds must meet the General Criteria set forth in Section A above, plus the specific program income requirements set forth in the "Method of Distribution" section of this document.

E. Community Economic Development Program/Fund (CEDF):

Applicants for the Community Economic Development Fund assistance must meet the General Criteria set forth in Section A above, plus the specific program requirements set forth in the "Method of Distribution" section of this document.

ATTACHMENT D

GRANT EVALUATION CRITERIA – 1,100 POINTS TOTAL

Economic and Demographic Characteristics (450 points):

National Objective Score (200 points):
Depending on the National Objective to be met by the project, one of the following two mechanisms will be used to calculate the score for this category.

1. National Objective = Benefit to Low- and Moderate-Income Persons: 200 points maximum awarded according to the percentage of low- and moderate-income individuals to be served by the project. The total points given are computed as follows:

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.

1. **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

___ **Slum/Blight Area or Spot designated by resolution of the local unit of government (50 pts.)**

___ Community is an Indiana Main Street Senior Partner or Partner, and the project relates to downtown revitalization (5 pts.)

___ The project site is a brownfield* (5 pts.)

___ The project is located in a designated redevelopment area under IC 36-7-14 (5 pts.)

___ The building or district is listed on the Indiana or National Register of Historic Places (10 pts.)

___ The building or district is eligible for listing on the Indiana or National Register of Historic Places (5 pts.)

___ The building is on the Historic Landmarks Foundation of Indiana's "10 Most Endangered List"
(15 pts.)

* The State of Indiana defines a brownfield as an industrial or commercial property that is abandoned, inactive, or underutilized, on which expansion or redevelopment is complicated due to actual or perceived environmental contamination.

Community Distress Factors (250 Points): The community distress factors used to measure the economic conditions of the applicant are listed below. Each is described with an explanation

and an example of how the points are determined. Each factor can receive a maximum of 50 points with the total distress point calculation having a maximum of 250 points. The formula calculation for each measure is constructed as a percentage calculation along a scale range. The resulting percentage is then translated into a point total on a fifty point scale for each measure.

Unemployment Rate (50 points maximum): Unemployment rate for the county of the lead applicant. The most recent average annual rate available is used.

a. If the unemployment rate is above the maximum value, 50 points are awarded.
b. If the unemployment rate is below the minimum value, 0 points are awarded.
c. Between those values, the points are calculated by taking the unemployment rate, subtracting the minimum value, dividing by the range, and multiplying by 50.

Unemployment Rate Points = [((Unemployment rate – minimum)/range) X 50]

For example, if the unemployment rate is 4.5%, the minimum value is 2.6%, maximum value is 9.7%, and range is 7.1%, take unemployment rate of 4.5%, subtract the minimum value of 2.6%, divide by a range of 7.1%, and multiply by 50. The score would be 13.38 point of a possible 50; [((4.5 – 2.6)/7.1) X 50].

Net Assessed Value/capita (50 points maximum): Net assessed value per capita (NAV pc) for lead applicant[1]. The most recent net assessed valuation figures[2], as well as the most recent population figures are used.

To determine the NAV pc, divide the net assessed valuation by the population estimate for the same year. For example, for 2002 NAV pc, you would divide the 2002 NAV by the Census Bureau's estimate of the population on July 1, 2002.

NAV per capita = NAV/Total Population

d. If the net assessed value per capita for the lead applicant is above the maximum value, 0 points are awarded.
e. If the net assessed value per capita for the lead applicant is below the minimum value, 50 points are awarded.
f. Between those values, the points are calculated by subtracting 50 from the NAVpc minus the minimum value, divided by the range and multiplied by 50.

NAV per capita points = 50 – [((NAV pc – minimum)/range) X 50]

For example, if the NAVpc is $29,174, the minimum value is $2,589 (excluding outliers), maximum value is $75,524 (excluding outliers), and the range is $72,935, take 50, subtract the NAV/capita of $29,174 minus the minimum value of $2,589, divide by the range of $72,935, and multiply by 50. The score would be 31.78 points of a possible 50 points; 50 – [((29,174 - 2,589)/72,935) X 50].

Median Housing Value (50 points maximum): Median Housing Value (MHV) for lead applicant[3]. Data from the most recent census are used.

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[1] For unincorporated areas, the NAV pc will be calculated based on data at the township level.

[2] All applicants will utilize the same basis, i.e., true tax value or market value, for the NAV pc calculation.

[3] For unincorporated areas MHV will be calculated based on data at the township level.

Median Housing Value Points = 50 – [((MHV – minimum)/range) X 50]

g. If the median housing value for the lead applicant is above the maximum value, 0 points are awarded.
h. If the median housing value for the lead applicant is below the minimum value, 50 points are applicant.

For example, if the median housing value is $79,000, the minimum value is $24,300 (excluding outliers), maximum value is $246,300 (excluding outliers) and the range is $222,000. Take the MHV of $79,000 minus the minimum value of $24,300, divide the difference by the range of $222,000, and multiply by 50 then subtract this amount from 50. The score would be 37.68 points out of a total possible of 50; 50 – [((79,000 – 24,300)/222,000) X 50].

Median Household Income (25 points maximum): Median household income (MHI) for the lead applicant[4]. Data from the most recent census are used.

Median Household Income Points = 25 – [((MHI – minimum)/range) X 25]

i. If the median household income is above the maximum value, 0 points are awarded.
j. If the median household income is below the minimum value, 25 points are awarded.
k. Between those values, the points are calculated by subtracting 25 from the MHI minus the minimum value, divided by the range, and multiplied by 25.

For example, if the Median Household Income is $35,491, the minimum value is $16,667 (excluding outliers), maximum value is $97,723 (excluding outliers), range is $81,056, take 25, subtract the MHI of $35,491, minus the minimum value of $16,667, divide by the range of $81,056, and multiply by 25. The score would be 19.19 points out of a possible 25; 25 – [((35,491 – 16,667)/81,056) X 25].

Family Poverty Rate (25 points maximum): Family poverty rate for the lead applicant[5]. Data from the most recent census are used.

Family Poverty Rate Points = [((Family Poverty Rate – minimum)/range) X 25]

l. If the family poverty rate is above the maximum value, 25 points are awarded.
m. If the family poverty rate is below the minimum value, 0 points are awarded.
n. Between those values, the points are calculated by subtracting the Family Poverty Rate from the minimum value, then dividing by the range, and multiplying by 25.

For example, if the family poverty rate is 1.4%, the minimum value is 0% (excluding outliers), maximum value is 25% (excluding outliers), and range is 25%, take family poverty rate of 1.4%, subtract the minimum value of 0%, divide by a range of 25%, and multiply by 25. The score would be 1.4 points of a possible 50; [((1.4 – 0)/25) X 25]

Percentage Population Change (50 points maximum): Percentage population change from 1990 to 2000 for the lead applicant[6]. The percentage change is computed by subtracting the

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[4] For unincorporated areas MHI will be calculated based on data at the township level.

[5] For unincorporated areas Family Poverty Rate will be calculated based on data at the township level.

[6] For unincorporated areas percentage population change will be calculated based on data at the township level.

1990 population from the 2000 population and dividing by the 1990 population. Convert this decimal to a percentage by multiplying by 100.

Percentage Population Change = [(2000 population - 1990 population)/1990 population] X 100

o. If the population changed above the maximum percentage value, 0 points are awarded.
p. If the population changed below the minimum percentage value, 50 points are awarded.
q. Between those values, the points are calculated by subtracting 50 from the percentage population change minus the minimum value divided by the range, and multiplied by 50.

Percentage Population Change points = 50 – [(Percentage population change – minimum)/range) X 50]

For example, if the population increased by 16.61%, the minimum value is –61.33% (excluding outliers), maximum value is 181.27% (excluding outliers), range is 242.60%, take 50, subtract 16.61% minus the minimum value of –61.33%, divide the range of 242.60%, and multiply by 50. The score would be 33.94 points out of a total possible of 50; 50 – [((16.61 – (-61.33)/242.60) X 50].

Local Match Contribution (100 points):

Up to 100 points possible based on the percentage of local funds devoted to the project. This total is determined as follows:

Total Match Points = % Eligible Local Match X 2

Eligible local match can be local cash, debt or in-kind sources. Government grants are not considered eligible match. In-kind sources may provide eligible local match for the project, but the amount that can be counted as local match is limited to 5% of the total project budget or a maximum of $25,000. Use of in-kind donations as eligible match requires approval from the Indiana Office of Community and Rural Affairs, Community Affairs Division four weeks prior to application submission.

Project Design Factors (450 points):

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

Project Need - why does the community need this project?
Financial Impact - why is grant assistance necessary to complete this project?
Local Effort - what has/is the community doing to move this project forward?

The project can receive a total of 150 points in each category. The points in these categories are awarded by the IOCRA review team when evaluating the projects. Applicants should work with IOCRA to identify ways to increase their project's scores in these areas.

Project Priority Factors (100 points):

Infrastructure Projects 75 points
Water System Improvements
Sewer System Improvements
Storm water System Improvements
*infrastructure projects constitute 55% of total CFF funding per round

Group A Projects 75 points
Health Facilities
Youth Centers

Group B Projects 60 points
Community Centers
Day Care Centers
Senior Centers
Fire Stations
Libraries
Infrastructure in support of housing
ADA/Handicap Compliance
Other Special Needs Facilities

Group C Projects 45 points
Fire Trucks
Historic Preservation
Downtown Revitalization
Parks/Recreation
Slum/Blight Clearance
*Group A-C projects constitute 45% of total CFF funding per round

Leveraging of Philanthropic Capital 25 points
2% of total Grant amount or $5,000 (whichever is greater) is being funded by Philanthropic capital. Sources include but are not limited to:
County Community Foundation
Lilly Foundation
Kellogg Foundation
University Foundations
Private Endowments

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 CFF 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 – 5 years since previous funding – 50pts
5 – 7 years since previous funding – 25pts

Example:
Community submits and receives a CFF award for a new water tower in Round I of 2002. When applying for a water system upgrade (or a new water tower because the one they purchased failed) in Round I of 2007, they would be subject to a point reduction of 50pts.

COMMUNITY FOCUS FUND

APPLICATION PACKAGE

Community Development Block Grant Program
U.S. Department of Housing and Urban Development

July 2007

Indiana Office of Community and Rural Affairs
Community Development Block Grant Program
One North Capitol, Suite 600
Indianapolis, Indiana 46204
(317) 232-1703, (800) 824-2476

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COMMUNITY FOCUS FUND INFORMATION, PROPOSAL, AND APPLICATION INSTRUCTIONS

OVERVIEW OF THE CFF PROGRAM

The goal of the Community Focus Fund (CFF) program is to encourage communities with eligible populations to focus on long-term community development. To be competitive, projects must demonstrate the following:

- The area to be served has a substantial low- and moderate-income population (51% or greater) or is designated a slum or blighted area by local resolution;
- The particular project addresses the long-term planning and development efforts of the community;
- The funds granted will have a significant impact on the overall project;
- The community has demonstrated a strong commitment to the project; and
- The project is ready to proceed upon grant award and will be completed within 18 months after grant award.

MINIMUM REQUIREMENTS

To be eligible for CFF assistance, projects must meet the following minimum requirements:

- The lead applicant must be a non-entitlement city, county or incorporated town that possesses the legal capacity to carry out the proposed program.
- The lead applicant may apply on behalf of a 501c3 not-for-profit organization for an eligible project, provided that the organization can document its not-for-profit status with the U.S. Internal Revenue Service, the Indiana Department of Revenue, and the Indiana Secretary of State.
- The proposed project must meet a national objective and be an eligible activity under the federal Community Development Block Grant (CDBG) Act. In general, the project must either:
  - benefit an area or clientele whose population is at least 51% low- and moderate-income, or
  - aid in the prevention or elimination of slums or blight.
- If the applicant has previously received Community Focus Funds (CFF), CFF Planning Grant Funds (CFFPG), Community Economic Development Funds (CEDF) or any CDBG Funds through the Indiana Housing and Community Development Authority (IHCDA) the applicant must NOT have:
  - any unresolved monitoring/audit findings;
  - any overdue grant reports or close-out documents;
  - for cities and towns, more than one (1) open CFF or Planning Grant at the time of application;
  - for counties, more than two (2) open CFF and/or Planning Grants at the time of applications
  - an open CFF grant or Planning Grant that has not received Release of Funds;
    - If a community has an open CFF or Planning Grant, the community must have an executed construction contract and be under construction, or a consultant under contract for planning grants before the community map apply for an additional CDBG Grant.
- Any CDBG Program Income accumulated from a previous CDBG grant must be committed for use that has been approved by the Indiana Office of Community and Rural Affairs before another CDBG grant will be approved. Any available Program Income may be used as part of the local match for a CDBG project. Please contact Community Affairs at (317) 232-1703 for additional information regarding Program Income.
- At least 10% of the **total project budget** must be provided by the applicant. This local match must be in the form of cash or debt provided by the applicant or a third party. In-kind contributions and other state or federal grants do not count toward the 10% local match requirement.

MINIMUM REQUIREMENTS (Continued)

- No more than 5% of the total project budget, up to a maximum of $25,000, may be provided by in-kind sources. All requests to use in-kind match must be approved in advance, in writing, by the Indiana Office of Community and Rural Affair's Community Affairs Division. **Written requests and documentation must be submitted to the Director of the Community Affairs Division at least four weeks prior to the application deadline.** The following are considered to be eligible sources of in-kind match:
    - The fair market value of donated land. Land donations by developers, organizations or individuals with financial or ownership interest in the project are ineligible as in-kind match;
    - Volunteer labor calculated at a standard wage rate for the type of skilled construction work to be performed.
    - Donated goods and materials valued at a reasonable market value; and
    - Waived building permit fees, inspection fees, and utility hookup fees, which are established by municipal ordinance or resolution.

  Written requests must include:
    - A letter from the chief elected town or city official;
    - Supporting documentation, including a commitment letter from the donor regarding what is being donated and the value; and
    - In the case of land donation, a copy of the fee appraisal (a review appraisal is not required) and all supporting URA documentation.

  Please contact the Office of Community and Rural Affairs for more information regarding the in-kind match policy.

- For those applicants who have open Planning Grants pertaining to the project, the community must have a final plan approved prior to submission of a CFF application for the project. **The plan must be submitted at least 120 days prior to the application due date**. All issues must be resolved prior to submission of the application.

- Any CDBG program income accumulated from a previous CDBG grant that has not been identified for an approved use by the Indiana Office of Community and Rural Affairs must be spent before another CFF grant will be approved. Any available program income **must** be used as part of the local match for a CFF project.

- All applicants with local CDBG program income revolving loan funds approved by the state may not have more than $50,000 in the local loan fund at the time of application.

- The cost per beneficiary ratio for the proposed project cannot exceed $5,000, except for infrastructure in support of housing projects, which may be up to a $10,000 cost/beneficiary ratio (grant funds only).

- For Fire Protection projects, the Assessed Valuation of the service area must be $100 million or less.

- A single-sided original and four copies of the complete application must be received by the Office of Community and Rural Affairs, Community Affairs Division, by 5 p.m. EST on the due date. Late applications will not be accepted.

ELIGIBLE ACTIVITIES

This list identifies the general types of activities that are eligible for CFF funding. It is not meant to include or exclude any particular project.

Property Acquisition and Disposition
- Surveying and appraisal costs
- Legal costs

Clearance
- Demolition and/or clearance
- Moving of structures

Administration
- Reasonable and eligible costs associated with the administrative requirements of the CDBG portion of the proposed project

Environmental Review
- Costs associated with obtaining necessary review of the proposed project

Public Facilities
- Infrastructure in support of downtown revitalization
- Water lines
- Water treatment facilities
- Sewer lines
- Sewer treatment facilities
- Senior centers/Youth Centers
- Day care centers
- Facilities for the adults with severe disabilities
- Community centers
- Fire stations
- Fire fighting vehicles

MEETING A GOAL OF THE FEDERAL ACT

Title I of the Housing and Community Development Act of 1974, as amended, identifies the national objectives of the CDBG program. CFF projects must meet one of the following national objectives and meet the requirements set out for that objective:

- Benefit at least 51% low- and moderate-income persons;
  - On an area basis; or
  - Of a limited clientele group.

- Aid in the prevention or elimination of slums or blight on either an area or spot basis.

The community will need to demonstrate that it meets each objective by providing all required documentation and answering all relevant questions.

Benefit to Low- and Moderate-Income Persons – Area Basis

To show that a project benefits an area of low and moderate income people, the following questions must be clearly answered in the application on the National Objective Identification page:

1. What are the boundaries of the service area?
2. How do the boundaries correspond to the project's intended beneficiaries?
3. Using HUD Census data or a certified income survey, what percentage of persons in the service area is of low- to moderate-income?
4. How were the income characteristics of the target population determined?
5. Is the proposed facility available to all service area residents?

Income surveys are good for two years from the date of the certification letter. The survey may be re-certified one time for an additional two years. The four-year period during which the income survey may be used is calculated from the date of the first certification letter. The project area must be certified as a single area; two separate previously certified income surveys comprising the total project area will not be accepted.

The following documentation **MUST** be provided in the application:

1. Map(s) showing location and boundaries of service area.
2. If applicable, certification of income survey results by a qualified professional. The methodology of the income survey must also be included.

Benefit to Low- and Moderate-Income Persons – Limited Clientele Basis

There are eight groups of people that are presumed by federal regulations to be of low and moderate income. Those groups are as follows:

- Senior citizens (people who are 62 years of age or older);
- Migrant farm workers;
- Abused children;
- Battered spouses;
- Severely handicapped adults;
- Homeless persons;
- Illiterate adults; and
- Persons with AIDS.

For limited clientele projects serving other persons, benefit to low to moderate income persons must be documented and the census track provided.

For a limited clientele project, these questions will need to be clearly answered in the application on the National Objective Identification page:

1. Who will use the proposed facility? Are the beneficiaries in a group that is presumed to be low- and moderate-income, or will beneficiaries be qualified based on income?
2. Will any other groups or the general public also use the facility? If so, to what extent?
3. If the facility is to be used on an income-eligible basis, how will income and family size information of users be documented? If less than 100% of users are to be of low- to moderate-income, how was the percentage of low- to moderate-income users determined or estimated?

The following documentation will also have to be provided for a limited clientele application:

1. For mixed-use facilities: floor plan showing areas devoted to limited clientele activities.
2. If appropriate, income sliding scale and/or information concerning specific federal and state subsidized programs for the identified limited clientele group.

Prevention or Elimination of Slums or Blight – Area Basis

The following questions must be answered in the application on the National Objective Identification page:

1. What are the boundaries of the area?
2. What are the conditions that cause the area to be considered blighted?
3. What percentages of buildings in the area are deteriorated? How are they deteriorated?
4. What public facilities in the area are deteriorated? Describe this deterioration.
5. How will the proposed project remedy one or more of the blighted conditions described above?

The following documentation to the application must be attached with a slum and blight, area basis application:

1. Municipal resolution passed by governing body that describes boundaries of the specific blighted conditions within the area, and officially designates an area as blighted.
2. Map of area showing location of project activities.

Prevention or Elimination of Slums or Blight – Spot Basis

The following issues must be addressed on the National Objective Identification page:

1. Show the specific blighted or deteriorating structure that will be affected by the proposed project.
2. Provide a detailed description of conditions to be remedied by the proposed project, accompanied by a detailed statement of activities to address those conditions.

The following documentation to the application must be attached with a slum and blight, spot basis application:

1. Municipal resolution passed by governing body that describes the blighted or deteriorating structure, including a legal description, and officially designates the structure as blighted under a spot basis.

Spot basis slum/blight projects are limited to five project activities: acquisition, relocation, clearance, historic preservation and limited rehabilitation to correct specific conditions detrimental to public health and safety**. Please note a spot basis blight project must not be located within a designated blight area**.

INELIGIBLE PROJECTS

This list is not meant to be all-inclusive; questions about a specific project should be directed to the Community Development Division. The following is a list of **some** of the projects that are not eligible for CFF funding:

- The acquisition, construction or rehabilitation of buildings for the general conduct of government;
- Real property acquisition for ineligible activities;
- General equipment purchase;
- Operation and maintenance expenses associated with public facilities or services;
- General government expenses;
- Political activities of any nature;
- Project contingency fees; or
- The direct construction of new housing.

PROJECTS COMBINING ELIGIBLE AND INELIGIBLE ACTIVITIES

Depending on a community's needs, it may be appropriate for a project to combine CDBG eligible and ineligible activities. Such a project may still be eligible for CFF funds, provided that the budget clearly delineates the costs of the eligible and ineligible activities, that CFF funds do not pay for any ineligible activities, and that local funds comprise at least 10% of the cost of the eligible portion of the project.
Please consult Community Development for further guidance.

AMOUNT OF GRANT REQUEST

The Indiana Office of Community and Rural Affairs (IOCRA) has established a maximum grant award of **up to $500,000** for a Community Focus Fund application. Funding for Fire and EMS Stations is capped at $350,000. Funding for fire trucks is capped at $150,000. **The maximum award is not intended to serve as a target figure for requests for grant assistance**. IOCRA will review the level of grant assistance requested and will consider the appropriateness of the project's scope, the level of demonstrated need and the financial resources of the applicant. **If IOCRA determines that a lesser amount is appropriate, it may be necessary to revise the project before it is submitted in final form.**

CONSULTANTS & GRANT ADMINISTRATION

The procurement process required for the Community Development Block Grant (CDBG) programs is called Qualifications Based Selection (QBS) for architectural and engineering services, and Request for Proposal (RFP) for all other services.

All grant administrators involved in CDBG projects must have successfully completed, or successfully tested out of, the CDBG Grant Administrator Training Course. This certification must be current at the time of application. A list of such grant administrators can be provided upon request by going to http://www.in.gov/ocra .

PUBLIC HEARINGS

Two public hearings must be held at different stages of project development. One public hearing must be held prior to submission of the proposal and the second must be held prior to the submission of the full application. Note: new public hearings must be held each round, regardless of prior application.

State law describes how the public must be notified of public hearings. The advertisements of the public hearings must:

- Be placed in one newspaper of general circulation in the area where the project is to be implemented, AND
- Be published at least 10 calendar days before the date of the public hearing.

A sample public hearing notice, which shows all of the legally required information to be included, is provided on page 54.

Applicants should be aware of local newspaper deadlines for submitting advertisements. Some smaller newspapers are published weekly, and will require that the advertisement is placed well in advance of the public hearing.

Other methods of advertising the public hearing are also encouraged. All public hearings must be accessible to handicapped persons. Public hearings should also be made convenient to the low- and moderate-income residents who will benefit from the project.

Copies of the public hearing notice and the publisher's affidavit documenting the publication must be attached to the proposal. The public hearing notice and the **original publisher's affidavit** documenting publication dates for each public hearing must be attached to the application. The affidavits are the **only** application document accepted after the application due date. **The affidavits must be received within 14 days of the application due date.**

Minutes of the public hearing, including a dated sign-in sheet of people who attended the hearing, **must** be included with the proposal and application. **Minutes must be signed and dated by the party that recorded them.** *If a third party, such as a grant administrator, takes the minutes of the meeting, the applicant **must** include a document stating that the third party is acting as its representative.* It is recommended that an audio tape of the public hearing be recorded and kept until the grant is closed out. IOCRA may request transcripts of the public hearings.

APPLICATION PROCESS

There are two steps to the application process: the proposal stage and the application stage. The proposal stage allows the IOCRA to conduct a site visit with the community and also ensures that the applicant can correct any problems in the application before it is submitted.

Applicants should be aware that preparation of a full application is a complex procedure requiring a substantial investment of time and resources. Generally, many more applications are received in a grant cycle than can be funded. Applicants are strongly urged to take advantage of the assistance of the IOCRA Community Affairs Division so the best possible application may be submitted.

PROPOSAL AND APPLICATION SUBMISSION

One original proposal and two (2) copies must be received in the CDBG office by 5:00 p.m. EST on the proposal due date.

One original application and four (4) copies must be received in the CDBG office by 5:00 p.m. EST on the application due date.

The original must bear the original signature of the chief elected official of the lead applicant and must be single-sided. **Late submissions or faxed proposals and applications will not be accepted.**

Each copy of the application must be complete, including all forms and attachments. No full-size architectural drawings or blueprints will be accepted. Please reduce necessary attachments to no larger than 8 1/2 X 11.

Proposals/Applications should be sent or delivered to:

Indiana Office of Community and Rural Affairs
Community Affairs Division
One North Capitol, Suite 600
Indianapolis, IN 46204
(317) 232-1703
1-800-824-2476

HOW TO COMPLETE THE FORMS

PROJECT NARRATIVE

There are four narrative sections of the application:

- Project Description;
- Project Need;
- Financial Impact; and
- Local Effort.

Documentation that supports the narrative must be provided in the appendices. Please be sure to reference the location of each piece of documentation. Attachments that are neither discussed nor referenced in the narrative **should not be included**.

Please answer the questions in each section completely. Also, refer to the documents in the final section of this application package titled "CFF Project Development Issues" for guidance on what IOCRA is looking for when reviewing applications for different project types. Addressing the issues identified for a specific project type will improve the competitiveness of the application.

When filling out the rate information for infrastructure projects, in the "Rate information with CFF funds" box, please provide a realistic picture of what the rates actually will be with the proposed CFF project. Communities are encouraged to utilize professional rate consultants to help them determine a rate structure that will allow them to fund and maintain their systems into the future. Then, use the gap calculation worksheet to determine how much further the rates would need to be increased if the applicant would have to finance the grant amount. This is the "gap". It is important to use our standard assumptions and our worksheet (Page 34) when calculating the gap.

PROJECT COMPLETION TIMETABLE

In chronological order, what are the critical accomplishments that must occur for the project to be completed? When will property be acquired? When will design work be finished? When will necessary permits be obtained? When will any required project financing be finalized? When will construction be started? Completed? (See sample timetable, page 52.)

PROJECT BUDGET

The Project Budget table on page 25 must be completed, with a more detailed, itemized project budget immediately following. The itemized project budget **MUST** provide as much specific information on project expenditures, from all funding sources, as is available. A sample Itemized Project Budget page is included (page 53). The level of detail shown in the sample is representative of what is expected.

When the sources of local match are requested, it is unacceptable to identify funding as "local" or "private"; specific funding sources must be identified: "General Fund," "Revenue Bond Issue," "XYZ Foundation Grant," etc. It is also not permissible to identify an activity as being funded by "CFF and Local." Specific dollar amounts for each line item must be attributed to each specific funding source.

NATIONAL OBJECTIVES IDENTIFICATION

The National Objectives Identification Form is included to ensure that the project meets an objective of the federal CDBG program. On this page, all applicants **must check one** of the national objectives, indicate the low- and moderate-income percentage of the area to be served by the project, and provide information regarding how the project meets the selected national objective.

The questions that must be answered to demonstrate how the project meets the national objective begin on page 3, under "Meeting a Goal of the Federal Act." Slum/Blight projects must also complete page 28. The applicant must also list the census tract number(s) for the census tract(s) covered by the project area. This information can be found at either of the following web-sites: www.census.gov or www.stats.indiana.edu .

BENEFICIARIES FORM

The Beneficiaries Form is included to provide information on the demographic make-up of the people who will benefit from the project. This information is used by the Indiana Office of Community and Rural Affairs for reporting purposes.

This information is available from published U.S. Census reports available at many libraries or on the web at www.stats.indiana.edu. In those instances where the target population does not correspond to the population of a county, city or town, much of the requested information will have to be extrapolated from these U.S. Census reports. This is done by applying the percentages for county populations to the target population to derive numbers under each category. The number and percentage of low- and moderate-income persons should be taken either from HUD low- and moderate-income level data or from income survey results.

The Beneficiaries Form reflects the categories and format that HUD now expects to be reported. A special web page is available at www.stats.indiana.edu that can assist grant administrators in filling out this page. Please contact Grant Services for further information.

Please make certain to provide information about persons, not families. Only in instances where different project activities have different beneficiaries (example: a project consisting of a water line extension and a new water tower for the entire system) does information need to be reported under more than one "activity description." In such instances, the numbers reported under each column should correspond to the groups benefiting from the respective activities.

In the event a community conducts an income survey, the number represented on the Beneficiaries Form should correspond to the results of the survey.

CITIZEN PARTICIPATION REPORT

The Citizen Participation Report requests a summary of the methods used to solicit public participation in the development of the proposed project. Specific information regarding what is required on this page is listed under "Public Hearings" on page 6.

Other methods of soliciting public participation, such as letters to affected residents, fliers, public posting of notices, electronic and print media coverage, etc., are also recommended. These other methods should take into consideration the needs and circumstances of low- and moderate-income persons. Describe such methods used in item #2 of the Citizen Participation Report. Any comments or complaints received, and the actions taken and responses made to such comments or complaints, must be recorded in item #3.

READINESS TO PROCEED CERTIFICATION

All applications for CFF funds must include a certification of readiness to proceed. The certification must be executed where applicable by the applicant's chief elected official, environmental review specialist, project architect, project engineer and legal counsel. The Readiness To Proceed Certification is provided on pages 35-38.

DISPLACEMENT ASSESSMENT AND DISPLACEMENT PLAN

All applicants are required to complete the Displacement Assessment Form and a Displacement Plan even if no displacement will occur as a result of the proposed project. Where no displacement is anticipated, the Displacement Assessment Form (page 39) is completed by simply checking the "N/A – No displacement will occur" line at the top of the form. Where displacement is expected as a result of the project, items 1-4 must be completed. It is important to realize that the standards for benefits that must be provided to displaced persons are determined by federal legislation, are rigorous, and apply to all CDBG-assisted projects. These requirements may apply even if the displacement occurred prior to the application for CDBG assistance.

A Displacement Plan must be developed <u>even if no displacement is expected</u>. The sample Local Displacement Plan included on page 58 may be used as a guide; it addresses the minimum requirements established. **When displacement is anticipated to occur, the applicant should seek the advice and technical assistance of Grant Services.** More detailed provisions of displacement benefits that must be provided are available on request.

ASSURANCES AND CERTIFICATIONS

Immediately preceding the space for the signature of the chief elected official is a list of assurances and certifications. By affixing his or her signature to the application, the chief elected official is committing the applicant to comply with these assurances if grant assistance is approved. The assurances and certifications must be signed and dated by the chief elected official of the lead applicant. For cities, the chief elected official is the mayor; for towns, it is the president of the town council; for counties, it is the president of the county commissioners.

At a minimum, the chief elected official and/or the corporate counsel should read the assurances and understand the provisions to which the applicant is agreeing. Questions concerning the provisions of any of the assurances and certifications may be directed to Community Development.

CIVIL RIGHTS CERTIFICATION

In addition to the Assurances and Certifications section, the Civil Rights Certification has been included to certify that the local unit of government shall follow all necessary federal civil rights requirements.

FEDERAL DISCLOSURE REQUIREMENTS OF APPLICATIONS

Applicants who have received or expect to receive $200,000 or more in Community Development Block Grant funds will be required to disclose certain information periodically.

All applications for CDBG assistance must include the following information:

- Assistance from other government sources in connection with the project;
- The financial interest of persons in the project;
- The sources of funds to be made available for the project;
- The uses of all project funds; and
- Applications received from units of local government will be made available for public inspection for a period of five years, beginning not less than 30 days after award of assistance.

Proposal Completion Checklist

While helpful, appendices are not required at the proposal stage. With the exception of the income survey information, **only** the requested information will be reviewed by the CDBG staff. If supplemental information is submitted, please follow the organizational outline in the Application Checklist.

Please place the information in the proposal in the following order so that the CDBG Staff can review the information efficiently.

☐ Cover Sheet	☐ **IS THIS THE VERY FIRST PAGE OF THE PROPOSAL** ☐ All blanks completed ☐ Line 7 is at least 10% of line 10
☐ Application Narrative	☐ Project Description page ☐ Project Need page ☐ Financial Impact page ☐ Local Effort page
☐ Proposed Budget Page	☐ Detailed budget page ☐ All sections completed ☐ All numbers add up
☐ National Objective Form	☐ Appropriate national objective indicated ☐ Answered all questions related to the selected national objective, as listed on pages 3-4 of the application package ☐ Slum/Blight Project page included, as appropriate
☐ Beneficiaries Page	☐ Do the numbers add up? ☐ If applicable, do numbers correspond to survey results? ☐ The CFF request divided by the total number of beneficiaries does not exceed $5,000 ($10,000 for infrastructure in support of housing projects) ☐ If survey not yet complete/certified, provide status
☐ Readiness Status	☐ Status information provided for each category
☐ Citizens Participation	☐ Copy of publisher's affidavit ☐ Was ad at least 10 days prior? ☐ Attach **verbatim** minutes of public hearing ☐ Attach list of attendees

☐ CHIEF ELECTED OFFICIAL'S ORIGINAL SIGNATURE AT THE BOTTOM OF THE CITIZENS PARTICIPATION PAGE

Application Completion Checklist

Please ensure that all the following information is included with the application.

Please place the information in the application in the following order so that the Community Development Staff can review the information efficiently. Use tabs or some other mechanism (tabs are preferred) to separate appendices and number pages for easy referencing.

- ☐ Cover Sheet
  - ☐ **IS THE VERY FIRST PAGE OF THE APPLICATION**
  - ☐ All blanks completed
  - ☐ Line 7 is at least 10% of line 10
- ☐ Contact Information Sheet
  - ☐ Must be completed for notification of awards
- ☐ Table of Contents for Application
- ☐ Application Narrative
  - ☐ Project Description page
  - ☐ Project Need page
  - ☐ Financial Impact page
  - ☐ Infrastructure page
  - ☐ Local Effort page
- ☐ Project Completion Timetable
  - ☐ Corresponds to sample
  - ☐ Is less than 18 months
- ☐ Project Budget
  - ☐ Numbers add up
  - ☐ All budgets in agreement
  - ☐ Corresponds to cover page and narrative
- ☐ National Objective Form
  - ☐ Appropriate national objective indicated
  - ☐ Answered all questions related to the selected national objective
  - ☐ Slum-Blight Projects page included, as appropriate
- ☐ Beneficiaries Form
  - ☐ Do the numbers add up?
  - ☐ If applicable, do numbers correspond to survey results?
  - ☐ The CFF request divided by the total number of beneficiaries does not exceed $5,000 ($10,000 for infrastructure in support of housing projects)
- ☐ Citizens Participation
  - ☐ Original publisher's affidavits for both public meetings
    - ☐ Was ad at least 10 days prior?
    - ☐ Attach minutes of both public hearings
    - ☐ Attach list of attendees for both hearings
  - ☐ Documentation of third party authorization
- ☐ APPENDIX A: Applicant Information
  - ☐ Subrecipient/Interlocal agreement
- ☐ APPENDIX B: Project Description Documentation
  - ☐ Pre-engineering report excerpts, drawings, maps, as appropriate
  - ☐ Flood plain map, if located in 100-year flood plain
  - ☐ Draft sub-recipient agreement, if applicable
  - ☐ Sub-recipient not-for-profit status documentation, including Federal designation from the IRS, Indiana Dept. of Revenue certification, and certificate of good standing from the Secretary of State
- ☐ APPENDIX C: Project Need Documentation
  - ☐ <u>Color copies of any pictures provided for all copies of the application</u>
- ☐ APPENDIX D: Financial Impact Documentation

- ☐ Copies of rate structure
- ☐ History of recent rate increases
- ☐ Rate study or rate worksheet
- ☐ Ending fund balances for lead applicant as well as sub-recipient. DO NOT INCLUDE ALL BUDGET PAGES.
- ☐ Budget of sub-recipient, if any
- ☐ Five-year project pro-forma, if applicable
- ☐ County advertised tax sheet

☐ APPENDIX E: Infrastructure

☐ APPENDIX F: Local Effort Documentation

☐ APPENDIX G: Project Completion Timetable

☐ APPENDIX H: National Objective Info

- ☐ Maps
  - ☐ Boundaries of jurisdiction shown
  - ☐ Project area shown as well as service area
  - ☐ Service area corresponds to survey area
- ☐ Income Survey information
  - ☐ Description of survey methodology
  - ☐ Copy of sample survey form
  - ☐ Copies of written survey material (instructions, etc.)
  - ☐ Map of survey area
  - ☐ Survey results analysis form
  - ☐ Certification letter
- ☐ Slum and Blight Declaratory Resolution (if applicable)

☐ APPENDIX I: Readiness information

- ☐ Readiness to proceed certification, signed in all appropriate places
- ☐ Financing information/local match documentation
- ☐ Municipal Resolution authorized by governing body committing local match
- ☐ Environmental Review information (include a completed Form 5 from the CDBG Grantee Implementation Manual)
- ☐ Permit information
- ☐ Site Control information
- ☐ In-Kind Documentation

☐ APPENDIX J: Legal information

- ☐ Displacement Assessment
- ☐ Displacement Plan (see sample)
- ☐ Assurances and Certifications
  - ☐ Original signature of Chief Elected Official
- ☐ Civil Rights Certification
  - ☐ Original signature of Chief Elected Official
- ☐ Cooperation Agreements (if applicable)
- ☐ Multi-jurisdictional (if applicable)
  - ☐ Assurances and Certifications for each jurisdiction
  - ☐ Citizen participation for each jurisdiction
  - ☐ Two (2) hearings held for each jurisdiction
  - ☐ Displacement Plans and Assessments for each jurisdiction
  - ☐ Legal opinions for each jurisdiction affirming inter-local cooperation agreement
- ☐ Resolution for each jurisdiction
- ☐ Disclosure Report

APPLICANT INFORMATION
(APPENDIX A)

LEAD (LEGAL) APPLICANT:
CHIEF ELECTED OFFICIAL (NAME & TITLE):
MAILING ADDRESS:
CITY: COUNTY: CDBG County Code:
ZIP: PHONE: FAX:
E-MAIL:
CHIEF FINANCIAL OFFICER (NAME & TITLE):
PHONE: EMAIL:
FEDERAL I.D. /TAX NUMBER:

SUBRECIPIENT (if applicable):
CHIEF EXECUTIVE OFFICER:
MAILING ADDRESS:
CITY:
ZIP: PHONE: FAX:
E-MAIL:
FEDERAL I.D. /TAX NUMBER:
Attach and reference appropriate subrecipient and interlocal agreements (Appendix A-1).

GRANT ADMINSTRATOR:
ORGANIZATION:
ADDRESS:
CITY:
ZIP: PHONE: FAX:
E-MAIL:
DATE OF MOST RECENT CERTIFICATION FROM IOCRA

PROJECT TITLE:

PROJECT ABSTRACT:

LMI % OR SLUM BLIGHT POINTS:
(THIS CAN BE FOUND ON NATIONAL OBJECTIVE PAGE)

OF BENEFICIARIES:

PROJECT FUNDING SOURCES

	Amount
1. Community Focus Fund Request	
2. Lead and/or Joint Applicants	
3. Private and or Local Grants	
4. Loans	
5. In-Kind Match (5% of total max.)	
6. CDBG Program Income	
7. **TOTAL MATCH** (add lines 2-6)	
8. Other Government Grants	
List sources:	
9. Other Grants	
10. **TOTAL PROJECT COST** (add lines 1 & 7-9)	

APPLICANT INFORMATION
CONTINUED

LIST GRANT ADMINISTRATOR:

METHOD OF PROCUREMENT (check one): RFP☐ Local Funds ☐ Not Yet Procured ☐ NA☐

LIST ARCHITECT/ENGINEER:

METHOD OF PROCUREMENT (check one): QBS☐ RFP☐ Local Funds ☐ Not Yet Procured☐

FAIR HOUSING ORDINANCE (check one): On file with IOCRA☐ Attached (Appendix A-2) ☐ None☐

DRUG FREE WORK-PLACE POLICY (check one): On file with IOCRA ☐ Attached (Appendix A-3) ☐ None☐

MBE PROGRAM PARTICIPATION PLANNED? (check one): Yes ☐ No ☐

Did the Community receive a CDBG Planning Grant pertaining to this project? Yes ☐ No ☐

If yes, what is the grant number for that plan?

In what Indiana Senate District is this project?
State Senator representing this district:

In what Indiana House of Representatives District is this project?
State Representative representing this district:

Is the project site within a certified "Clean City" by IDEM?

APPLICANT CONTACT INFORMATION SHEET
CONTINUED

Please provide the following contact information so that OCRA may notify you of status of grant award in a timely manner.

PRIMARY CONTACT NAME:
PHONE: MOBILE: FAX:
HOME: E-MAIL:

SECONDARY CONTACT NAME:
PHONE: MOBILE: FAX:
HOME: EMAIL:

SUBRECIPIENT CONTACT NAME (if applicable):
PHONE: MOBILE: FAX:
E-MAIL:

GRANT ADMINSTRATOR:
PHONE: MOBILE: FAX:
HOME: E-MAIL:

PROJECT DESCRIPTION

(APPENDIX B)

1) Describe the proposed project. Attach (Appendix B-1) and reference a summary or abstract of preliminary engineering reports, building plans, scaled drawings and dimensions, cost estimates, feasibility studies, etc.

2) Explain plans for the ongoing maintenance and repair of the completed project (sewer/water system, building, vehicle, etc.). What entity will be responsible and how will work be funded? How much will be set aside each year for this purpose and in what type of fund?

3) Upon completion of this project what measure will be used to determine the effectiveness of the project (e.g. removal from sewer connection ban, improvement in ISO rating, etc.)?

4) If applicable, please identify the roles and responsibilities of the applicant and the sub-recipient. Also, attach (Appendix B-4) documentation for the 501 (c) designation in Appendix One.

5) Is the project located within a 100-year flood plain? ☐ Yes ☐ No

6) Has this project been submitted in a prior round? ☐ Yes ☐ No

7) If yes, please describe everything that has changed in the project description since the most recent submission.

PROJECT NEED

(APPENDIX C)

1) How do the proposed improvements address the needs of the community and proposed projects? Please be as specific as possible providing dates and other details as appropriate (e.g. IDEM documentation, photos, letters from knowledgeable authorities, government agency documentation, testing results, etc.). (Appendix C-1)

2) Why is this project the highest priority for the community? Explain how this priority was determined.

3) Describe the short and long-term benefits this project will have on the community.

4) FOR FIRE PROTECTION PROJECTS ONLY -- What is the ISO rating of the community? Include the average number of runs for the last three years and a list of volunteer firepersons and their training levels. Attach and reference documentation (Appendix C-4).

5) FOR WATER, SEWER, STORM WATER PROJECTS ONLY -- Is your community under an enforcement action by another government agency?
Yes☐ No☐

If yes, please summarize how this impacts the project. Attach and reference documentation (Appendix C-5).

6) Has this project been submitted in a prior round?
Yes☐ No☐

7) If yes, please describe everything that has changed in the project need since the most recent submission.

FINANCIAL IMPACT
(APPENDIX D)

1) Annual operating budget of the lead applicant: $

2) Total indebtedness of the lead applicant: $

3) Total property tax rate (in dollars):
Attach and reference the county advertised tax sheet (Appendix D-3).

4) Annual operating budget of the sub-recipient, if applicable: $

5) Total indebtedness of the sub-recipient, if applicable: $

6) FOR FIRE PROTECTION PROJECTS ONLY: What is the Assessed Valuation for the Fire Protection Area:

Attach map of service area and auditors letter for Assessed Valuation. (Appendix D-6)

7) Describe the funding package put together for this project. Identify the sources and amounts of match, as well as any requirements associated with the funding sources. For any loans, indicate the source of collateral, if any, and the repayment plan.

8) Describe why this funding package is the best choice for the project, as opposed to other funding options. Identify all other resources investigated and why those resources were not utilized.

9) Explain <u>any</u> ending fund balances in the applicant's and sub recipient's budget.

10) Explain the financial condition of the applicant and if necessary the subrecipient and why they cannot afford the project without grant assistance.

FINANCIAL IMPACT (CONTINUED)

11) Describe other issues, unrelated to this project, that have demanded the community's resources over the past 3-5 years, as well as any known projects scheduled for the next year. Please quantify the community's investment of time or finances.

12) Describe past and current efforts to address the problem locally. Quantify any investment, of time and finances, which the community has already made to address the issue.

13) Has this project been previously submitted in a prior round?
Yes☐ No☐

14) If yes, please describe everything that has changed in the financial impact section since the most recent submission.

Attach (Appendix D-14) and reference the last annual budget of the lead applicant, and if necessary the subrecipient, showing the ending fund balances. The unit of local government's annual report (CTAR or CAR) is suggested.

Also include (Appendix D-15) the five year project pro forma for all public facilities.

INFRASTRUCTURE

(APPENDIX E)

Answer the following questions ***for <u>water, wastewater, and storm drainage projects ONLY</u>.***

Rate information:

	CURRENT RATES	WITH CFF FUNDS	WITHOUT CFF FUNDS
Water rate for 4,000 gallons			
Sewer rate for 4,000 gallons			
Stormwater fee/assessment			
Combined rate for 4,000 gallons			

1) Total number of users on the system:

2) The gap for this project is $. The gap must be calculated using the IOCRA rate calculation worksheet.

	Year current ordinance was passed	Year previous ordinance was passed	Change in rates (in dollars)
Water Ordinance			
Sewer Ordinance			

Attach and reference the most recent water and sewer rate ordinances.

3) Describe your rate history and what impacts this project will have on current rates.

INFRASTRUCTURE

(CONTINUED)

Provide the following information on the *existing* system for which the application is being submitted:

	Age	Capacity	Ave. Daily Flow/Usage	Max. Daily Flow/Usage	Date and type of most recent improvement
Sewer					
Water					

4) If new sewer or water lines are being installed as part of the project, describe the plans that are in place for undeveloped land around new lines.

LOCAL EFFORT

(APPENDIX F)

1) What type of formal, long-range planning has this community completed? Explain how this project fits in with this planning.

2) Was a regional approach to addressing this issue used? Please explain.

3) Describe the public participation during the development of this project. Reference and include information (e.g. meeting minutes, sign-in sheets, summaries, etc.) from any public hearings, meetings, surveys, etc. (Appendix F-3)

4) Excluding this project, what other projects, programs or amenities does the community offer that address the community's quality of life (e.g. civic programs, organizations, general community activities, parks, recreation, etc.)?

5) Has this project been submitted in a prior round?
Yes☐ No☐

6) If yes, please describe everything that has changed in the local effort section since the most recent submission.

PROJECT COMPLETION TIMETABLE

Beginning with the application submission date, outline below a reasonable timetable for project completion. Include all significant milestones, emphasizing those related to plans, permits, bids, contracts, financing, acquisition of property, construction, and completion.

PROJECT BUDGET

Please complete the table below. **Also, immediately following this page, attach itemized cost estimates for each line item.*** For assistance, see the Sample Itemized Project Budget on page 53 of the CFF Application Package.

TOTAL SOURCE OF FUNDS

ACTIVITY	CFF	LOCAL	IN-KIND/ INELIGIBLE	TOTAL
Construction Costs				
Professional Fees				
Labor Standards ($5,000 max)				
Land Acquisition (if any)				
Environmental Review				
Administration (Max 8% of CFF)				
TOTAL				

* Do **not** include any miscellaneous, contingency, general costs, etc. in budget.

List sources of local match and leveraged funds:
(Documentation of financial commitments from all sources is required)

Source	Amount
TOTAL LOCAL LEVERAGE	

1) Source(s) of local match:

NATIONAL OBJECTIVE IDENTIFICATION

(APPENDIX H)

CHECK ONLY ONE OF THE NATIONAL OBJECTIVES BELOW. ALL PROJECTS MUST PROVIDE ALL INFORMATION REQUESTED ON THIS PAGE.

Benefit to Low- and Moderate-Income Persons

☐ Area Benefit ☐ Limited Clientele ☐ Housing ☐ Jobs

Prevention or Elimination of Slums or Blight

☐ Area Basis ☐ Spot Basis

1) List percentage of population of low- and moderate-income persons served by this project: %

2) Source: ☐ 2000 Census Data or ☐ Income Survey (attach and reference (Appendix I-2) income survey)

3) Date of first income survey certification letter

4) Date of second income survey certification letter, if appropriate

5) List the census tract number(s) that are included in the project area:

6) List the census tract block group(s) that is included in the project area

7) Below, explain your selection of the above H.U.D. National Objective. REFER TO PAGES 3 OF THE INSTRUCTIONS FOR QUESTIONS TO BE ADDRESSED REGARDING THE NATIONAL OBJECTIVE SELECTED.

NATIONAL OBJECTIVE IDENTIFICATION: SLUM/BLIGHT PROJECTS

(APPENDIX I)

Please check the statements that are appropriate for your project. Attach documentation in the National Objective Appendix (Appendix J) supporting your selections.

☐ Slum/Blight Area or Spot designated by resolution of the local unit of government (50 points)

☐ The applicant is an Indiana Main Street Community, and the project relates to downtown revitalization (5 points)

☐ The project site is a Brownfield* (5 points)

☐ The project is located in a designated redevelopment area under IC 36-7-14 (5 points)

☐ The building or district is listed on the Indiana or National Register of Historic Places (10 points)

☐ The building or district is eligible for listing on the Indiana or National Register of Historic Places (5 points)

☐ The building or district is on the Historic Landmarks Foundation of Indiana's "10 Most Endangered List" (5 points)

* The State of Indiana defines a Brownfield as a parcel of real estate that is abandoned or inactive; or may not be operated at its appropriate use; and on which expansion, redevelopment, or reuse is complicated because of the presence or potential presence of a hazardous substance, a contaminant, petroleum, or a petroleum product that poses a risk to human health and the environment.

BENEFICIARIES

Items 11-20 MUST add up to the number of people as well as low/moderate and non-low/moderate columns!

Project Title:

Total Beneficiaries (all activities):

		Total	Of the total population in the service area how many are Hispanic?	Activity Description
	Number of People			
SINGLE RACE	11 Number of Whites			
	Percent			
	12 Number of Blacks / African Americans			
	Percent			
	13 Number of Asian			
	Percent			
	14 Number of American Indian / Alaskan Native			
	Percent			
	15 Number of Native Hawaiian / Other Pacific Islander			
	Percent			
MULTI RACE	16 American Indian / Alaskan Native & White			
	Percent			
	17 Asian & White			
	Percent			
	18 Black / African American & White			
	Percent			
	19 American Indian / Alaskan Native & Black / African American			
	Percent			
	20 Balance / Other			
	Percent			
	Number of Handicapped			
	Percent			
	Number of Elderly People			
	Percent			
	Number of Female-headed Households			
	Percent			
	Number of Low/Moderate-Income People			
	Percent			
	Number of Non-Low/Moderate People			
	Percent			

BENEFICIARIES

Number of households receiving **new** assistance:	
Number of households receiving **improved access or service:**	
Number of households that will **no longer have substandard service** upon completion of the project:	

READINESS STATUS

THIS PAGE IS ONLY FOR PROPOSALS

Please discuss the current status of your project in meeting each of the following readiness criteria. For activities not yet complete, outline the remaining steps. Refer to the "Readiness to Proceed Guidelines" (Appendix 4) for information on what needs to be completed at the time of application.

Financing

Preliminary Engineering/Architectural Plans

Environmental Review

Permits

Site Control

CITIZEN PARTICIPATION REPORT

1. Complete the following:

CFF information to the public	Date
Notice of first public hearing	
Date of first public hearing	
Notice of second public hearing	
Date of second public hearing	

2. Describe the methods used to solicit participation of low- and moderate-income persons:

3. Denote any adverse comments/complaints received and describe resolution:

Please attach the following:

* Copy of publisher's affidavit of all public notices.
* Signed minutes of the public hearings including a sign-in sheet of attendees.
* Copy of response(s) to comments and/or complaints.

** If a third party, such as a grant administrator, takes the minutes of the meeting, the applicant must include a signed letter stating that the third party is acting as its representative.

I certify that submission of this **proposal** has been duly authorized by the governing body of the applicant; that the applicant has the legal capacity to carry out the proposed project; that the proposed project is designed to meet the identified housing and community development needs of the community, including those of low- and moderate-income persons; and that the proposed project will minimize the need for displacement of businesses and families and provide reasonable benefits for those displaced. I also certify that the proposed project will be completed within eighteen (18) months of contract award, if approved.

_____

Signature, Chief Elected Official Date

Typed Name and Title:

Please attach the following:

* Copy of publisher's affidavit of all public notices.
* Signed minutes of the public hearings including a sign-in sheet of attendees.
* Copy of response(s) to comments and/or complaints.

** If a third party, such as a grant administrator, takes the minutes of the meeting, the applicant must include a signed letter stating that the third party is acting as its representative.

I certify that submission of this **application** has been duly authorized by the governing body of the applicant; that the applicant has the legal capacity to carry out the proposed project; that the proposed project is designed to meet the identified housing and community development needs of the community, including those of low- and moderate-income persons; and that the proposed project will minimize the need for displacement of businesses and families and provide reasonable benefits for those displaced. I also certify that the proposed project will be completed within eighteen (18) months of contract award, if approved.

_____

Signature, Chief Elected Official Date

Typed Name and Title:

IOCRA GAP CALCULATION WORKSHEET

This worksheet will allow you to quickly calculate the monthly rate impact on your utility customers that would result from financing your project without CFF grant assistance. This worksheet is not intended to substitute for a true rate analysis, but allows IOCRA to evaluate the impact of grant funds on all communities in a consistent way.

Costs without CFF

1. Grant Amount Requested ____ _____

2. Debt Coverage Factor ____ _____
(assume 25%)

3. Total Funds Needed ____ _____
(multiply line 1 by 1.25)

4. Amortization Constant ____.00633_____
(4.5% APR)

5. Monthly Payment ____ _____
(multiply line 3 by line 4)

6. O/M Cost Factor ____ _____
(multiply line 5 by .05)

7. Total Monthly Costs ____ _____
(add lines 5 and 6)

8. Number of Users ____ _____

9. Monthly Rate Impact ____ _____
(divide line 7 by line 8)

The result on line 9 should give you the amount that your community would have to increase the monthly rate charged to each customer without CFF grant assistance, given the above assumptions. This is the "gap", which is the amount by which grant funds will reduce or "buy down" your utility rates. <u>This amount added to the actual rates anticipated with CFF funds will give you the rates needed "without CFF funds".</u>

READINESS TO PROCEED CERTIFICATION

The (City/Town/County of), hereinafter referred to as "Applicant", submits this certification to the Indiana Office of Community and Rural Affairs, hereinafter referred to as "IOCRA" respective to the Applicant's application to IOCRA for federal Community Development Block Grant (CDBG) funding from IOCRA's Community Focus Fund Program, hereinafter referred to as "CFF". This certification is submitted to IOCRA to assure that the Applicant has attained sufficient readiness in order to complete the subject project within eighteen (18) months after award of the CFF grant by IOCRA. The Applicant warrants that the project will be completed within eighteen (18) months following CFF grant award, and herein indicates the level of readiness-to-proceed respective to the following areas:

* Project Financing
* Completion of required environmental review process
* Project engineering and/or architectural services
* Control of all interests in real property necessary to complete the project (site control)
* Obtaining necessary local, state and federal permits to complete the project

Project Financing

As Chief Elected Official (CEO) of the Applicant, I hereby certify that all non-CFF sources of funding necessary to carry out the project as listed in the project application have been secured and are available for expenditure immediately upon full execution of the CFF grant agreement between Applicant and IOCRA, and subsequent release of funds by IOCRA. I further certify that all such project matching funds will be placed into, and disbursed from, a separate special fund in accordance with I.C. 36-1-8-12, as amended by House Enrolled Act 1542 of the Acts of the 1997 General Assembly. Pertinent comments respective to this certification are indicated below.

_____

Typed Name and Title Signature

Date: , 20

(List any comments regarding this section here)

Status of Required Environmental Review Process

As Chief Elected Official (CEO) of the Applicant, I hereby certify that the subject project activity will require the following type of environmental review respective to 24 CFR Part 58:

Fill in the type of activity (i.e., exempt, categorical exclusion, environmental assessment):

Except for an exempt activity, I further certify that all applicable local, state and federal agencies have been contacted in writing and the present status of the environmental review process for this project is as follows (complete all that apply):

YES	N/A	
☐	☐	All agencies have been contacted and all responses by these agencies have been received - no negative environmental comments received.
☐	☐	All agencies contacted - all responses received - negative environmental comments received - mitigation necessary; actions necessary to mitigate negative environmental concerns are as follows: (list actions)
☐	☐	All agencies contacted - no negative environmental comments received from commenting agencies; comments still pending from following agencies: (list agencies)
☐	☐	The Indiana Department of Natural Resources has required that an archaeological reconnaissance be conducted, and this reconnaissance has been conducted, and no negative findings resulted there from; OR, negative findings resulted and the following mitigation steps are necessary: (list steps)
☐	☐	Format II Equivalency completed. (N/A for Categorically Excluded)
☐	☐	Environmental assessment completed - Finding of No Significant Impact (FONSI) determined - ready to publish combined notice (N/A for Categorically Excluded)
☐	☐	Categorically Excluded Only – Notice of Intent to request Release of Funds - ready to be published

Typed Name and Title _____ Signature

Date: , 20

(List any comments regarding this section here)

Project Engineering and/or Architectural Services

As Chief Elected Official (CEO) of the Applicant, I hereby certify that all preliminary architectural and/or engineering services necessary to complete the environmental review process have been completed and the Applicant is prepared to immediately proceed with final architectural and/or engineering services upon award of the CFF grant by IOCRA.

Typed Name and Title _____ Signature

Date: , 20

(List any comments regarding this section here)

Status of Site Control

As the Applicant's Legal Counsel and Project Engineer or Architect, respectively, we hereby mutually certify that the following activities have been completed respective to **all** interests in real property which are related or involved with the commencement and completion of CFF-assisted activities in accordance with the federal Uniform Relocation and Acquisitions Policies Act of 1970, as amended, hereinafter referred to as "URA":

Yes	N/A	
☐	☐	All project-related sites, parcels, easements and other real property interests have been identified.
☐	☐	All title searches and title opinions have been completed.
☐	☐	All subject parcels, easements or interests are unencumbered to the extent that the same may be dedicated to the project by the owner(s) of title.
☐	☐	IOCRA's real property acquisition questionnaire has been completed for each parcel, easement or other interest.
☐	☐	The owner(s) of record for each parcel, easement or other interest has been furnished the HUD-1041-CPD brochure entitled "When a Public Agency Acquires Your Property", and certified mail-return receipts are on file with Applicant.
☐	☐	Written notifications to owners of right to accompany appraiser for all parcels or easements have been completed and are on file.
☐	☐	Completion of all fee and review appraisals for all parcels, or market value estimate if below $10,000.
☐	☐	Where applicable, written waiver of rights in accordance with the URA has been obtained from all applicable owner(s) of record.
☐	☐	All options and easement agreements completed and fully executed by owner(s) of record.

The undersigned further certify that the CFF-assisted project will **not** involve eminent domain or other condemnation proceedings undertaken respective to interests in real property which are applicable to the CFF-assisted project.

Applicant's Legal Counsel

_____

Typed Name and Title Signature

Date: , 20

Applicant's Professional Engineer or Architect

_____

Typed Name and Title Signature

Date: , 20

(List any comments regarding this section here)

Status of Permits

As Chief Elected Official of the Applicant, I hereby certify that all local, state and federal permits necessary to complete the project have been listed in the CFF application document and such permits may be secured in sufficient time for the Applicant to complete the project within eighteen (18) months following grant award.

Typed Name and Title _____ Signature

Date: , 20

Affirmation by Applicant's Professional Engineer or Architect

Typed Name and Title _____ Signature

Date: , 20

(List any comments regarding this section here)

DISPLACEMENT ASSESSMENT

☐ N/A - No displacement will occur

Use this page to assess displacement plans and strategy.

1. Describe the need for displacement:

2. Substantiate the need for displacement:

3. Explain how displacement will be minimized:

4. Explain how the negative effects of displacement will be minimized:

(Attach Local Displacement Plan even if displacement will not occur – see sample)

INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS
COMMUNITY DEVELOPMENT BLOCK GRANT SMALL CITIES PROGRAM
ASSURANCES AND CERTIFICATIONS

The applicant hereby assures and certifies that:

(a) It possesses legal authority to apply for the grant, and to execute the proposed program.

(b) Its governing body has duly adopted or passed as an official act a resolution, motion or similar action authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

(c) It has complied with all requirements of Executive Order 12372, and that either:

1) Any comments or recommendations made by or through clearinghouses are attached and have been considered prior to submission of the application; or
2) The required procedures have been followed and no comments or recommendations have been received prior to submission of the application.

(d) It has facilitated or will facilitate citizen participation by:

1) Publishing a statement of proposed activities so that affected citizens have an opportunity to Submit comments on the proposed activities and community development performance of the applicant;
2) Providing adequate notices for two or more public hearings, specifically to persons of low and moderate income;
3) Holding two or more public hearings on the proposed application at times and locations convenient to potential beneficiaries, convenient to the handicapped, and meeting needs of non-English speaking residents, if appropriate, to obtain citizens' views before adoption of a resolution or similar action by the local governing body authorizing the filing of the application;
4) Providing citizens information concerning the amount of funds available for proposed community development activities and the range of those activities;
5) Providing citizens with information concerning the amount of funds that will benefit persons of low and moderate income;
6) Furnishing citizens with the plans made to minimize the displacement of persons and to assist persons actually displaced as a result of grant activities;
7) Providing technical assistance to groups representing persons of low and moderate income requesting such assistance in developing proposals;
8) Providing citizens with reasonable notice of substantial changes proposed in the use of grant funds and providing opportunity for public comment;
9) Providing citizens with reasonable access to records regarding the past use of CDBG funds received; and
10) Any modifications or amendments of the program that are made from time to time will be made in accordance with the same procedures required in (d) for the preparation and submission of a statement of proposed activities.

(e) It has identified housing and community development needs, including those of low- and moderate-income persons and the activities to be undertaken to meet such needs.

(f) The Community Development program has been developed so as to give maximum feasible priority to activities that will benefit low- and moderate-income families, or aid in the prevention or elimination of slums or blight.

[The requirement for this certification will not preclude the Office of Community and Rural Affairs from approving an application where the applicant certifies, and the Office of Community and Rural Affairs determines, that all or part of the Community Development Program activities are designed to meet other community development needs having a particular urgency as specifically explained in the application.]

(g) It will minimize displacement of persons and provide for reasonable benefits to any person involuntarily and permanently displaced as a result of activities associated with program funds.

(h) It will not attempt to recover any capital costs of public improvements assisted in whole or part with CDBG funds by assessing any amount against properties owned and occupied by persons of low and moderate income including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless (i) CDBG funds received are used to pay the proportion of such fee or assessment that relates to the capital costs of public improvements that are financed from revenue sources other than CDBG funds; or (ii) for purposes of assisting any amount against properties owned and occupied by persons of low and moderate income who are not persons of very low income, the grantee certified to the Secretary or such State, as the case may be, that it lacks sufficient funds received from CDBG Program to comply with the requirements of clause.

(i) It will comply with all requirements imposed by the State concerning special requirements of law, program requirements, and other administrative requirements approved in accordance with OMB Circular No. A-102, Revised, which includes a provision that program or project completion be no longer than eighteen (18) months from project startup, inclusive of the bid process for professional and engineering services as well as program close-out. In addition, said provision includes an assurance of the availability of project funds, both local and private, upon award of the project grant.

(j) It will comply with:

1) Section 110 of the Housing and Community Development Act of 1974, as amended, by the Housing and Urban-Rural Recovery Act of 1983 and the Housing and Community Development Act of 1987, 24 CFR 570.603, and State regulations regarding the administration and enforcement of labor standards;
2) The provisions of the Davis-Bacon Act (46 U.S.C. S 276a-5) with respect to prevailing wage rates (except for projects for the rehabilitation of residential properties of fewer than eight units);
3) Contract Work Hours and Safety Standards Act of 1962, 40 U.S.C. 327-332, requiring that mechanics and laborers (including watchmen and guards) employed on federally assisted contracts be paid wages of not less than one and one-half times their basic wage rates for all hours worked in excess of forty in a work-week, and
4) Federal Fair Labor Standards Act, 29 U.S.C. S 102 et seq., requiring that covered employees be paid at least the minimum prescribed wage, and also that they be paid one and one-half times their basic wage rate for all hours worked in excess of the prescribed work-week; and
5) Anti-kickback (Copeland) Act of 1934, 18 U.S.C. S 874 and 40 U.S.C. S 276c, which outlaws and prescribes penalties for “kickbacks” of wages in federally financed or assisted construction activities.

(k) It will comply with all requirements imposed by the State concerning special requirements of law, program requirements, and other administrative requirements.

(l) It will comply with:

1) Title VI of the Civil Rights Act of 1964 (Public Law 88-352), and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no person in the United States shall on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant received Federal financial assistance and will immediately take any measures necessary to effectuate this assurance. If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the applicant, this assurance shall obligate the applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits;
2) The Fair Housing Act (previously known as Title VIII of the Civil Rights Act of 1968) (Public Law 90-284), as amended, administering all programs and activities relating to housing and community development in a manner to affirmatively further fair housing in the sale or rental of housing, the financing of housing, and the provision of brokerage services;

3) Section 109 of Title I of the Housing and Community Development Act of 1987, as amended, and the regulations issued pursuant thereto (24 CFR 570.602), which provides that no person in the United

States shall, on the grounds of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or part with funds provided under the Act. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to otherwise qualified handicapped individuals as provided in Section 504 of the Rehabilitation Act of 1973 shall also apply to any such program activity;

4) Executive Order 11063, as amended by Executive Order 12259 on equal opportunity in housing and non-discrimination in the sale or rental of housing built with Federal assistance, and requiring that programs and activities relating to housing and urban development be administered in a manner affirmatively to further the goals of Title VIII of the Civil Rights Act of 1968; and

5) Executive Order 11246 as amended by Executive Orders 11375 and 12086, and the regulations issued pursuant hereto (24 CFR Part 130 and 41 CFR Chapter 60), and the regulations issued pursuant thereto (24 CFR Part 130 and 41 CFR Chapter 60), the Indiana Code (I.C. 22-9-1-10), which provides that no person shall be discriminated against on the basis of race, color, religion, sex or national origin in all phases of employment during the performance of Federal or federally assisted construction contracts. Contractors and subcontractors on Federal and federally assisted construction contracts shall take affirmative action to insure fair treatment in employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training and apprenticeship.

(m) It will comply with Section 3 of the Housing and Urban Development Act of 1968, as amended, requiring that to the greatest extent feasible opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by, persons residing within the unit of local government.

(n) It will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and Federal implementing regulation at 49 CFR Part 24, and the requirements of section 570.496a and it is following a residential anti-displacement and relocation assistance plan under section 104(d) of Title I of the Housing & Community Development Act of 1974, as amended.

(o) It will establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business or other ties.

(p) It will comply with the provisions of the Hatch Act, which limits the political activity of employees.

(q) It will give State, HUD and the Comptroller General through any authorized representatives, access to and the right to examine all records, books, papers, or documents related to the grant.

(r) Its chief executive officer or other officer of applicant approved by the Office of Community and Rural Affairs:

1) Consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 (NEPA)(42 U.S.C. S 4321 et seq.) and other provisions of Federal law, as specified at 24 CFR 58.1 (a)(3) and (a)(4), which further the purposes of NEPA insofar as the provisions of such Federal law apply to the Indiana Small Cities Development Block Grant Program; and

2) Is authorized and consents on behalf of the applicant and himself/herself to accept the jurisdiction of the Federal courts for the purpose of enforcement of his/her responsibilities as such an official.

(s) It will comply with:

1) The National Environmental Policy Act of 1969 (42 U.S.C. S 4321 et seq.) and 24 CFR Part 58, and in connection with its performance of environmental assessments under the National Environmental Policy Act of 1969, comply with Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470), Executive Order 11593, and the Preservation of Archaeological and Historical Data Act of 1966 (U.S.C. 469a-1, et seq.) by:
   a) Consulting with the State Historic Preservation Officer to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR Part 800.8) by the proposed activity; and
   b) Complying with all requirements established by the State and to avoid or mitigate adverse effects upon such properties.
2) Executive Order 11988, Floodplain Management;
3) Executive Order 11990, Protection of Wetlands;
4) Endangered Species Act of 1973, as amended, (16 U.S.C. Section 1531 et seq.);
5) The Fish and Wildlife Coordination Act of 1958, as amended, (16 U.S.C. Section 661 et seq.);
6) The Wild and Scenic Rivers Act of 1968, as amended, (16 U.S.C. Section 1271);
7) The Safe Drinking Water Act of 1974, as amended, (42 U.S.C. Section 300f et seq.);
8) Section 401(f) of the Lead-Based Paint Poisoning Prevention Act, as amended, (42 U.S.C. Section 4831 (b);
9) The Clean Air Act of 1970, as amended, (42 U.S.C. Section 7401 et seq.);
10) The Federal Water Pollution Control Act of 1972, as amended, (33 U.S.C. Section 1251 et seq.);
11) The Clean Water Act of 1977 (Public Law 95-217); and
12) The Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 et seq.);
13) Section 202(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106) as it relates to the mandatory purchase of flood insurance for special flood hazard areas.

(t) It will comply with all parts of Title I of the Housing and Community Development Act of 1974, as amended, which have not been cited previously as well as with other applicable laws.

(u) It will comply with the provisions of the Indiana Code (I.C.) 35-44-1-3 and 4.

(v) It will abide by the provision that no member, officer, or employee of the grantee or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercise any functions or responsibilities with respect to the program during the tenure or for one year thereafter shall have any direct or indirect interest in any contractor, subcontractor, or the proceeds thereof, financed in whole or in part with Title I grants.

(w) It agrees to repay to the State of Indiana any funds under this program which, as the result of a HUD or State of Indiana authorized audit, are found to have been spent in an unauthorized manner or for unauthorized activities.

(x) It certifies that none of the funds being applied for will be used to substitute for any local, state, federal or private dollars that have been committed to the project as proposed in this application.

(y) It certifies that it has adopted and will enforce a policy of prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction (Section 104(l) of Title I of the Housing & Community Development Act of 1974, as amended).

(z) It certifies that pursuant to 31 U.S.C. Section 1352, and any regulations promulgated thereunder:

1) no federal appropriated funds have been paid or will be paid, by or on behalf of the applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative, agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2) if any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the proposed Federal contract, grant, loan, or cooperative agreement, the applicant shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3) The applicant shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

_____

THE LEGAL APPLICANT/RECIPIENT CERTIFIES THAT:

To the best of my knowledge and belief, the recipient will comply with the above assurances if assistance is approved.

CERTIFYING REPRESENTATIVE: (To be signed by Chief Elected Official or Designee)

_____

Signature, Chief Elected Official

Name (typed or printed)

Title Date

CDBG DISCLOSURE REPORT

PART I - APPLICANT/GRANTEE INFORMATION

1. Applicant/grantee name, address and phone number

2. Indicate whether this is:

Initial Report	Update Report
☐	☐

Grant Number (Updates only):

Federal employer identification number:

3. Project Assisted/to be Assisted.

a. Fiscal year:

b. Entitlement grant(s) ☐

Competitive grant ☐

c. Amount requested/received: .....

d. Program income to be used with c. above: .....

e. Total of c. and d.: .....

PART II - THRESHOLD DETERMINATIONS

1. Is the amount listed at 3.e. (above) more than $200,000? Yes ☐ No ☐

2. Have you received or applied for other HUD assistance (through programs listed in Appendix B of the instructions) which when added to 3.e. (above) amounts to more than $200,000?

Yes ☐ No ☐

If the answer to either 1 or 2 of this part is “yes”, then you must complete the remainder of this report.

If the answer to both 1 and 2 of this part is “no”, then you are not required to complete the remainder of this report, but must sign the following certification.

I hereby certify that this information is true.

(Chief Elected Official) (Date)

PART III - OTHER GOVERNMENT ASSISTANCE PROVIDED/APPLIED FOR

1. Provide the requested information for any other Federal, State and/or local governmental assistance, on hand or applied for, that will be used in conjunction with the CDBG grant. (See Appendix B of the instructions)

Name and Address of Agency Providing or to provide Assistance	Program	Type of Assistance	Amount requested or Provided

PART IV - INTERESTED PARTIES

Alphabetical List of All Persons In With Reportable Financial Interest in the Project	SSN or Employer ID No.	Type of Participation in Project	Financial Interest Project S & %

PART V - EXPECTED SOURCES AND USES OF FUNDS

This Part requires that you identify the sources and uses of all assistance that have been or may be used in the project.

Source	Use

PART VI - CERTIFICATION

I hereby certify that the information provided in this disclosure is true and correct and I am aware that any false information or lack of information knowingly made or omitted may subject me to civil or criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, I am aware that if I knowingly and materially violate any required disclosure of information, including intentional non-disclosure, I am subject to a civil money penalty not to exceed $10,000 for each violation.

(Chief Elected Official) (Date)

CIVIL RIGHTS CERTIFICATION

The Applicant, any contractor, any subcontractor, or any other party performing any services or having any responsibilities hereunder shall fully and completely comply with the following:

a) Section 109 of the Housing and Community Development Act of 1974 which requires that no person in the United States shall on the grounds of race, color, national origin or sex, be excluded from the participation in, be denied the benefits of, or be subjected to, discrimination under any program or activity funded in whole or in part with Community Development Block Grant (CDBG) funds.

b) Shall not, under any program or activity pursuant to this Agreement, directly or through contractual or other arrangements, on the grounds of race, color, national origin, sex, age, handicap status or religion:

   i. Deny any individual any facilities, services, financial aid or other benefits provided under the program or activity.

   ii. Provide any facilities, services, financial aid or other benefits in a different form from the provided under the program or activity.

   iii. Subject any person to segregated or separate treatment in, or in any matter of process related to receipt of any services or benefit under the program or activity.

   iv. Restrict an individual in any way access to, or the enjoyment of, any advantages or privilege enjoyed by others in connection with facilities, services, financial aid or any other benefits under the program or activity.

   v. Treat an individual different from others in determining whether the individual satisfies any admission, enrollment, eligibility, membership, or other requirement or condition which the individual must meet in order to be provided any facilities, services or any benefit provided under the program or activity.

   vi. Deny an individual an opportunity to participate in a program or activity as an employee.

c) Shall not use criteria or methods of administration which have the effect of subjecting individuals to discrimination on the basis of race, national origin, sex, age, handicap status or religion, or have the effect of defeating or substantially impairing the accomplishment of the objectives of the Housing and Community Development Act of 1974, (as amended).

d) In determining a site or location of housing or facilities shall not make selections of such site or location which have the effect of excluding individuals from, denying them the benefits of, or subjecting them to discrimination on the grounds of race, color, national origin, sex, age, handicap status, or religion.

The Applicant in all contracts or agreements subject to Executive Order 11246 shall be subject to HUD Equal Employment Opportunity regulations at 24 CFI Part 130 applicable to HUD assisted construction contracts.

The Applicant shall cause or require to be inserted in full in any non-exempt contract and subcontract for construction work, or modification thereof, as defined in said regulations, which is paid for in whole or in part with assistance provided under this Agreement, the following equal opportunity clause:

The Applicant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin or handicap. Such action shall include, but not limit to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training; including apprenticeship. The applicant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Grantor setting for the provisions of this nondiscrimination clause.

The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the applicant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Applicant/Contractor will comply with all provisions of Executive Order 11246 of September 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Applicant/Contractor will comply with all provisions of Title VIII, Civil Rights Act of 1968, which prohibits discrimination in the sale or rental of dwellings, discrimination in the financing of housing, blockbusting, and discriminatory advertising and makes it unlawful to deny any person access to, or membership or participation in, any multiple listing services or real estate brokers' organization for discriminatory reasons.

The Applicant/Contractor will comply with Section 3 Housing and Urban Development Act of 1968, Section 504: Rehabilitation Act of 1974, Executive Order 11063 and all other Federal Rules and Regulations.

The Applicant will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules and regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by IOCRA and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

In the event of the Applicant's noncompliance with the nondiscrimination clauses of an executed agreement or with any such rules, regulations, or orders, this agreement may be canceled, terminated or suspended in whole or in part and the applicant may be declared ineligible for further government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 14, 1965, or by rule, regulation, or order of the Secretary of Labor.

The Applicant shall require that the language referred to in this certification be included in the award documents for all sub-awards at all tiers (including sub-contract, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

The Legal Applicant/Recipient Certifies That:

To the best of my knowledge and belief, the recipient will comply with the above certification if assistance is approved.

Certifying Representative: (To be signed by Chief Elected Official or Designee)

_____

Signature, Chief Elected Official

Name (typed or printed)

Title Date

SAMPLE DOCUMENTS

SAMPLE PROJECT COMPLETION TIMETABLE

CITY/TOWN/COUNTY OF _____
PROJECT NAME _____

TASK	DATE
Environmental review process	COMPLETED
CFF grant award	June, 2006
Community receives contract and authority to begin incurring costs for grant admin./e.r. and engineering	Aug., 2006
Procure professional services	Aug., 2006
Select professional for grant admin./environ. review, engineering	Aug., 2006
Town authorizes design of plans and specifications	Aug., 2006
Town submits plans and specifications to IDEM/IOCRA	Oct., 2006
IDEM approves plans and specs. /issues construction permit	Dec., 2006
Town advertises for construction bids	Jan., 2007
Town receives construction bids	Feb., 2007
Release of funds	Feb., 2007
Town awards contracts/commences construction	Mar., 2007
Completion of construction	Nov., 2007
Administratively complete CFF grant	Jan., 2008

*All activities must be completed within 18 months of the date the awardee receives grant agreement documents for signature.

*All grantees must secure release-of-funds and execute all project construction contracts within eight months following the date of receipt of the grant agreement documents for signature.

SAMPLE ITEMIZED PROJECT BUDGET

ITEM	CFF	LOCAL	TOTAL
1 Booster Pump Station	$15,000	$15,000	$30,000
1 Elevated Storage Tank	$57,500	$57,500	$115,000
24,700 L.F. 4” PVC Water Main	$98,500	$98,500	$197,000
21,950 L.F. Granular Backfill	$43,900	$43,900	$87,800
21,950 L.F. Compacted Aggregate Base	$54,750	$54,750	$109,500
21,950 L.F. Pavement Replacement	$109,900	$109,900	$219,800
1 Stream Crossing	$20,000	$20,000	$40,000
50 Hydrants @ $1,500	$37,500	$37,500	$75,000
Plans and Specifications	$27,500	$27,500	$55,000
Inspection	$17,500	$17,500	$35,000
Const. Sub-total	**$482,000**	**$482,000**	**$964,000**
Grant Administration	$15,000	----	$15,000
Environmental Review	$500	----	$500
Bond and Legal Counsel	----	$20,000	$20,000
Financial Advisor	----	$7,500	$7,500
Fees, Advertising and Printing	----	$3,000	$3,000
Admin. Sub-total	**$15,500**	**$30,500**	**$46,000**
Total Project Cost	**$497,500**	**$512,500**	**$1,010,000**

SOURCES OF LOCAL MATCH

Water Utility Cash on Hand	$112,500
Revenue Bond	$400,000
TOTAL LOCAL MATCH	**$512,500**

SAMPLE PUBLIC HEARING NOTICE

On or about (date), (Applicant) intends to apply to the Indiana Office of Community and Rural Affairs for a grant from the Office of Community and Rural Affair's Community Focus Fund of the State Community Development Block Grant (CDBG) program. This program is funded by Title I of the federal Housing and Community Development Act of 1974, as amended. These funds are to be used for a community development project that will include the following activities: (summary of proposed project). The total amount of CDBG funds to be requested is $_____. The amount of CDBG funds proposed to be used for activities that will benefit low- and moderate-income persons is $(amount of CFF funds requested x percentage of low- to moderate-income residents). The Applicant also proposes to expend an estimated $_____ in non-CDBG funds on the project. These non-CDBG funds will be derived from the following sources: (source and amount).

(Applicant) will hold a public hearing on (date), at (time), in (place) to provide interested parties an opportunity to express their views on the proposed federally funded CDBG project. Persons with disabilities or non-English speaking persons who wish to attend the public hearing and need assistance should contact (name, address, and phone #) not later than (date). Every effort will be made to make reasonable accommodations for these persons.

Information related to this project will be available for review prior to the public hearing as of (date) at the office the (Applicant) located at (address) between the hours of (office hours). Interested citizens are invited to provide comments regarding these issues either at the public hearing or by prior written statement. Written comments should be submitted to (name and address) no later than (date) in order to ensure placement of such comments in the official record of the public hearing proceedings. A plan to minimize displacement and provide assistance to those displaced has been prepared by (Applicant) and is also available to the public. This project will result in (no displacement of any persons or businesses – or – displacement of the following persons and businesses [name and address]). For additional information concerning the proposed project, please contact (person – telephone – office hours and days) or write to (person – address).

SAMPLE SLUM AND BLIGHT AREA DECLARATORY RESOLUTION

(CITY/TOWN/COUNTY) OF _____
RESOLUTION # _____

WHEREAS, the (city/town) Redevelopment Commission desires to eliminate slum and blighted areas within the corporate limits of (city/town), Indiana, and specifically downtown (city/town), and

WHEREAS, identifying such areas is necessary for effective action to eliminate slum and blighting conditions, and

WHEREAS, public improvements such as sidewalks and streets have severely deteriorated, contributing to slum and blighting conditions, and

WHEREAS, the downtown area has experienced a cessation of private investment since _____, and

WHEREAS, ( ) percent of first floor commercial space, ( ) percent of second floor commercial space, and ( ) percent of total commercial space in downtown (city/town) is currently vacant, and

WHEREAS, widespread deterioration of downtown commercial buildings has taken place as evidenced by crumbling facades, broken or boarded windows, unrepaired vandalism, growth of vegetation, and presence of litter in and around many downtown commercial buildings,

BE IT RESOLVED by the (city/town) Redevelopment Commission that the following areas of downtown (city/town) hereby be designated as (a slum/blighted) as defined by Indiana Code 36-7-14: High Street from 1/2 block east of Meridian Street to and including Oak Street, and Oak and Union Streets 1/2 block north and south of High Street.

SAMPLE SLUM AND BLIGHT SPOT DECLARATORY RESOLUTION

(CITY/TOWN/COUNTY) OF _____
RESOLUTION # _____

WHEREAS, the (city/town) Redevelopment Commission desires to eliminate slum and blighted structures within the corporate limits of (city/town), Indiana, and

WHEREAS, identifying such a structure is necessary for effective action to eliminate slum and blighting conditions, and

WHEREAS, public improvements such as sidewalks and streets have severely deteriorated, contributing to slum and blighting conditions, and

WHEREAS, the structure has experienced a cessation of private investment since _____, and

WHEREAS, ( ) percent of first floor commercial space, ( ) percent of second floor commercial space, and ( ) percent of total commercial space in downtown (city/town) is currently vacant, and

WHEREAS, widespread deterioration of the structure has taken place as evidenced by crumbling facades, broken or boarded windows, unrepaired vandalism, growth of vegetation, and presence of litter in and around many downtown commercial buildings,

BE IT RESOLVED by the (city/town) Redevelopment Commission that the following property of (city/town) hereby be designated as (a slum/blighted) as defined by Indiana Code 36-7-14: (insert specific address of spot location).

SAMPLE RESOLUTION AUTHORIZING APPLICATION SUBMISSION AND LOCAL MATCH COMMITMENT

RESOLUTION OF THE CITY/TOWN/COUNTY COUNCIL OF THE CITY/TOWN/COUNTY OF _____, INDIANA, AUTHORIZING THE SUBMITTAL OF THE CFF APPLICATION TO THE INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS AND ADDRESSING RELATED MATTERS

WHEREAS, the Council of the City/Town/County of _____, Indiana recognizes the need to stimulate growth and to maintain a sound economy within its corporate limits; and

WHEREAS, the Housing and Community Development Act of 1974, as amended, authorizes the Indiana Office of Community and Rural Affairs to provide grants to local units of government to meet the housing and community development needs of low- and moderate-income persons; and

WHEREAS, the City/Town/County of _____, Indiana has conducted or will conduct public hearings prior to the submission of an application to the Indiana Office of Community and Rural Affairs, said public hearings to assess the housing, public facilities and economic needs of its low- and moderate-income residents;

NOW, THEREFORE, BE IT RESOLVED by the Council of _____, Indiana that:

1. The Mayor/Town Council Pres. /County Commission Pres. is authorized to prepare and submit an application for grant funding to address (summary of proposed project), and to execute and administer a resultant grant including requisite general administration and project management, contracts and agreements pursuant to regulations of the Indiana Office of Community and Rural Affairs and the United States Department of Housing and Urban Development.

2. The City/Town/County of _____, Indiana hereby commits the requisite local funds in the amount of _____ ($_____), in the form of (source of local match), as matching funds for said program, such commitment to be contingent upon receipt of CFF funding from the Indiana Office of Community and Rural Affairs.

Adopted by the City/Town/County Council of the City/Town/County of _____, Indiana this _____ day of (month), (year), at (time).

SIGNATURE: _____
Chief Elected Official, Title
(Mayor, Board President)

ATTEST: _____
Chief Financial Officer, Title
(Controller, Clerk-Treasurer, Auditor)

*****Please note a separate letter must be attached by the Chief Financial Officer. See Readiness to Proceed Guidelines for further details regarding letter content.***

SAMPLE LOCAL DISPLACEMENT PLAN

1. (Applicant) will consider for submission to the Indiana Office of Community and Rural Affairs, under its various Community Development Block Grant funded programs, only projects and activities that will result in the displacement of as few persons or businesses as necessary to meet State and local development goals and objectives.

2. (Applicant) will certify to the State, as part of its application process, that it is seeking funds for a project or activity that will minimize displacement.

3. (Applicant) will provide referral and reasonable moving assistance, both in terms of staff time and dollars, to all persons involuntarily and permanently displaced by any project or activity funded with Community Development Block Grant funds.

4. All persons and businesses directly displaced by (applicant) as the result of a project or activity funded with Community Development Block Grant funds will receive all assistance required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, including provisions of the Uniform Relocation Act Amendments of 1987, Title IV of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

5. (Applicant) will provide reasonable benefits and relocation assistance to all persons and businesses involuntarily and permanently displaced by the Community Development Block Grant activity funded by the State in accordance with appendices attached hereto, provided they do not receive benefits as part of such action under number 4 above.

SAMPLE COOPERATION AGREEMENT

The City/Town of _____, Indiana, seeks to support the efforts of the City/Town of _____ to obtain a Community Focus Fund grant from the Indiana Office of Community and Rural Affairs for (proposed project) located in both the aforementioned Cities/Towns. As the chief executive officers of our respective local governments, we are signing this agreement to provide our full cooperation to accomplish these improvements. The City/Town of _____ is hereby designated as the lead agency for this application and program and will be the applicant for funds. The City/Town of _____ will be liable for all the program's administrative functions should the grant be awarded.

_____	_____
Mayor	Town President

City of _____

_____	_____
Attest/ Date	Attest/ Date
SEAL:	SEAL:

Note: This general form (or a suitable variation) is to be used by local government applicants whose proposed project area involves more than one jurisdiction. It is a required part of any "in behalf of" or "joint" application with appropriate modifications as may be required to fit local situations.

GRANT EVALUATION CRITERIA

GRANT EVALUATION CRITERIA
1,100 POINTS TOTAL

Economic and Demographic Characteristics (450 points):

National Objective Score (200 points):
Depending on the National Objective to be met by the project, one of the following two mechanisms will be used to calculate the score for this category.

1. National Objective = Benefit to Low- and Moderate-Income Persons: 200 points maximum awarded according to the percentage of low- and moderate-income individuals to be served by the project. The total points given are computed as follows:

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

___ Slum/Blight Area or Spot designated by resolution of the local unit of government (50 pts.)

___ Community is an Indiana Main Street Senior Partner or Partner, and the project relates to downtown revitalization (5 pts.)

___ The project site is a brownfield* (5 pts.)

___ The project is located in a designated redevelopment area under IC 36-7-14 (5 pts.)

___ The building or district is listed on the Indiana or National Register of Historic Places (10 pts.)

___ The building or district is eligible for listing on the Indiana or National Register of Historic Places (5 pts.)

___ The building is on the Historic Landmarks Foundation of Indiana's "10 Most Endangered List" (15 pts.)

* The State of Indiana defines a brownfield as an industrial or commercial property that is abandoned, inactive, or underutilized, on which expansion or redevelopment is complicated due to actual or perceived environmental contamination.

Community Distress Factors (250 Points): The community distress factors used to measure the economic conditions of the applicant are listed below. Each is described with an explanation and an example of how the points are determined. Each factor can receive a maximum of 50 points with the total distress point calculation having a maximum of 250 points. The formula calculation for each measure is constructed as a percentage calculation along a scale range. The resulting percentage is then translated into a point total on a fifty point scale for each measure.

Unemployment Rate (50 points maximum): Unemployment rate for the county of the lead applicant. The most recent average annual rate available is used.

a. If the unemployment rate is above the maximum value, 50 points are awarded.
b. If the unemployment rate is below the minimum value, 0 points are awarded.
c. Between those values, the points are calculated by taking the unemployment rate, subtracting the minimum value, dividing by the range, and multiplying by 50.

Unemployment Rate Points = [((Unemployment rate – minimum)/range) X 50]

For example, if the unemployment rate is 4.5%, the minimum value is 2.6%, maximum value is 9.7%, and range is 7.1%, take unemployment rate of 4.5%, subtract the minimum value of 2.6%, divide by a range of 7.1%, and multiply by 50. The score would be 13.38 point of a possible 50; [((4.5 – 2.6)/7.1) X 50].

Net Assessed Value/capita (50 points maximum): Net assessed value per capita (NAV pc) for lead applicant[1]. The most recent net assessed valuation figures[2], as well as the most recent population figures are used.

To determine the NAV pc, divide the net assessed valuation by the population estimate for the same year. For example, for 2002 NAV pc, you would divide the 2002 NAV by the Census Bureau's estimate of the population on July 1, 2002.

NAV per capita = NAV/Total Population

d. If the net assessed value per capita for the lead applicant is above the maximum value, 0 points are awarded.
e. If the net assessed value per capita for the lead applicant is below the minimum value, 50 points are awarded.
f. Between those values, the points are calculated by subtracting 50 from the NAVpc minus the minimum value, divided by the range and multiplied by 50.

NAV per capita points = 50 – [((NAV pc – minimum)/range) X 50]

For example, if the NAVpc is $29,174, the minimum value is $2,589 (excluding outliers), maximum value is $75,524 (excluding outliers), and the range is $72,935, take 50, subtract the NAV/capita of $29,174 minus the minimum value of $2,589, divide by the

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[1] For unincorporated areas, the NAV pc will be calculated based on data at the township level.

[2] All applicants will utilize the same basis, i.e., true tax value or market value, for the NAV pc calculation.

range of $72,935, and multiply by 50. The score would be 31.78 points of a possible 50 points; 50 – [((29,174 - 2,589)/72,935) X 50].

Median Housing Value (50 points maximum): Median Housing Value (MHV) for lead applicant[3]. Data from the most recent census are used.

Median Housing Value Points = 50 – [((MHV – minimum)/range) X 50]

g. If the median housing value for the lead applicant is above the maximum value, 0 points are awarded.
h. If the median housing value for the lead applicant is below the minimum value, 50 points are applicant.

For example, if the median housing value is $79,000, the minimum value is $24,300 (excluding outliers), maximum value is $246,300 (excluding outliers) and the range is $222,000. Take the MHV of $79,000 minus the minimum value of $24,300, divide the difference by the range of $222,000, and multiply by 50 then subtract this amount from 50. The score would be 37.68 points out of a total possible of 50; 50 – [((79,000 – 24,300)/222,000) X 50].

Median Household Income (25 points maximum): Median household income (MHI) for the lead applicant[4]. Data from the most recent census are used.

Median Household Income Points = 25 – [((MHI – minimum)/range) X 25]

i. If the median household income is above the maximum value, 0 points are awarded.
j. If the median household income is below the minimum value, 25 points are awarded.
k. Between those values, the points are calculated by subtracting 25 from the MHI minus the minimum value, divided by the range, and multiplied by 25.

For example, if the Median Household Income is $35,491, the minimum value is $16,667 (excluding outliers), maximum value is $97,723 (excluding outliers), range is $81,056, take 25, subtract the MHI of $35,491, minus the minimum value of $16,667, divide by the range of $81,056, and multiply by 25. The score would be 19.19 points out of a possible 25; 25 – [((35,491 – 16,667)/81,056) X 25].

Family Poverty Rate (25 points maximum): Family poverty rate for the lead applicant[5]. Data from the most recent census are used.

Family Poverty Rate Points = [((Family Poverty Rate – minimum)/range) X 25]

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[3] For unincorporated areas MHV will be calculated based on data at the township level.

[4] For unincorporated areas MHI will be calculated based on data at the township level.

[5] For unincorporated areas Family Poverty Rate will be calculated based on data at the township level.

l. If the family poverty rate is above the maximum value, 25 points are awarded.
m. If the family poverty rate is below the minimum value, 0 points are awarded.
n. Between those values, the points are calculated by subtracting the Family Poverty Rate from the minimum value, then dividing by the range, and multiplying by 25.

For example, if the family poverty rate is 1.4%, the minimum value is 0% (excluding outliers), maximum value is 25% (excluding outliers), and range is 25%, take family poverty rate of 1.4%, subtract the minimum value of 0%, divide by a range of 25%, and multiply by 25. The score would be 1.4 points of a possible 50; [((1.4 – 0)/25) X 25]

Percentage Population Change (50 points maximum): Percentage population change from 1990 to 2000 for the lead applicant[6]. The percentage change is computed by subtracting the 1990 population from the 2000 population and dividing by the 1990 population. Convert this decimal to a percentage by multiplying by 100.

Percentage Population Change = [(2000 population - 1990 population)/1990 population] X 100

o. If the population changed above the maximum percentage value, 0 points are awarded.
p. If the population changed below the minimum percentage value, 50 points are awarded.
q. Between those values, the points are calculated by subtracting 50 from the percentage population change minus the minimum value divided by the range, and multiplied by 50.

Percentage Population Change points = 50 – [(Percentage population change – minimum)/range) X 50]

For example, if the population increased by 16.61%, the minimum value is –61.33% (excluding outliers), maximum value is 181.27% (excluding outliers), range is 242.60%, take 50, subtract 16.61% minus the minimum value of –61.33%, divide the range of 242.60%, and multiply by 50. The score would be 33.94 points out of a total possible of 50; 50 – [((16.61 – (-61.33)/242.60) X 50].

[6] For unincorporated areas percentage population change will be calculated based on data at the township level.

Local Match Contribution (100 points):

Up to 100 points possible based on the percentage of local funds devoted to the project. This total is determined as follows:

Total Match Points = % Eligible Local Match X 2

Eligible local match can be local cash, debt or in-kind sources. Government grants are not considered eligible match. In-kind sources may provide eligible local match for the project, but the amount that can be counted as local match is limited to 5% of the total project budget or a maximum of $25,000. Use of in-kind donations as eligible match requires approval from the Indiana Office of Community and Rural Affairs, Community Affairs Division four weeks prior to application submission.

Project Design Factors (450 points):

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

Project Need - why does the community need this project?
Financial Impact - why is grant assistance necessary to complete this project?
Local Effort - what has/is the community doing to move this project forward?

The project can receive a total of 150 points in each category. The points in these categories are awarded by the IOCRA review team when evaluating the projects. Applicants should work with IOCRA to identify ways to increase their project's scores in these areas.

Project Priority Factors (100 points):

Infrastructure Projects 75 points
Water System Improvements
Sewer System Improvements
Storm water System Improvements
*infrastructure projects constitute 55% of total CFF funding per round

Group A Projects 75 points
Health Facilities
Youth Centers

Group B Projects 60 points

Community Centers
Day Care Centers
Senior Centers
Fire Stations
Libraries
Infrastructure in support of housing
ADA/Handicap Compliance
Other Special Needs Facilities

Group C Projects 45 points
Fire Trucks
Historic Preservation
Downtown Revitalization
Parks/Recreation
Slum/Blight Clearance
*Group A-C projects constitute 45% of total CFF funding per round

Leveraging of Philanthropic Capital 25 points
2% of total Grant amount or $5,000 (whichever is greater) is being funded by Philanthropic capital. Sources include but are not limited to:
County Community Foundation
Lilly Foundation
Kellogg Foundation
University Foundations
Private Endowments

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 CFF 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 – 5 years since previous funding – 50pts
5 – 7 years since previous funding – 25pts

Example:
Community submits and receives a CFF award for a new water tower in Round I of 2002. When applying for a water system upgrade (or a new water tower because the one

they purchased failed) in Round I of 2007, they would be subject to a point reduction of 50pts.

CFF Project Development Issues

CFF PROJECT DEVELOPMENT ISSUES – *WATER PROJECTS*

Eligibility:
Eligible applicant – non-entitlement city, town or county
Public Facilities (24 CFR 570.201(c))

National Objective:
Area-wide LMI (51% minimum) based on HUD Census data or certified income survey

Regulatory:
Citizen Participation requirements
Special assessments involved

Readiness:
Several items must be complete at the time of application. Please see the document "Community Focus Fund – Readiness to Proceed Guidelines" for detailed information.

Prerequisites:
Preliminary engineering report completed
Readiness issues above completed
$5,000 per beneficiary limit

Benchmarks:
$55 combined water/sewer/storm rates; for single utility, $25 rate for water/$30 rate for sewer
Minimum $5 gap on rate (difference between rates with and without CFF grant) using 4.5% APR, 20 years, 1.25 debt coverage, based upon 4,000 gallon consumption

Project Need:
Documentation of residential problems
Documentation from IDEM, Health Department, County Sanitarian, DNR
Age of existing system
Does the project encourage expansion?
Are we subsidizing infrastructure expansion to accommodate current problem or future development (which is prohibited)?

Financial Impact:
Have all other financial tools been investigated?
Include applicable/current water and sewer ordinances
Local tax rates, utility rates, financial gap, indebtedness, and current fund balances
History of recent rate increases
Attendance at the Environmental Infrastructure Working Group (EIWG)
Funds expended on past improvements

Local Effort:
Previous planning studies and recommendations
Previous testing and engineering efforts/expenditures
Dates and description of last expansion and/or renovation
Letters of support and other evidence of community support
Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – *SEWER PROJECTS*

Eligibility:	Eligible applicant – non-entitlement city, town or county Public Facilities (24 CFR 570.201(c))
National Objective:	Area-wide LMI (51% minimum) based on HUD Census data or certified income survey
Regulatory:	Citizen Participation requirements Special assessments involved
Readiness:	Several items must be complete at the time of application. Please see the document "Community Focus Fund – Readiness to Proceed Guidelines" for detailed information
Prerequisites:	Preliminary engineering report completed Readiness issues above completed $5,000 per beneficiary limit
Benchmarks:	$55 combined water/sewer/storm rates; for single utility, $25 rate for water/$30 rate for sewer Minimum $5 gap on rate (difference between rates with and without CFF grant) using 4.5% APR, 20 years, 1.25 debt coverage, based upon 4,000 gallon consumption
Project Need:	Documentation of residential problems Documentation from IDEM, Health Department, County Sanitarian, DNR Age of existing system Does the project encourage expansion? Are we subsidizing infrastructure expansion to accommodate current problem or future development (which is prohibited)?
Financial Impact:	Have all other financial tools been investigated? Include applicable/current water and sewer ordinances Local tax rates, utility rates, financial gap, indebtedness, current fund balances History of recent rate increases Attendance at the Environmental Infrastructure Working Group (EIWG) Funds expended on past improvements
Local Effort:	Previous planning studies and recommendations Previous testing and engineering efforts/expenditures Dates and description of last expansion and/or renovation Letters of support and other evidence of community support Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – *STORM DRAINAGE PROJECTS*

Eligibility:	Eligible applicant – non-entitlement city, town or county Public Facilities (24 CFR 570.201(c))
National Objective:	Area-wide LMI (51% minimum) based on HUD Census data or certified income survey
Regulatory:	Citizen Participation requirements Special assessments involved?
Readiness:	Several items must be complete at the time of application. Please see the document "Community Focus Fund – Readiness to Proceed Guidelines" for detailed information
Prerequisites:	Preliminary engineering report completed Readiness issues above completed $5,000 per beneficiary limit
Benchmarks:	$55 combined water/sewer/storm rates; for single utility, $25 rate for water/$30 rate for sewer Minimum $5 gap on rate (difference between rates with and without CFF grant) using 4.5% APR, 20 years, 1.25 debt coverage – Calculate gap as a monthly cost per household
Project Need:	Documentation of residential problems Personal property damage Pictures (color copies) Documentation from IDEM, Health Department, County Sanitarian, DNR Age of existing system Consistent with long range planning/priority of projects Are we subsidizing infrastructure expansion to accommodate current problem or future development (which is prohibited)?
Financial Impact:	Have all other financial tools been investigated? Bonding capacity; impact of CFF funding on project Local tax rates, utility rates, financial gap, indebtedness, current fund balances History of recent rate increases Attendance at the Environmental Infrastructure Working Group (EIWG) Funds expended on past improvements
Local Effort:	Evidence of community support Previous planning studies and recommendations Previous testing and engineering efforts/expenditures Dates and description of last expansion and/or renovation Letters of support and other evidence of community support Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – *HOUSING INFRASTRUCTURE PROJECTS*

Eligibility:
Eligible applicant – non-entitlement city, town or county
Public Facilities (24 CFR 570.201(c))

National Objective:
Area-wide LMI (51% minimum)
Percentage of homes must be reserved for low-moderate income persons, so that at least 51% of the beneficiaries are low-moderate income

Regulatory:
Citizen Participation requirements
Special assessments involved in the project

Readiness:
Several items must be complete at the time of application. Please see the document "Community Focus Fund – Readiness to Proceed Guidelines" for detailed information.

Prerequisites:
Development agreement – unit of local government and developer
Preliminary engineering report completed
Project Pro-Forma (5 years) required
Housing needs assessment/market demand study completed
Readiness issues above completed
Developer must transfer ownership of infrastructure to unit of local government (public infrastructure)
For owner-occupied projects, a 5-year disposition requirement must be warranted (or re-sale to LMI household)
Number of beneficiaries must match the number of homes to be constructed and the extent of infrastructure to be built
Involvement of Certified Housing Development Organization required, or other similar organization to assist with buyer qualification
Involvement of lending institution committed to the project
Percentage of homes must be reserved for low-moderate income persons, so that at least 51% of the beneficiaries are low-moderate income.

Project Need:
Documentation of need for affordable housing; Waiting list of qualified buyers
For rental units, waiting list for Section 8 voucher assistance
For owner-occupied, bank participation to allow LMI equity in home as a result of reduced development costs
Less down payment required
Number of homes to be built

Financial Impact:
Have all other financial tools been investigated?
History of rate increases
Local tax rates, utility rates, financial gap, indebtedness, and current fund balances
Must have all the funding in place to compete the <u>entire</u> project, including construction of housing
Is the developer contributing toward infrastructure?

Local Effort:
Funds expended on past improvements
Previous planning studies and recommendations
Previous testing and engineering efforts/expenditures
Letter of support and other evidence of community support
Attendance at Indiana Housing Assistance Review Team (IHART) meeting
Down-payment assistance programs, other partnerships

CFF PROJECT DEVELOPMENT ISSUES – *SENIOR CENTERS*

Eligibility:
Eligible applicant – non-entitlement city, town or county
Public Facilities (24 CFR 570.201(c))

National Objective:
Presumptive LMI – Limited Clientele (100% LMI)

Regulatory:
Citizen participation requirements
Will the building be used for activities other than limited-clientele in nature?

Readiness:
Several items must be complete at the time of application. Please see the document "Community Focus Fund – Readiness to Proceed Guidelines" for detailed information.

Prerequisites:
Building plans
List of program activities
Who will own the building – unit of local government or subrecipient – subrecipient agreement drafted if applicable
Project Pro-Forma (5 years) required
Will revenues pay fixed and variable costs for the required period of 5 years after grant closeout?
Readiness issues above completed
$5,000 per beneficiary limit

Project Need:
Age/ condition of present facility
What is the senior population being served (service area)
Expansion of programs/ activities
Number of persons using facility on daily basis
Hours of operation, schedule of activities
No duplication of services
Pictures (color copies)

Financial Impact:
Current and projected operating budget, maintenance budget
Who is responsible for running facility?
Sources of funding for daily operations (taxes, insurance, and debt service)
Costs for maintenance of the existing facility
Local tax rates, utility rates, financial gap, indebtedness, and current fund balances

Local Effort:
Fund raising efforts: amount raised, when, and types of activities
Certified staff, staff training, and volunteer efforts
Letters of support and other evidence of community support
Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – *DAYCARE CENTERS*

Eligibility:
Eligible applicant – non-entitlement city, town or county
Public Facilities (24 CFR 570.201(c))

National Objective:
Limited Clientele – LMI (51% minimum)

Regulatory:
Citizen participation requirements
Will the building be used for activities other than limited-clientele in nature?
Does the project involve rehab of an existing facility? If so, date of construction of current facility.
If existing facility built prior to 1978 – probable lead based paint issues

Readiness:
Several items must be complete at the time of application. Please see the document "Community Focus Fund – Readiness to Proceed Guidelines" for detailed information.

Prerequisites:
Building plans – architect must certify that building is licensable by the State
Who will own the building – unit of local government or subrecipient – sub recipient agreement drafted if applicable
Project Pro-Forma (5 years) required
Will revenues pay fixed and variable costs for the required period of 5 years after grant closeout?
5-year business plan required
Are rates affordable for LMI children? Is there a tuition reserve fund?
Lead-based paint certification for existing pre- 1978 buildings
Number of spaces reserved for LMI children
Readiness issues above completed
Must be state-licensed facility
$5,000 per beneficiary limit

Project Need:
Number of existing, licensed daycares in commuting distance
Number of children on waiting list (Head Start or other)
Percentage from low-moderate income families
Age/ condition of present facility
Step Ahead Plan – letter from Step Ahead Council
Support by local school corporation – letter included
Types of services provided
Hours of operation
Expansion of services
Pictures (color)

Financial Impact:
Maintenance, current, and projected operating budgets
Sources of funding for daily operations (taxes, insurance, and debt service)
Child-care expenses (buy-down); tuition reserve fund for LMI families?
Costs for maintenance of the existing facility
Local tax rates, utility rates, financial gap, indebtedness, and current fund balances

Local Effort:
Fund raising efforts: amount raised, when, and types of activities
Certified staff, staff training, and volunteer efforts
Letters of support and other evidence of community support

CFF PROJECT DEVELOPMENT ISSUES – *COMMUNITY CENTERS*

Eligibility:	Eligible applicant – non-entitlement city, town or county Public Facilities (24 CFR 570.201(c))
National Objective:	Area-wide LMI (51% minimum) based on HUD Census data or certified income survey
Regulatory:	Citizen Participation requirements Will the building be used for ineligible activities (e.g. general government)?
Readiness:	Several items must be complete at the time of application. Please see the document "Community Focus Fund – Readiness to Proceed Guidelines" for detailed information.
Prerequisites:	Building plans List of program activities Project Pro-Forma (5 years) required Will revenues pay fixed and variable costs for the required period of 5 years after grant closeout? Readiness issues above completed $5,000 per beneficiary limit
Project Need:	Age/ condition of present facility What is population being served? (Area-wide LMI requirement) Community survey results How will entire community use the facility? Types of activities or schedule Expansion of program/ activities No duplication of services Hours of operation Number of persons using facility on daily basis
Financial Impact:	**M**aintenance, current, and projected operating budgets Sources of funding for daily operations (taxes and insurance) Costs for maintenance of the existing facility Local tax rates, utility rates, financial gap, indebtedness, current fund balances
Local Effort:	Fund raising efforts: amount raised, when, and types of activities Certified staff, staff training, and volunteer efforts Letters of support and other evidence of community support Co-location with other amenities Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – *DOWNTOWN REVITILIZATION*

Eligibility:
Eligible applicant – non-entitlement city, town or county
Public Facilities (24 CFR 570.201(c)), and rehab (24 CFR 570.202)

National Objective:
Area-wide Slum and Blight (24 CFR 570.208(b)(1)

Regulatory:
Citizen participation requirements
Meets state statutory requirements (I.C. 36-7)
Boundaries of area declared officially by unit of local government via declaratory ordinance or resolution.
25% minimum deteriorated buildings (residential and commercial), or
At least 2 items of public infrastructure are in state of deterioration
Activity address either deteriorated buildings and / or public infrastructure deterioration
Residential rehabilitation activities must meet Section 8 Housing Quality standards

Readiness:
Several items must be complete at the time of application. Please see the document "Community Focus Fund – Readiness to Proceed Guidelines" for detailed information.

Prerequisites:
Scope of revitalization is beyond streetscape and infrastructure
Readiness issues above completed
$5,000 per beneficiary limit

Project Need:
Listed on National Register of Historic Places; or
- Eligible to be listed on the National Register of Historic Places;
- Listed in a State or Local inventory of historic places (e.g. local historical society); or
- Designated as a State or Local landmark or historic district by appropriate law or ordinance.

Local business plan by redevelopment commission, chamber of commerce, etc.
Impact on residents and businesses
Documentation of blighted conditions
Pictures (color copies)

Financial Impact:
Percentage of cost to be paid from local and/ or private sources
Local financing initiatives (low-interest bank loans, local RLF's, etc.)
Review local budgets and fund balances (particularly CCIF)
Financial participation of business owners
Local tax rates, utility rates, financial gap, indebtedness, and current fund balances

Local Effort:
What is business community doing to revitalize downtown
Planning and A/E studies; downtown revitalization/ redevelopment plan completed per IOCRA Guidelines
Is it a Main Street Community?
Downtown marketing plan and business recruitment effort
Maintenance plan or other economic development initiatives
Efforts by property owners or committees
List of downtown events
Letters of support and other evidence of community support
Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – *HISTORIC PRESERVATION*

Eligibility:
Eligible applicant – non-entitlement city, town or county
Eligible rehabilitation and preservation activities (24 CFR 570.202)

National Objective:
Spot Slum and Blight (24 CFR 570.208(b)(2)

Regulatory:
Citizen participation requirements
Specific site – legal description required in the unit of local government declaratory resolution
Not required to be in designated area-wide blighted area
Eligible activities restricted to: acquisition, clearance, relocation, historic preservation, and limited rehabilitation activities to correct specific conditions detrimental to public health and safety.

Readiness:
Several items must be complete at the time of application. Please see the document "Community Focus Fund – Readiness to Proceed Guidelines" for detailed information.

Prerequisites:
Building plans and accurate cost estimates as well as project pro forma
Readiness issues above completed
$5,000 per beneficiary limit

Project Need:
Letter of approval from SHPO
List on National Register of Historic Places; or
Eligible to be listed on the National Register of Historic Places;
Listed in a State or Local inventory of historic places (e.g. local historical society); or
Designated as a State of Local landmark or historic district by appropriate law or ordinance.
Proposed use of building meets an important community need
Documentation of blighted conditions; pictures (color copies)
History of building and its uses
Importance of the building to the community

Financial Impact:
Current and projected operating budget
Sources of funding for operation and maintenance expenses
Local financing initiatives (low-interest bank loans, local RLF's, etc.)
Review local budgets and fund balances (particularly CCIF)
Local tax rates, utility rates, financial gap, indebtedness, and current fund balances

Local Effort:
What is owner doing to restore building?
Planning and A/E studies
Who is paying expenses for improvements and maintenance?
Is this a Main Street Community?
Volunteer efforts
Private initiatives in historic preservation
Letters of support and other evidence of community support
Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – *LIBRARIES*

Eligibility:
Eligible applicant – non-entitlement city, town or county
Public Facilities (24 CFR 570.201(c))

National Objective:
If area-wide LMI (51% minimum) based on HUD Census data or certified income survey, can do renovation and expansion
If not area-wide LMI, can be a spot blight project, activities limited to renovation only (See historic preservation for more information)

Regulatory:
Citizen Participation requirements
Will the building be used for ineligible activities (general government)?

Readiness:
Several items must be complete at the time of application. Please see the document "Community Focus Fund – Readiness to Proceed Guidelines" for detailed information.

Prerequisites:
Building plans and accurate cost estimates
Readiness issues above completed
$5,000 per beneficiary limit

Project Need:
Age/condition of present facility
Population being served/number of cardholders (area-wide LMI requirement)?
Expansion of programs/activities
No duplication of services – number of existing libraries in area
Circulation history (more users and more activity from existing users)
Number of persons using facility on daily basis

Financial Impact:
Maintenance, current, and projected operating budgets
Sources of funding for daily operations (taxes and insurance)
Cost of maintenance of the existing facility
Local tax rates, utility rates, financial gap, indebtedness, and current fund balances

Local Effort:
What are the library board and the community doing to provide expanded services?
A/E studies conducted
Fund raising efforts, staffing level, and volunteer efforts
Letters of support and other evidence of community support
Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – *HEALTHCARE CENTERS*

Eligibility: Eligible applicant – non-entitlement city, town or county
Public Facilities (24 CFR 570.201(c))

National Objective: Limited Clientele – LMI (51% minimum)

Regulatory: Citizen Participation requirements

Readiness: Several items must be complete at the time of application. Please see the document "Community Focus Fund – Readiness to Proceed Guidelines" for detailed information.

Prerequisites: Building plans
Project Pro-Forma (5 years) required
Will revenues pay fixed and variable costs for the required period of 5 years after grant closeout?
Readiness issues above completed
$5,000 per beneficiary limit

Project Need: Age/condition of present facility
What population is being serve (Screening required)?
Expansion of programs/activities
No duplication of services
Is this a medically underserved area?
Number of persons using facility on daily/monthly/yearly basis

Financial Impact: **M**aintenance, current, and projected operating budgets
Sources of funding for daily operations (taxes and insurance)
Does local and/or county government support the program?
Local tax rates, utility rates, financial gap, indebtedness, and current fund balances

Local Effort: What is the healthcare provider doing to provide expanded services?
Planning and A/E studies
Fund raising efforts, staffing level, and volunteer efforts
Letters of support and other evidence of community support
Letters from clients served
Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – *SPECIAL NEEDS BUILDINGS*

Eligibility: Eligible applicant – non-entitlement city, town or county
Public Facilities (24 CFR 570.201(c))

National Objective: Limited Clientele – presumptive category or LMI (51% minimum)

Regulatory: Citizen Participation requirements

Readiness: Several items must be complete at the time of application. Please see the document "Community Focus Fund – Readiness to Proceed Guidelines" for detailed information.

Prerequisites: Building plans
Project Pro-Forma (5 years) required
Will revenues pay fixed and variable costs for the required period of 5 years after grant closeout?
Readiness issues above completed
$5,000 per beneficiary limit

Project Need: Age/condition of present facility
What population is being served?
Expansion of programs/activities
No duplication of services
Is there a waiting list?
Do local and/or county government support financially?

Financial Impact: **M**aintenance, current, and projected operating budgets
Sources of funding for daily operations (taxes and insurance)
Number of persons using facility on daily basis
Local tax rates, utility rates, financial gap, indebtedness, and current fund balances

Local Effort: What is the provider doing to provide expanded services
Planning and A/E studies
Fund raising efforts, staffing level, and volunteer efforts
Letters of support and other evidence of community support
Letters from clients served
Evidence of prior planning

CFF PROJECT DEVELOPMENT ISSUES – *FIRE STATIONS/FIRE TRUCKS*

Eligibility:
Eligible applicant – non-entitlement city, town or county
Public Facilities (24 CFR 570.201(c))

National Objective:
Area-wide LMI (51% minimum) based on HUD Census data or certified income survey

Regulatory:
Citizen Participation requirements
Will the building be used for ineligible activities (general government)?

Readiness:
Several items must be complete at the time of application. Please see the document "Community Focus Fund – Readiness to Proceed Guidelines" for detailed information.

Prerequisites:
Who will own the building – unit of local government or subrecipient ?
Subrecipient agreement drafted if applicable
Building plans with appropriately sized bays for number and size of fire trucks
Readiness issues above completed
Specifications for fire truck
$100 Million NAV **maximum** for fire service area
$5,000 per beneficiary limit
$350,000 maximum grant award for fire and/or EMS stations

Benchmarks:
ISO rating of 8 or higher

Project Need:
How would ISO rating change with proposed improvement?
Age/condition of present facility
Appropriate number of bays and building size
Detailed map of service area
Number of runs for the last 3-5 years
Number of trucks and ages
Costs of maintenance of the existing facility/truck(s)

Financial Impact:
Current and projected operating budget of fire department
Sources of funding for department operation and project
Annual funding level from Township Trustee
5 year pro forma for station
Local tax rates, utility rates, financial gap, indebtedness, and current fund balances

Local Effort:
Mutual aid agreements
Fund raising efforts: amount raised, when, and types of activities
Staffing level, training, and volunteer efforts
Letters of support and other evidence of community support
Evidence of prior planning

PLANNING GRANT APPLICATION PACKAGE

Community Development Block Grant Program
U.S. Department of Housing and Urban Development

July 2007

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OVERVIEW OF THE PLANNING GRANT PROGRAM

The Planning Grant program is funded with Federal Community Development Block Grant (CDBG) dollars from the U.S. Department of Housing and Urban Development (HUD). The goal of the program is to encourage communities to plan for long-term community development. Communities interested in planning for projects relating to such issues as infrastructure, downtown revitalization, and community facilities are encouraged to apply. To be competitive, projects must demonstrate (1) they meet a goal of the Federal Act; (2) the particular planning initiative addresses established long-term community priorities; (3) the funds granted will have a significant impact on the overall project; (4) the community has a strong commitment to the project; and (5) the project is ready to proceed upon grant award and will be completed within 15 months. Further instructions are provided on the following pages.

MINIMUM PROGRAM REQUIREMENTS

To be eligible for Planning Grant assistance, projects must meet certain minimum program requirements. Those requirements are as follows:

- The lead applicant must be a city, incorporated town, or county. The community must not be a HUD Entitlement grand recipient (receiving CDBG dollars directly form HUD), and must possess the legal capacity to carry out the proposed project.

- The lead applicant may apply on behalf of a 501c3 not-for-profit organization for an eligible project, provided that the organization can document its not-for-profit status with the U.S. Internal Revenue Service, the Indiana Department of Revenue, and the Indiana Secretary of State.

- All planning projects must meet one of the following goals of the Federal Act: 1) to benefit at least 51% low-to-moderate-income individuals; or 2) to aid in the prevention or elimination of slums or blight.

- If the applicant has previously received Community Focus Funds (CFF), CFF Planning Grant Funds (CFFPG), Community Economic Development Funds (CEDF) or any CDBG Funds through the Indiana Housing and Community Development Authority (IHCDA) the applicant must <u>NOT</u> have:

❖ any unresolved monitoring/audit findings;
❖ any overdue grant reports or close-out documents;
❖ for cities and towns, more than one (1) open CFF or Planning Grant at the time of application;
❖ for counties, more than two (2) open CFF and/or Planning Grants at the time of applications
❖ an open CFF grant or Planning Grant that has not received Release of Funds;
  - If a community has an open CFF or Planning Grant, the community must have an executed construction contract and be under construction, or a consultant under contract for planning grants before the community map apply for an additional CDBG Grant.

- Any CDBG Program Income accumulated from a previous CDBG grant must be committed for use that has been approved by the Indiana Office of Community and Rural Affairs before another CDBG grant will be approved. Any available Program Income may be used as part of the local match for a CDBG project. Please contact Community Affairs at (317) 232-1703 for additional information regarding Program Income.

- The cost per beneficiary ratio of the proposed project may not exceed $5,000 (grant funds only).

- Ten percent of the total project cost must consist of <u>cash or debt</u> provided by the applicant. <u>In-kind contributions do not count toward the 10% local match requirement.</u>

- **Procurement of professional services for the planning study must be completed prior to submitting a planning grant application.** The applicant must use the Qualification Based Selection (QBS) or Request for Proposal (RFP) process as laid out in the Procurement Overview included in this document. All documentation of the process must be attached to the application. (Please see Appendix Two of this packet for required forms and attach the required documentation as Appendix Eight of your application).

- Grant Administrators used for CDBG projects must have participated in, or tested out of, the Grant Administrator Training Course administered by the Indiana Office of Community and Rural Affairs. A complete list of grant administrators who are current in this training is available on our Web site (www.in.gov/ocra/).

- **Three** sets of the application, one that contains original signatures and documents and two copies, must be received by the Indiana Office of Community and Rural Affairs by 5 p.m. on the due date, which is the last business day of each month.

ELIGIBLE PLANNING ACTIVITIES

The following list identifies the general types of eligible activities for the planning grant program. The list is not all-inclusive. Applicants should contact their Community Development Specialist to determine if their project is eligible for funding. Eligible planning activities consist of all costs associated with data gathering, study, analysis, and preparation of plans and the identification of actions to implement such plans, including:

1. Individual project plans* and feasibility studies;
2. Community development, redevelopment and functional plans in areas such as:
   - Infrastructure in support of housing;
   - Land use and urban environmental design;
   - Comprehensive Plans**
   - Economic development;
   - Park plans;
   - Downtown revitalization plans;
   - Floodplain and wetlands management;
   - Utilities; and
   - Historic preservation.
3. Environmental review and environmental assessments***;
4. Site specific/site control activities excluding land acquisition and purchase of options;

*Planning dollars can be used for preliminary design activities only, and NOT for construction documents or bid specifications.

** Priority will be given to those communities that have never prepared a Comprehensive Plan in the past. Updates will be considered for funding, but will not be the most competitive projects. By their very nature, Comprehensive Plans must be kept current in order to maximize their effectiveness; therefore, communities should make financial provisions to fund necessary future updates.

***Environmental review and site control activities are strongly encouraged in the planning process. Planning grants are provided primarily to help develop potential Community Focus Fund (CFF) projects to proceed with a full CFF application or to develop a plan for another funding source. Pre-engineering studies and downtown redevelopment plans are examples of planning projects that help potential CFF projects become ready to move quickly into construction. Planning should include the environmental review necessary to apply for a CFF grant. If CDBG dollars are being used for the environmental review activity, a maximum of $3000 will be allowed. **PLEASE NOTE**: if environmental review is included in the budget for a planning project, it cannot be included in the budget for a subsequent CFF application related to the planning project.

MEETING A GOAL OF THE FEDERAL ACT

Title I of the Housing and Community Development Act of 1974, as amended, identifies three national objectives of the CDBG program. Planning projects must meet one of the following two national objectives and meet the requirements set out for that objective:

- Benefit low- and moderate-income persons
  - On an area basis
  - Of a limited clientele group

  At least 51%of the project's beneficiaries must be low- to moderate-income persons.

- Aid in the prevention or elimination of slums or blight on either an area or spot basis.

For each objective, the community will need to demonstrate that it meets the objective by providing documentation and answering the questions relevant to that objective.

Benefit to Low- and Moderate-Income Persons – Area Basis

To show that a project benefits an area of low- to moderate-income people, the following questions must be clearly answered in the application on the National Objective Identification page:

1. What are the boundaries of the service area?
2. How do the boundaries correspond to the project's intended beneficiaries?
3. What percentage of persons in the service area is of low- to moderate-income?
4. How were the income characteristics of the target population determined?
5. Is the proposed facility available to all service area residents?

The low-moderate income population can be obtained either through Census Data or through an income survey. Income surveys are valid for two years from the date of the certification letter. The survey may be re-certified one time for an additional two years. The four-year period during which the income survey may be used is calculated from the date of the first certification letter. The project area must be certified as a single area; two separate previously certified income surveys will not be accepted.

The following documentation **MUST** be provided in the application:

1. Map(s) showing location and boundaries of service area.
2. If applicable, certification of income survey results by a qualified professional. The methodology of the income survey **MUST** also be included.

Benefit to Low- and Moderate-Income Persons – Limited Clientele Basis

There are eight groups of people that are presumed to be low- to moderate-income people by federal regulations. Those groups are as follows: senior citizens (people who are 62 years of age or older), migrant farm workers, abused children, battered spouses, severely handicapped adults, homeless persons, illiterate adults and persons with AIDS. For limited clientele projects serving other persons, benefit to low- to moderate-income persons will have to be documented.

For a limited clientele project, these questions will need to be clearly answered in the application on the National Objective Identification page:

1. Who will use the proposed facility?
2. Will any other groups or the general public also use the facility? If so, to what extent?

3. If the facility is to be used on an income-eligible basis, how will the income and family size information of users be documented? If less than 100% of users are to be of low- to moderate-income, how was the percentage of low-to moderate-income users determined or estimated?

Prevention or Elimination of Slums or Blight – Area Basis

The following questions must be answered in the application on the National Objective Identification page:

1. What are the boundaries of the area?
2. What are the conditions that cause the area to be considered blighted?
3. What percentage of the buildings in the area are deteriorated? How are they deteriorated?
4. What public facilities in the area are deteriorated? Describe this deterioration.
5. How will the proposed project remedy one or more of the blighted conditions described above?

The following documentation to the application must be attached with a slum and blight, area basis application:

1. Municipal resolution passed by governing body that describes boundaries of the specific blighted conditions within the area, and officially designates an area as blighted.
2. Map of area showing location of project activities.

Prevention or Elimination of Slums or Blight- Spot Basis

The following issues must be addressed on the National Objective Identification page:

1. Show the specific blighted or deteriorating structure that will be affected by the proposed project.
2. Provide a detailed description of the conditions to be remedied by the proposed project, accompanied by a detailed statement of activities to address those conditions.

The following documentation to the application must be attached with a slum and blight, spot basis application:

1. Municipal resolution passed by governing body that describes the blighted or deteriorating structure, including a legal description, and officially designates the property as blighted under spot basis.

Spot basis to slum/blight projects are limited to five project activities: acquisition, relocation, clearance, historic preservation, and limited rehabilitation to correct specific conditions detrimental to public health and safety. **Please note a spot basis blight project must not be located within a designated blighted area.**

AMOUNT OF GRANT REQUEST & LOCAL MATCH

The Indiana Office of Community and Rural Affairs (IOCRA) has established a maximum grant award of $50,000 for most Planning Grant applications. For environmental infrastructure projects, the limits are as follows: $30,000 for a study on a single utility, $40,000 for a study on two utilities, and $50,000 for a study on water, wastewater, and storm water utilities. Park plans are limited to a maximum of $20,000.**The maximum award is not intended to serve as a target figure for requests for grant assistance.** The IOCRA will review the level of grant assistance requested and will consider the appropriateness of the project's scope, level of demonstrated need, and the financial resources of the applicant. **If the IOCRA determines that a lesser amount is appropriate, it may be necessary to revise the application before it is considered for funding.**

In order to participate in the Planning Grant program, **communities must commit at least ten percent (10%) of the total project cost** in matching funds toward the grant. For example, an applicant applying to fund a project costing a total of $35,000 must commit at least $3500 or ten percent (10%) of this project cost. The grant request would then be for the amount of $31,500.

CONSULTANTS AND GRANT ADMINISTRATION

All consultants to be paid with CDBG dollars, such as engineers, architects, and grant administrators, must be procured using the Qualifications Based Selection (QBS) or Request for Proposal (RFP) process prior to the submittal of the application to IOCRA. Additional information regarding these processes may be obtained from www.qbsindiana.org, or from IOCRA.

All grant administrators involved in CDBG projects must have successfully completed, or successfully tested out of, the Grant Administrator Training Course. This certification must be current at the time of application. A list of such grant administrators can be provided upon request by calling 317-232-1703 or visiting our Web site www.in.gov/ocra.

A maximum of eight (8) percent of the grant amount requested, or $4,000, whichever is less, of CDBG funds may be used for grant administration. Grant administration may also be paid with local dollars, as part of the required local match. In this case, QBS is not required.

NOTE: Private firms or non-governmental entities that perform project development and administration activities for CDBG-assisted projects (project development, environmental review, grant application preparation, procurement assistance, grant administration) will NOT be allowed to also perform architectural, engineering, planning, or other related services/activities for grantees or their non-profit sub-recipients. These restrictions apply while persons are employed with a firm or agency, and for a period of one (1) year following their employment with that firm or agency. Units of general local government and certain special governmental units, and their employees, will be permitted to administer CDBG grants and undertake certain other activities to the extent that they may be reimbursed ONLY for actual expenses incurred, plus an overhead rate approved by a federal grantor agency or prepared by an independent accounting firm and approved by the IOCRA. The one-year post employment restriction, and the IOCRA certification requirements, will also apply to employees of such governmental units.

PUBLIC HEARINGS & CITIZEN PARTICIPATION

The Federal Act requires that at least two (2) public hearings be held on the proposed project. These two (2) public hearings must be held at different stages of project development. One public hearing must be held prior to the submission of the application and the second must be held after a draft of the planning study has been completed.

Indiana law prescribes the method by which the public must be notified of such hearings in this state. Among the statutory requirements contained in I.C. 5-3-1 is the publication of legal advertisement of each such hearing at least 10 calendar days in advance (the date of the hearing counts as day #10) in one newspaper of general circulation in the area where the project is to be implemented. Other provisions of I.C. 5-3-1 may also apply.

To be considered a legal public hearing, each hearing must have the required 10 days notice, must have been advertised through a legal advertisement, and said legal advertisement must contain all required information. All public hearings must be accessible to handicapped persons and non-English speaking persons, in addition to other requirements (see Sample Public Notice for First Hearing in the Samples Section of this application packet).

Other methods of soliciting public participation, such as letters to affected residents, fliers, public posting of notices, electronic and print media coverage, etc., **are also strongly recommended**. These other methods should take into consideration the needs and circumstances of low- to moderate-income persons.

The original publisher's affidavit(s) documenting publication dates for at least the required first public hearing must be attached to the application. Minutes from that public hearing, including a sign-in sheet, also must be attached to the application. *Note: if a third party, such as a grant administrator, takes the minutes of the meeting, the applicant must include a document stating that the third party is acting as its representative.* **Minutes must be signed and date by the party that recorded them.** It is recommended that an audio tape of the public hearings be maintained until the grant is closed out. The IOCRA may request transcripts of the public hearings.

APPLICATION PROCESS & DEADLINES

A total of three (3) copies of the application, at least one that bears the original signature of the chief elected official of the lead applicant, must be submitted to the Community Affairs Division of the IOCRA. Facsimile transmissions will not b accepted. **Applications are due by 5 p.m. in the office of the Community Affairs Division of the IOCRA on that last business day of each month.**

The following process must be followed:

1. **Letter of Intent to Submit Planning Application:**
   A letter of intent to submit a planning grant application must be submitted prior to the start of the required procurement process used to select a consultant. A sample letter is included in the Samples section of this application packet. This letter will notify the Community Affairs Division and the appropriate Community Liaison will contact the community to set up a site visit to help develop the application and to advise on the planning process.

   Letters of Intent will be kept on file for six (6) months. If an application is not received within six (6) months of the date on the letter of intent, a new one will need to be submitted to IOCRA.

2. **Procurement:**
   The applicant must use Qualifications Based Selection (QBS) or Request for Proposal (RFP) process as laid out in the Procurement Overview in Appendix Two of this document. This process should begin after the applicant has met with IOCRA pertaining to their desired project, to allow inclusion in the scope of work any additional items identified at the site visit.

3. **Planning Grant Application:**
   Planning grant applications will be reviewed during ongoing monthly funding cycles. The application deadline is the last business day of each month. Verbal notice of approval or denial of the grant will be given on or around the last working day of the following month. Denial notices will include reasons for denial and suggested areas for improvement. Unless notified otherwise, denied applicants may reapply when satisfactory changes to the proposed project are made.

   NOTE: In the event of an incomplete application, the applicant will be required to make any changes that are necessary before an award is made. All of the additional information needed to complete the application must be submitted by the 20th of the month for consideration in that month's funding cycle. If the project is not awarded within 120 days from the last business day of the month of original submission, the community may be required to submit a new letter of intent and begin the process again.

Letters of Intent/Applications should be submitted to:

Indiana Office of Community and Rural Affairs
Community Affairs Division
Attn: Community Affairs Director
One North Capitol, Suite 600
Indianapolis, Indiana 46204

4. **Grant Agreement Execution:**
   After verbal notice of the grant award has been given, the grantee will receive a letter signed by the Lieutenant Governor of the State of Indiana officially granting the award (usually within two weeks). Following that, the community will receive one (1) copy of the grant agreement, which needs to be signed by the chief elected official and returned to the state. Upon the state's receipt of these documents, the signatures of various state officials will be obtained. (This process can take up to eight weeks.) **Once all**

parties have signed the documents, the grant agreement is executed. No contract(s) can be signed with consultants until a notice of Removal of Environmental Conditions and a Notice of Release of Funds and Authorization to Incur Costs have been issued by Grant Services.

The community will receive a copy of the Lieutenant Governor's Award Letter. Prior to the award letter will be a memo noting important deadlines and milestones for the grant. In general, these milestones are as follows:

Grant Award Date: the last day of the month
Lieutenant Governor's Award Letter: arrives within 2-3 weeks of the award date
Grant Agreement: two copies arrive within 2-3 weeks of the Award Letter
Grant Agreement Execution: takes 6-12 weeks, depending upon return from grantee
Contract Signed with Consultant: any day after the date of the last signature on the grant agreement
Final Plan Due at IOCRA: one year from Award Date
Expiration Date of Grant: three months after the plan is due
Term Date of Grant: one year from expiration date

5. **Review of Draft Planning Study:**
Upon completion of the draft planning study, two copies must be forwarded to the Director, in the Community Affairs Division of IOCRA, for approval. The document will be reviewed to be sure all necessary components were included (please see Guidelines and Expectations for the Final Product). A minimum of thirty (30) days should be allowed for this review process. Please note, however, that the plan is due to IOCRA three months prior to the deadline of the grant, in order to allow time for any revisions that may be necessary, as well as administrative close-out of the grant. If the community intends to apply for a Community Focus Fund (CFF) grant to implement the planned project, be aware that the draft planning study must be submitted to IOCRA for review at least 120 days prior to the CFF Application deadline, in order to allow for the same review, revision and processing time. In addition to this review, the lead applicant **must** approve the plan by resolution. A sample resolution is provided in this packet; please see Sample Local Resolution Approving Plan.

6. **Planning Project Completion:**
In addition to the submittal of the draft document for approval, a **second public hearing must be held to solicit public comment on the draft document.** This hearing must follow all the same guidelines discussed above in the Pubic Hearings and Citizen Participation section of this application packet. A sample notice is provided in this packet; please see Sample Public Notice for the Second Hearing. A copy of the second public hearing notice, the publisher(s) affidavit, sign-in sheet, minutes, and the resolution approving the plan at the local level shall be forwarded to the Community Affairs Division, Indiana Office of Community and Rural Affairs. Receipt of these documents and approval of the document must occur prior to the submission of the request for final draw down of funds, or the draw request will be denied. *Note: if a third party, such as a grant administrator, takes the minutes of the meeting, the applicant must include a document stating that the third party is acting as its representative.*

NOTE: It is expected that all planning projects funded under this program will be completed within one year.

GUIDELINES & EXPECTATIONS FOR FINAL PRODUCT

The IOCRA has certain expectations for the document that is produced with grant funds; primarily that it assists the community in making an informed decision about their options and enables them to take the next step in the project. In order to fully provide the community with the information they need, the document must contain the following:

For all projects:

- The preparer of the plan should assume the audience is neither technically trained nor familiar with the history of the project. Should implementation not occur immediately, future community leaders (utility superintendents, town councils, and other interested parties) should be able to read this document and understand the situation and what had been considered to date. This product should provide historical documentation for the community's files;
- Funding information sufficient to aid the community in making decisions, including preliminary rate impact on the users and funding scenarios assuming different grant amounts or funding sources;
- All options adequately described, pros and cons discussed, and costs provided for each alternative before the recommended alternative is presented;
- An Executive Summary at the beginning of the report summarizing the description of the issues leading to the study, the discussion of the alternatives, the recommended actions, and cost estimates.

For infrastructure projects:

- All information, in the correct, for submittal of the Preliminary Engineering Report (PER) to either USDA or IDEM for their funding programs;
- Regional options are given full consideration for new systems;
- Alternative technologies are given full consideration and explanation;
- Documentation that community members attended a meeting of the Environmental Infrastructure Working Group (EIWG), during the planning process.
- When filling out rate information for infrastructure projects, please provide a realistic picture of what the rates actually will be with the various options provided within the plan.

For Comprehensive Plans:

- **All comprehensive plans must include chapters on the following issues:** Transportation (including non-motorists), Housing, Public/Environmental Infrastructure, Recreation, Economic Development (including the Central Business District), Central Business District, Land Use, and Quality of Life.
- All sections must include a discussion of the following: existing conditions, factors contributing to those conditions, current and future trends, short-term and long-term goals for the community, and implementation steps for each goal. The Land Use and Downtown sections, and others as the community and consultant deem appropriate, should include discussion of development standards.
- Demographic information should be presented early in the document.
- Public participation is absolutely essential to a successful process and outcome. The IOCRA expects that more than the minimum of two required public hearings is necessary to maximize the effectiveness of the resulting plan. A separate chapter of the document shall be dedicated to summarizing what process was followed and shall contain the meeting dates, sign in sheets, minutes or notes, and other details necessary for historical documentation.

In addition to the above information, planning grants funded by the Indiana Office of Community and Rural Affairs (IOCRA), Community Development Division shall adhere to the following guidelines:

Water Facility Plans:	RUS Bulletin 1780-2
Sewer System Studies:	RUS Bulletin 1780-2
Storm Drainage Plans:	RUS Bulletin 1780-5
Conservancy District Plans:	DNR Guidelines, I.C. 13-3-3-1 to 13-3-3-102

State Revolving Loan Projects:	IDEM Preliminary Engineering Report Guidelines
Downtown Redevelopment Plans:	IOCRA Downtown Planning Guidelines
Historic Preservation Projects:	The Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings

HOW TO COMPLETE THE FORMS

Project Narrative

This is the section of the application where the community tells its story. It is organized to encourage brief but complete answers to the questions concerning project development and history. Please be succinct and use numerical and quantified information whenever possible. **Documentation that supports the narrative may be provided in the appendices; please be sure to reference the location of each piece of documentation, and do not include attachments that are not discussed and referenced in the narrative,** unless Federal or state policy requires those attachments.

Beneficiaries Form

The Beneficiaries Form is included to provide information on the demographic make-up of the people who will benefit from the project. This information is used by the Indiana Office of Community and Rural Affairs for reporting purposes.

This information is available from published U.S. Census reports available at many libraries or on the web at www.stats.indiana.edu. In those instances where the target population does not correspond to the population of a county, city, or town, much of the requested information will have to be extrapolated from these U.S. Census reports. This is done by applying the percentages for county populations to the target population to derive numbers under each category. The number and percentage of low- and moderate-income persons MUST be taken either from HUD low- and moderate-income level data or from income survey results.

The Beneficiaries Form reflects the categories and format that HUD now expects to be reported. A special web page is available at www.stats.indiana.edu that can assist grant administrators in filling out this page. Please contact Grant Support for further information.

Please make certain to provide information about persons, not families. Only in instances where different project activities have different beneficiaries (example: a project consisting of a water line extension and a new water tower for the entire system) does information need to be reported under more than one "activity description." In such instances, the numbers reported under each column should correspond to the groups benefiting from the respective activities.

In the event a community conducts an income survey, the number represented on the Beneficiaries Form MUST correspond to the results of the survey

Citizen Participation Report

The Citizen Participation Report requests a summary of the methods used to solicit public participation in the development of the proposed project and the decision to submit the application. As discussed in the Public Hearings & Citizen Participation section of this application packet, at least one properly advertised public hearing is required prior to application. Other methods of soliciting public participation, such as letters to affected residents, fliers, public posting of notices, electronic and print media coverage, etc. are also recommended. These other methods should take into consideration the needs and circumstances of low- to moderate-income persons. Applicants maximizing public involvement will obtain higher scores on their applications. Describe such methods on Items #3 of the Citizens Participation Report. Any comments or complaints received, the actions taken and the responses made to such comments or complaints must be recorded in Item #4.

Displacement Plan and Displacement Assessment

All applicants are required to complete the Displacement Assessment form and a Displacement Plan **even if no displacement will occur** as a result of the proposed project. Where no displacement is anticipated, simply checking the "N/A – No displacement will occur" line at the top of the form completes the displacement assessment form. The sample local displacement plan included may be used as a guide, and addresses the minimum requirements established.

Assurances and Certifications

Immediately preceding the space for the signature of the chief elected official is a list of assurances and certifications. By affixing his or her signature to the application, the chief elected official is committing the applicant to comply with these assurances if grant assistance is approved.

The assurances and certifications must be signed and dated by the chief elected official of the lead applicant. For cities, the chief elected official is the mayor; for towns, the president of the town council (not the clerk-treasurer); for counties, the president of the county commissioners. At a minimum, the chief elected official and/or the corporate counsel should read the assurances and understand the provisions to which the applicant is agreeing. Questions concerning the provisions of any of the assurances and certifications may be directed to the Community Affairs Division.

Civil Rights Certification

In addition to the assurances and certifications section, the civil rights certification has been included to certify that the local unit of government shall follow all necessary Federal civil rights requirements.

Federal Disclosure Requirements of Applications

24 CFR Part 4
Section 102 of the HUD Reform Act of 1989

Applicants who have received or expect to receive $200,000 or more in Community Development Block Grant funds in a federal fiscal year (October 1 to September 30) will be required to disclose certain information periodically.

All applications for CDBG assistance must include the following information:

* Assistance from other government sources in connection with the project;
* The financial interest of persons in the project;
* The sources of funds to be made available for the project; and
* The uses of all project funds.

Application received from units of local government will be made available for public inspection for a period of 5 years, beginning not less than 30 days after award of assistance.

Certificate of Accessibility

Aside from equal employment opportunities and participation in CDBG funded projects, it is the responsibility of the Grantee to ensure that all newly constructed, leased, or financed buildings and facilities, as well as buildings assigned for public use, are designed, constructed, and altered so as to be accessible to and usable by persons with physical disabilities. To accomplish this, the Grantee must complete the following tasks:

* Coordinate activities with the design architect or engineer;
* Complete and submit as part of the application a Certification of Accessibility form.

APPLICATION COMPLETION CHECKLIST

Please ensure that all the following information is included with the application.

Please place the information in the application in the following order so that the IOCRA Staff can review the information efficiently. Use tabs or some other mechanism to separate appendices and number pages for easy referencing.

☐ **Application:** one (1) original and two (2) copies

☐ **Cover Sheet**
- ☐ Is the Very First Page of the Application
- ☐ Match is at least 10% of the Total Project Cost
- ☐ All blanks completed

☐ **Application Narrative,** all questions answered
- ☐ Project Description Page
- ☐ Project Need Page
- ☐ Financial Impact Page
- ☐ Infrastructure Information Page
- ☐ Local Effort Page

☐ **Project Budget**
- ☐ Numbers add up correctly
- ☐ All budgets in agreement
- ☐ Corresponds to cover page and narrative
- ☐ Reasonable cost estimates for each line item

☐ **The following forms,** completed and attached

☐ National Objective Form
- ☐ Appropriate national objective indicated
- ☐ Answered all questions related to the selected national objective
- ☐ Slum-Blight Projects page included, as appropriate

☐ Beneficiaries Form
- ☐ Do the numbers add up?
- ☐ If applicable, do numbers correspond to survey results?
- ☐ The CFF request divided by the total number of beneficiaries does not exceed $5,000 ($10,000 for housing and day care projects)

☐ Citizens Participation
- ☐ Original publisher's affidavit for public meeting
- ☐ Was ad at least 10 days prior?
- ☐ Attach minutes of public hearing
- ☐ Attach list of attendees for public hearing
- ☐ Documentation of third party authorization

APPENDIX ONE: Project Description Documentation
- ☐ Scope of Work
- ☐ Map of Service Area
- ☐ Sub-recipient not-for-profit status documentation, including Federal designation from the IRS, Indiana Dept. of Revenue certification, and certificate of good standing from the Secretary of State

APPENDIX TWO: Project Need Documentation
- ☐ Color Copies of all pictures provided in all copies of application

APPENDIX THREE: Financial Impact Documentation
- ☐ Ending fund balances for lead applicant (**Do not include all budget pages)**
- ☐ County advertised tax sheet
- ☐ Annual operating budget of sub-recipient, if applicable

APPENDIX FOUR: Local Effort Documentation

APPENDIX FIVE: National Objective Information

- ☐ Maps
  - ☐ Boundaries of jurisdiction shown
  - ☐ Project area shown
  - ☐ Service area corresponds to survey area
  - ☐ Floodplain shown
  - ☐ USGS map (preferred)
- ☐ Income Survey Information (if applicable)
  - ☐ Description of survey methodology
  - ☐ Copy of sample survey form
  - ☐ Copies of written survey material (instructions, cover letter, etc.)
  - ☐ Map of survey area
  - ☐ Survey results analysis form
  - ☐ Certification letter
- ☐ Slum and Blight Declaratory Resolution (if applicable)

APPENDIX SIX: Readiness Information

- ☐ Environmental Exemption Letter
- ☐ Local match commitment resolution indicating source and amount of match
- ☐ Correspondence from bank, not-for-profit or other funding source (If applicable- Must be with original signature on letterhead)

APPENDIX SEVEN: Legal Information

- ☐ Displacement Assessment
- ☐ Displacement Plan (See Sample)
- ☐ Assurances and Certifications
  - ☐ Original signature of Chief Elected Official
- ☐ Disclosure Report
- ☐ Certification of Accessibility
- ☐ Civil Rights Certification
  - ☐ Original signature of Chief Elected Official
- ☐ Cooperation Agreements (if applicable)
- ☐ Multi-jurisdictional (if applicable)
  - ☐ Assurances and Certifications for each jurisdiction
  - ☐ Citizens' participation for each jurisdiction
  - ☐ Public hearings held for each jurisdiction
  - ☐ Displacement Plans and Assessments for each jurisdiction
  - ☐ Legal opinions for each jurisdiction affirming interlocal cooperation
  - ☐ Resolution for each jurisdiction

APPENDIX EIGHT: Procurement Documentation (only required in the original document)

- ☐ Copy of the detailed scope of work
- ☐ Original legal ad announcing Request for Proposals/Qualifications and publisher's affidavit
- ☐ Copies of certified mail receipts
- ☐ List of firms solicited
- ☐ List of at least two MBE firms solicited **(please note which firms are MBE)**
- ☐ List of firms responding to solicitation
- ☐ List of firms on the short list
- ☐ List of scoring/selection committee members and titles
- ☐ Copies of all SIGNED score sheets (one per committee member per firm considered)
- ☐ Summary of scores (Group Interview Evaluation Form)
- ☐ Copies of any correspondence to firms, including copies of letters sent to firms not selected
- ☐ Copy of proposed contract with selected firm, including Third Party Contract Provisions

II: PLANNING GRANT APPLICATION

(COVER SHEET)

A. **CHIEF ELECTED OFFICIAL (NAME & TITLE):**
LEAD (LEGAL) APPLICANT:
MAILING ADDRESS:
CITY: COUNTY: CDBG County Code:
ZIP: PHONE: FAX:
EMAIL:
CHIEF FINANCIAL OFFICER (NAME & TITLE):
PHONE: EMAIL:
IF NOT CHIEF ELECTED OFFICIAL, WHO IS THE PRIMARY COMMUNITY CONTACT FOR THE PROJECT? (NAME & TITLE):
PHONE: EMAIL:
FEDERAL I.D./TAX NUMBER:

B. **GRANT ADMINISTRATOR:**
ORGANIZATION:
ADDRESS:
CITY:
ZIP: PHONE: FAX:
EMAIL:
METHOD OF PROCUREMENT (check one): RFP:☐. Local Funds:☐.
DATE OF MOST RECENT CERTIFICATION FROM IOCRA

PROJECT TITLE:

PROJECT ABSTRACT:

C. **LEAD APPLICATION CENSUS POPULATION: 1990: 2000:**
LEAD APPLICANT CURRENT ASSESSED VALUATION: $
BASIS FOR VALUATION: NET ASSESSED VALUATION TRUE TAX VALUE

D. **PROJECT FUNDING SOURCES:** **AMOUNT**

PLANNING GRANT AMOUNT REQUESTED: $

MATCH AMOUNT (At least 10% of TOTAL PROJECT COST): $

TOTAL PROJECT COST: $

LIST SOURCE(S) OF MATCH:

G. **LIST PROFESSIONAL/FIRM TO COMPLETE PLAN:**
METHOD OF PROCUREMENT (check one): QBS☐, Local Funds☐.
H. **FAIR HOUSING ORDINANCE (check one): On-file with IOCRA☐, Attached☐.**
DRUG FREE WORK-PLACE POLICY (check one): On-file with IOCRA☐, Attached☐

APPLICANT INFORMATION
CONTINUED

LIST ARCHITECT/ENGINEER:

METHOD OF PROCUREMENT (check one): QBS☐ RFP☐ Local Funds ☐

FAIR HOUSING ORDINANCE (check one): On-file with IOCRA☐
Attached (Appendix A-2) ☐ None☐

DRUG FREE WORK-PLACE POLICY (check one): On-file with IOCRA☐ Attached (Appendix A-3) ☐ None ☐

In what Indiana Senate District does this project fall under?
State Senator representing this district:

In what Indiana House of Representatives District does this project fall under?
State Representative representing this district:

Is this project site within a certified "Clean City" by IDEM?

PROJECT NARRATIVE

Project Description

Describe below what exactly is proposed, i.e. the components or summarized scope of the project. List or mention all major project activities, including only as much detail as necessary to give someone who is not familiar with the project a general understanding of what is planned. Attach in Appendix One the scope of work and a map of the project area.

Identify the guidelines that will be used to prepare the final document (see the *Guidelines and Expectations for the Final Product* section of the Application Instructions for minimum requirements).

Timeline

Provide below the major milestones involved in this project and the timing of each to allow for completion of all planning activities within one year (estimate the date of the second public hearing to receive comment on the draft planning study).

For Comprehensive Planning

Has the community completed a Comprehensive Plan in the past? **Yes**☐ **No**☐

If yes, please answer the following questions:

In what year was the plan completed?

Has the plan been update since its completion? **Yes**☐ **No**☐

Were CDBG funds used to pay for any portion of the existing plan? **Yes**☐ **No**☐

Has the plan been implemented? **Yes**☐ **No**☐

PROJECT NARRATIVE, continued

Project Need

Discuss below why the community needs this project. Specifically, address each of the following (you may attach additional sheets if necessary):

- Describe particular community problems that have prompted an interest in this project. Be as specific as possible and provide dates and other details.

- Explain why this planning project is the NUMBER ONE priority for the community. Explain how this priority was determined.

- Describe other issues the community is facing.

- List the current plans/documents used by the community (e.g. Community Development Plan, Economic Development Plan, Comprehensive Plan, or Capital Improvement Plan) and provide the dates of the most recent updates. Explain how this project fits into the objectives of the plan(s). If there are no formal plans currently used by the community, explain how the community proposes to identify and address future needs of the residents.

- Assuming this project was completed and implemented, describe the next anticipated priority of the community.

PROJECT NARRATIVE, continued

Financial Impact

Answer the following questions completely and thoroughly and provide additional information as necessary to explain why local resources are insufficient to fund or carry out the proposed planning activities:

Assessed Valuation (AV) $
Net Assessed Valuation☐ True Tax Value☐
Total current population (2000 Census)
AV per capita (AV divided by total pop.) $

Total community indebtedness $
Annual Operating budget of Community: $

Total property tax rate
Attach and reference the county advertised tax sheet

Annual operating budget for the applicant $

List other taxes (EDIT, CEDIT, CAGIT, COIT, etc.) or sources of income for the applicant

In the space provided, please address the following:

- Explain ANY balances in operating budgets and capital reserve funds (attach year end balances).

- Itemize components of any local debt.

- If there is a sub-recipient, explain their financial condition and why they cannot afford the project without grant assistance. Attach the organization's annual budget and other relevant financial information.

- Describe other issues, unrelated to this project, that have demanded the community's resources over the past 3-5 years, as well as any known projects scheduled for the next year. Please quantify any investment of time or finances.

PROJECT NARRATIVE, continued

(Complete this form for ALL projects)

Infrastructure

Is your community under an enforcement action by another state agency? Yes ☐ No ☐
(Attach any reference/documentation/correspondence, i.e. early warning sewer ban, IDEM Agreed Order, etc.)
If yes, please describe:

Provide the total number of users on the system:

	Water Utility	Sewer Utility	Storm water Utility
Residential Users			
Commercial/Industrial Users			
Total Users			

Provide the following current rate information:

Current water rate for 4,000 gallons	
Current sewer rate for 4,000 gallons	
Current Storm water rate	
Total combined rate for 4,000 gallons	

Are rate increases subject to approval of the Indiana Utility Rate Commission (IURC)? Yes ☐ No ☐

Provide the following rate history information:

	Year current ordinance was passed	Year previous ordinance was passed	Change in rates (in dollars)
Water Ordinance			
Sewer Ordinance			
Storm water Ordinance			

Attach in Appendix Three and reference the most recent water and sewer rate ordinances (for utility projects only).

Provide the following information on the existing systems:

	Age	Capacity	Avg. Daily Flow/Usage	Max. Daily Flow/Usage	Date and type of most recent major capital improvement
Sewer					
Water					
Storm water					

PROJECT NARRATIVE, continued

Local Effort

This is the opportunity to explain all the community has been able to accomplish, both in regard to this project and in other areas. In the space provided, please address the following:

- Describe past and current efforts to address the problem locally. Please quantify any investment of time or finances, which the community has already made to correct the problem.

- Describe other activities undertaken by the applicant and/or sub recipient in the past 3-5 years to improve the livability of the community. (Note: do not repeat information already shared in the Financial Impact narrative.)

- Explain the expected useful life of this document, and the frequency of updates needed. Describe any efforts being taken to finance future plans. Indicate how attention will be given to provide for the maintenance of the improvements that may be proposed.

- Describe in detail the public participation process proposed for the planning project. Indicate how the community will make extra efforts to ensure public involvement throughout the planning process, in addition to the two required public hearings.

- List all previously conducted studies related to this issue or system, including cost, year, and a summary of the scope of work.

- List any previous grant awards, including but not limited to IOCRA funds.

PROJECT BUDGET

Summarize all project costs by funding source.

ACTIVITY	CDBG	LOCAL	TOTAL
Planning			
Environmental Review*			
Administration**			
TOTAL			

*If using CDBG funds for Environmental Review, maximum amount permitted for this use is $3000.
**If using CDBG funds for grant administration, then maximum amount permitted is 8% of the total CDBG requested or $4,000, whichever is less. Please see additional information in the "Consultants & Grant Administration" section of the Application Instructions.

List sources of local match and leveraged funds:
(Documentation of financial commitments from all sources is required)

Source	Amount
TOTAL LOCAL LEVERAGE	

In addition to completing the above forms, attach an itemized budget as the next page of this application.

NATIONAL OBJECTIVE IDENTIFICATION

CHECK ONLY ONE OF THE NATIONAL OBJECTIVES BELOW. ALL PROJECTS MUST PROVIDE ALL INFORMATION REQUESTED ON THIS PAGE.

Benefit to Low- and Moderate-Income Persons

☐ Area Benefit ☐ Limited Clientele

Prevention or Elimination of Slums or Blight

☐ Area Basis ☐ Spot Basis

List percentage of population of low- and moderate-income persons served by this project: %

Source: 2000 Census Data* or Income Survey (attach and reference income survey)

Date of first income survey certification letter

Date of second income survey certification letter, if applicable

List the census tract number(s) that are to be included in the project area:

List the census tract block groups(s) that are to be included in the project area:

*Please refer to page 5 of this application packet for further information on acceptable data.

Below, explain your selection of the above H.U.D. National Objective. REFER TO PAGES 5-6 OF THE INSTRUCTIONS FOR QUESTIONS TO BE ADDRESSED REGARDING THE NATIONAL OBJECTIVE SELECTED. For Low-moderate income/Area Benefit, there are five questions and two attachments required. For Low-moderate income/Limited Clientele, there are three questions required. For Slum/Blight/Area Wide there are five questions and two attachments required. For Slum/Blight/Spot Basis there are two questions and one attachment required.

NATIONAL OBJECTIVE IDENTIFICATION: SLUM/BLIGHT PROJECTS

Please check the statements that are appropriate for your project. Attach documentation in the National Objective Appendix (Appendix 5) supporting your selections.

☐ Slum/Blight Area or Spot designated by resolution of the local unit of government (50 points)

☐ The applicant is an Indiana Main Street Community, and the project relates to downtown revitalization (5 points)

☐ The project is located in a designated redevelopment area under IC 36-7-14 (5 points)

☐ The building or district is listed on the Indiana or National Register of Historic Places (10 points)

☐ The building or district is eligible for listing on the Indiana or National Register of Historic Places (5 points)

☐ The building or district is on the Historic Landmarks Foundation of Indiana's "10 Most Endangered List" (5 points)

☐ The project site is a Brownfield (5 points)

* The State of Indiana defines a Brownfield as a parcel of real estate that is abandoned or inactive; or may not be operated at its appropriate use; and on which expansion, redevelopment, or reuse is complicated because of the presence or potential presence of a hazardous substance, a contaminant, petroleum, or a petroleum product that poses a risk to human health and the environment.

BENEFICIARIES

Items 11-20 MUST add up to the number of people as well as low/moderate and non-low/moderate columns!
Project Title:

Total Beneficiaries (all activities):

		Total	Of the total population in the service area, how many are Hispanic?	Activity Description
	Number of People			
SINGLE RACE	11 Number of Whites			
	Percent			
	12 Number if Blacks/African Americans			
	Percent			
	13 Number of Asian			
	Percent			
	14 Number of American Indian / Alaskan Native			
	Percent			
	15 Number Native Hawaiian / Other Pacific Islander			
	Percent			
MULTI RACE	16 American Indian / Alaskan Native & White			
	Percent			
	17 Asian & White			
	Percent			
	18 Black / African American & White			
	Percent			
	19 American Indian / Alaskan Native & Black / African American			
	Percent			
	20 Balance / Other			
	Percent			
	Number of Handicapped			
	Percent			
	Number of Elderly People			
	Percent			
	Number of Female-headed Households			
	Percent			
	Number of Low/Moderate Income People			
	Percent			
	Number of Non-Low/Moderate Income People			
	Percent			

BENEFICIARIES

Number of households receiving **new** assistance:	
Number of households receiving **improved access or service:**	
Number of households that will no longer have substandard service upon completion of the project:	

CITIZEN PARTICIPATION REPORT

1. Complete the following.

Planning information to the public	Date
Notice of first public hearing	
Date of first public hearing	
Anticipated Notice of second public hearing	
Anticipated Date of second public hearing	

2. Describe the methods used to solicit participation of low- and moderate-income persons:

3. Denote any adverse comments/complaints received and describe resolution:

<u>After this page, include the following</u>

*Publisher's affidavit of all public notices.
*Minutes of the public hearings including a sign-in sheet of attendees.
* Copy of response(s) to comments and/or complaints.

I certify that submission of this **application** has been duly authorized by the governing body of the applicant; that the applicant has the legal capacity to carry out the proposed project; that the proposed project is designed to meet the identified housing and community developments needs of the community; including those of low- and moderate-income persons; and that the proposed project will minimize the need for displacement of businesses and families and provide reasonable benefits for those displaced. I also certify that the proposed project will be completed within fifteen (15) months of contract award, if approved.

_____

Signature, Chief Elected Official Date

Type Name and Title:

DISPLACEMENT ASSESSMENT

☐ N/A – No displacement will occur

INSTRUCTIONS: Use this page to assess displacement plans and strategy.

---

1. Describe the need for displacement:

2. Substantiate the need for displacement:

3. Explain how displacement will be minimized:

4. Explain how the negative effects of displacement will be minimized:

Attach Local Displacement Plan even if displacement will not occur – see Sample in Sample Section of this Application Packet.

INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIR
COMMUNITY DEVELOPMENT BLOCK GRANT SMALL CITIES PROGRAM
ASSURANCES AND CERTIFICATIONS

The applicant hereby assures and certifies that:

(a) It possesses legal authority to apply for the grant, and to execute the proposed program.

(b) Its governing body has duly adopted or passed as an official act a resolution, motion or similar action authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

(c) It has complied with all requirements of Executive Order 12372, and that either:

1) Any comments or recommendations made by or through clearinghouses are attached and have been considered prior to submission of the application; or
2) The required procedures have been followed and no comments or recommendations have been received prior to submission of the application.

(d) It has facilitated or will facilitate citizen participation by:

1) Publishing a statement of proposed activities so that affected citizens have an opportunity to submit comments on the proposed activities and community development performance of the applicant;
2) Providing adequate notices for two or more public hearings, specifically to persons of low- and moderate-income;
3) Holding two or more public hearings on the proposed application at times and locations convenient to potential beneficiaries, convenient to the handicapped, and meeting needs of non-English speaking residents, if appropriate, to obtain citizens' views before adoption of resolution or similar action by the local governing body authorizing the filing of the application;
4) Providing citizens information concerning the amount of funds available for proposed community development activities and the range of those activities;
5) Providing citizens with information concerning the amount of funds that will benefit persons of low- and moderate-income;
6) Furnishing citizens with the plans made to minimize the displacement of persons and to assist persons actually displaced as a result of grant activities;
7) Providing technical assistance to groups representing persons of low- and moderate-income requesting such assistance in developing proposals;
8) Providing citizens with reasonable notice of substantial changes proposed in the use of grant funds and providing opportunity for public comment;
9) Providing citizens with reasonable access to records regarding the past use of CDBG funds received; and
10) Any modifications or amendments of the program that are made from time to time will be made in accordance with the same procedures required in (d) for the preparation and submission of a statement of proposed activities.

(e) It has identified housing and community development needs, including those of low- and moderate-income persons and the activities to be undertaken to meet such needs.

(f) The Community Development program has been developed so as to give maximum feasible priority to activities that will benefit low- and moderate-income families, or aid in the prevention or elimination of slums or blight.

[The requirement for this certification will not preclude the Indiana Office of Community and Rural Affairs from approving an application where the applicant certifies, and the Indiana Office of Community and Rural Affairs determines, that all or part of the Community Development Program activities are designed to meet other community development needs having a particular urgency as specifically explained in the application.]

(g) It will minimize displacement of persons and provide for reasonable benefits to any person involuntarily and permanently displaced as a result of activities associated with program funds.

(h) It will not attempt to recover any capital costs of public improvements assisted in whole or part with CDBG funds by assessing any amount against properties owned and occupied by persons of low- and moderate-income including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless (I) CDBG funds received are used to pay the proportion of such fee or assessment that relates to the capital costs of public improvements that are financed from revenue sources other than CDBG funds; or (II) for purposes of assisting any amount against properties owned and occupied by persons of low- and moderate-income who are not persons of very low income, the grantee certified to the Secretary or such State, as the case may be, that it lacks sufficient funds received from CDBG Program to comply with the requirements of clause.

(i) It will comply with all requirements imposed by the State concerning special requirements of law, program requirements, and other administrative approved in accordance with OMB Circular No. A-102, Revised, which includes a provision that program or project completion be no longer than eighteen (18) months from project startup, inclusive of the bid process for professional and engineering services as well as program close-out. In addition, said provision includes an assurance of the availability of project funds, both local and private, upon award of the project grant.

(j) It will comply with:

1) Section 110 of the Housing and Community Development Act of 1974, as amended, by the Housing and Urban-Rural Recovery Act of 1983 and the Housing and Community Development Act of 1987, 24 CFR 570.603, and State regulations regarding the administration and enforcement of labor standards;
2) The provisions of the Davis-Bacon Act (46 U.S.C. S 276a-5) with respect to prevailing wage rates (except for projects for rehabilitation of residential properties of fewer than eight units);
3) Contract Work Hours and Safety Standards Act of 1962, 40 U.S.C. 327-332, requiring that mechanics and laborers (including watchmen and guards) employed on federally assisted contracts be paid wages of not less than one and one-half times their basic wage rates for all hours worked in excess of forty in a work-week, and
4) Federal Fair Labor Standards Act, 29 U.S.C. S 102 et seq., requiring that covered employees be paid at least the minimum prescribed wage, and also that they be paid one and one-half times their basic wage rate for all hours worked in excess of the prescribed work-week; and
5) Anti-kickback (Copeland) Act of 1934, 18 U.S.C. S 874 and 40 U.S.C. S 276c, which outlaws and prescribes penalties for "kickbacks" of wages in federally financed or assisted construction activities.

(k) It will comply with all requirements imposed by the State concerning special requirements of law, program requirements, and other administrative requirements.

(l) It will comply with:

1) Title VI of the Civil Rights Act of 1964 (Public Law 88-352), and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no person in the United State shall on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subject to discrimination under any program or activity for which the applicant received Federal financial assistance and will immediately take any measures necessary to effectuate this assurance. If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the applicant, this assurance shall obligate the applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits;
2) The Fair Housing Act (previously known as Title VIII of the Civil Rights Act of 1968) (Public Law 90-284), as amended, administering all programs and activities relating to housing and community development in a manner to affirmatively further fair housing in the sale or rental of housing, the financing of housing, and the provision of brokerage services;
3) Section 109 of Title I of the Housing and Community Development Act of 1987, as amended, and the regulations issued pursuant thereto (24 CFR 570.602), which provides that no person in the United States shall, on the grounds of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to otherwise qualified handicapped individuals as provided in Section 504 of the Rehabilitation Act of 1973 shall also apply to any such program activity;
4) Executive Order 11063, as amended by Executive Order 12259 on equal opportunity in housing and non-discrimination in the sale or rental of housing built with Federal assistance, and requiring that programs and activities relating to housing and urban development be administered in a manner affirmatively to further the goals of Title VIII of the Civil Rights Act of 1968; and

5) Executive Order 11246 as amended by Executive Order 11375 and 12086, and the regulations issued pursuant hereto (24 CFR Chapter 60), the Indiana Code (I.C. 22-9-1-10), which provides that no person shall be discriminated against on the basis of race, color, religion, sex or national origin in all phases of employment during the performance of Federal or federally assisted construction contracts. Contractors and subcontracts on Federal and federally assisted construction contracts shall take affirmative action to insure fair treatment in employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation and selection for training and apprenticeship.

(m) It will comply with Section 3 of the Housing and Urban Development Act of 1968, as amended, requiring that to the greatest extent feasible opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by, persons residing within the unit of local government.

(n) It will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and Federal implementing regulation at 49 CFR Part 24, and the requirements of section 570.496a and it is following a residential anti-displacement and relocation assistance plan under section 104(d) of Title I of the Housing & Community Development Act of 1974, as amended.

(o) It will establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business or other ties.

(p) It will comply with the provisions of the Hatch Act, which limits the political activity of employees.

(q) It will give State, HUD and the Comptroller General through any authorized representatives, access to and the right to examine all records, books, papers, or documents related to the grant.

(r) Its chief executive officer or other officer of applicant approved by the Indiana Office of Community and Rural Affairs:

1) Consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. S 4321 et seq.) and other provisions of Federal law, as specified at 24 CFR 58.1 (a) (3) and (a) (4), which further the purposes of NEPA insofar as the provisions of such Federal law apply to the Indiana Small Cities Development Block Grant Program; and
2) Is authorized and consents on behalf of the applicant and himself/herself to accept the jurisdiction of the Federal courts for the purpose of enforcement of his/her responsibilities as such an official.

(s) It will comply with:

1) The National Environmental Policy Act of 1969 (42 U.S.C. S 4321 et seq.) and 24 CFR Part 58, and in connection with its performance of environmental assessments under the National Environmental Policy Act of 1969, comply with Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470), Executive Order 11593, and the Preservation of Archaeological and Historical Data Act of 1966 (U.S.C. 469a-1, et seq.) by:
   a) Consulting with the State Historic Preservation Officer to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR Part 800.8) by the proposed activity; and
   b) Complying with all requirements established by the State and to avoid or mitigate adverse effects upon such properties.
2) Executive Order 11988, Floodplain Management;
3) Executive Order 11990, Protection of Wetlands;
4) Endangered Species Act of 1973, as amended, (16 U.S.C. Section 1531 et seq.);
5) The Fish and Wildlife Coordination Act of 1958, as amended, (16 U.S.C. Section 661 et seq.);
6) The Wild and Scenic Rivers Act of 1968, as amended, (16 U.S.C. Section 1271);
7) The Safe Drinking Water Act of 1974, as amended, (42 U.S.C. Section 300f et seq.);
8) Section 401(f) of the Lead-Based Paint Poisoning Prevention Act, as amended, (42 U.S.C. Section 4831 (b);
9) The Clean Air Act of 1970, as amended, (42 U.S.C. Section 7401 et seq.);
10) The Federal Water Pollution Control Act of 1972, as amended, (33 U.S.C. Section 1251 et seq.);
11) The Clean Water Act of 1977 (Public Law 95-217); and
12) The Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901 et. seq.);

13) Section 202(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106) as it relates to the mandatory purchase of flood insurance for special flood hazard areas.

(t) It will comply with all parts of Title I of the Housing and Community Development Act of 1974, as amended, which have not been cited previously as well as with other applicable laws.

(u) It will comply with the provisions of the Indiana Code (I.C.) 35-44-1-3 and 4.

(v) It will abide by the provision that no member, officer, or employee of the grantee or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercise any functions or responsibilities with respect to the program during the tenure or for one year thereafter shall have any direct or indirect interest in any contractor, subcontractor, or the proceeds thereof, financed in whole or in part with Title I grants.

(w) It agrees to repay to the State of Indiana any funds under this program which, as the result of a HUD of State of Indiana authorized audit, are found to have been spent in an unauthorized manner or for unauthorized activities.

(x) It certifies that none of the funds being applied for will be used to substitute for any local, state, federal or private dollars that have been committed to the project as proposed in this application.

(y) It certifies that it has adopted and will enforce a policy of prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and enforcing applicable State and local laws against physically barring entrance in nonviolent civil rights demonstrations; and enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction (Section 104(I) of Title I of the Housing & Community Development Act of 1974, as amended).

(z) It certifies that pursuant to 31 U.S.C. Section 1352, and any regulations promulgated thereunder:

1) no federal appropriated funds have been paid or will be paid, by or on behalf of the applicant, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative, agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2) if any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the proposed Federal contract, grant, loan, or cooperative agreement, the applicant shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3) The applicant shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-contracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

THE LEGAL APPLICANT/RECIPIENT CERTIFIES THAT:

To the best of my knowledge and belief, the recipient will comply with the above assurances if assistance is approved. CERTIFYING REPRESENTATIVE: (To be signed by Chief Elected Official or Designee)

_____

Signature, Chief Elected Official Date

Name: Title: Date:

CDBG DISCLOSURE REPORT

PART I – APPLICANT/GRANTEE INFORMATION

1. Applicant/grantee name, address and phone number

2. Indicate whether this is:

Initial Report ☐

Update Report ☐

Grant Number (Updates only):

Federal employer identification number:

3. Project Assisted/to be Assisted.

a. Fiscal year:

b. Entitlement grant(s) ☐

Competitive grant ☐

c. Amount requested/received: ……..

d. Program income to be used with c. above: ……

e. Total of c. and d.: ……...

PART II – THRESHOLD DETERMINATIONS

1. Is the amount listed at 3.e. (above) more than $200,000? Yes ☐ No ☐

2. Have you received or applied for other HUD assistance (through programs listed in Appendix B of the instructions) which when added to 3.e. (above) amounts to more than $200,000?

Yes ☐ No ☐

If the answer to either 1 or 2 of this part is "yes", then you must complete the remainder of this report.

If the answer to both 1 and 2 of this part is "no", then you are not required to complete the remainder of this report, but must sign the following certification.

I hereby certify that this information is true.

(Chief Elected Official) (Date)

PART III – OTHER GOVERNMENT ASSISTANCE PROVIDED/APPLIED FOR

1. Provide the requested information for any other Federal, State and/or local governmental assistance, on hand or applied for, that will be used in conjunction with the CDBG grant. (See Appendix B of the instructions)

Name and Address of Agency Providing or to provide Assistance	Program	Type of Assistance	Amount requested or Provided

PART IV – INTERESTED PARTIES

Alphabetical List of All Persons With Reportable Financial Interest in the Project	SSN or Employer ID No.	Type of Participation in Project	Financial Interest In Project S & %

PART V – EXPECTED SOURCES AND USES OF FUNDS

This Part requires that you identify the sources and uses of all assistance that have been or may be used in the project.

Source	Use

PART VI – CERTIFICATION

I hereby certify that the information provided in this disclosure is true and correct and I am aware that any false information or lack of information knowingly made or omitted may subject me to civil or criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, I am aware that if I knowingly and materially violate any required disclosure of information, including intentional non-disclosure, I am subject to a civil money penalty not to exceed $10,000 for each violation.

_____

(Chief Elected Official) Date

Name

Title

Certification of Accessibility

I hereby certify that all applicable handicap standards of accessibility for the following project:

Project Name:	
Grantee:	
Grant Number:	

Project Classification (Check applicable box.)

Project is Exempt:	☐
Project has been designed in consistency with the current interpretation of the federal, state and local laws, regulations and codes:	☐

Type of CDBG Project (Check applicable box.)

Sewer Facilities	☐	Water Facilities	☐	Drainage Facilities	☐
Planning Activity	☐	Public Facilities	☐	Other	☐

In addition to the above, indicate efforts made by the Grantee/Sub-recipient to adhere to Section 504 regulations governing the accessibility of federally assisted buildings and facilities. (Check all that apply.)

Programs and program information are made accessible to individuals with handicaps.	☐
Has obtained special communication systems if needed (TTY, Braille).	☐
Policies and procedures are nondiscriminatory.	☐
Made reasonable accommodations for persons with known handicaps.	☐

To be completed by Grantee/Sub-recipient with more than 15 employees: (Check all that apply.)

Designated Section 504 Coordinator.	☐
Notified participants of non-discrimination policies.	☐
Conducted self-evaluation of compliance.	☐
Other, describe:	

Signatures

Signature of Chief Elected Official:	
Date:	
Signature of Design Engineer:	
Date:	

CIVIL RIGHTS CERTIFICATION

The Applicant, any contractor, any subcontractor, or any other party performing any services or having any responsibilities hereunder shall fully and completely comply with the following:

a) Section 109 of the Housing and Community Development Act of 1974 which requires that no person in the United States shall on the grounds of race, color, national origin or sex, be excluded from the participation in, be denied the benefits of, or be subjected to, discrimination under any program or activity funded in whole or in part with Community Development Block Grant (CDBG) funds.

b) Shall not, under any program or activity pursuant to this Agreement, directly or through contractual or other arrangements, on the grounds of race, color, national origin, sex, age, handicap status or religion:

   i. Deny any individual any facilities, services, financial aid or other benefits provided under the program or activity.

   ii. Provide any facilities, services, financial aid or other benefits in a different form from those provided under the program or activity.

   iii. Subject any person to segregated or separate treatment in, or in any matter of process related to receipt of any services or benefit under the program or activity.

   iv. Restrict an individual in any way access to, or the enjoyment of, any advantages or privilege enjoyed by others in connection with facilities, services, financial aid or any other benefits under the program or activity.

   v. Treat an individual different from others in determining whether the individual satisfies any admission, enrollment, eligibility, membership, or other requirement or condition which the individual must meet in order to be provided any facilities, services or any benefit provided under the program or activity.

   vi. Deny an individual an opportunity to participate in a program or activity as an employee.

c) Shall not use criteria or methods of administration which have the effect of subjecting individuals to discrimination on the basis of race, national origin, sex, age, handicap status or religion, or have effect of defeating or substantially impairing the accomplishment of the objectives of the Housing and Community Development Act of 1974, (as amended).

d) In determining a site or location of housing or facilities shall not make selections of such site or location which have the effect of excluding individuals from, denying them the benefits of, or subjecting them to discrimination on the grounds of race, color, national origin, sex, age, handicap status, or religion.

The Applicant in all contracts or agreements subject to Executive Order 11246 shall be subject to HUD Equal Employment Opportunity regulations at 24 CFI Part 130 applicable to HUD assisted construction contracts.

The Applicant shall cause or require to be inserted in full in any non-exempt contract and subcontract for construction work, or modification thereof, as defined in said regulations, which is paid for in whole or in part with assistance provided under this Agreement, the following equal opportunity clause:

The Applicant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin or handicap. Such action shall include, but not limit to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising: layoff or termination: rates of pay or other forms of compensation: and selection or training: including apprenticeship. The applicant agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Grantor setting for the provisions of this nondiscrimination clause.

The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the applicant, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Applicant Contractor will comply with all provisions of Executive Order 11246 of September 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

The Applicant/Contractor will comply with all provisions of Title VIII, Civil Rights Act of 1968, which prohibits discrimination in the sale of rental dwellings, discrimination in the financing of housing, blockbusting, and discriminatory advertising and makes it unlawful to deny any person access to, or membership or participation in, any multiple listing services or real estate brokers' organization for discriminatory reasons.

The Applicant/Contractor will comply with Section 3 Housing and Urban Development Act of 1968, Section 504: Rehabilitation Act of 1974, Executive Order 11063 and all other Federal Rules and Regulations.

The Applicant will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules and regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Department and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

In the event of the Applicants noncompliance with the nondiscrimination clauses of an executed agreement or with any Such rules, regulations, or orders, this agreement may be canceled, terminated or suspended in whole or in part and the applicant May be declared ineligible for further government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 14, 1965 or by rule, regulation, or order of the Secretary of Labor.

The Applicant shall require that the language referred to in this certification be included in the award documents for all sub-awards at all tiers (including sub-contract, sub grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

The Legal Applicant/Recipient Certifies That:

To the best of my knowledge and belief, the recipient will comply with the above certification if assistance is approved.

Certifying Representative: (to be signed by Chief Elected Official or Designee)

_____ _____

Signature, chief Elected Official Date

Name (typed or printed)

Title Date

SAMPLES

LETTER OF INTENT TO SUBMIT PLANNING APPLICATION

Date: _____

Indiana Office of Community and Rural Affairs
Community Affairs Division
One North Capitol, Suite 600
Indianapolis, Indiana 46204

Re: Notice of Intent to Submit Planning Application

Dear _____:

The **(city, town, county)** seeks to submit a planning grant application within the next six months. We are requesting a site visit prior to beginning the procurement process for this project. The **(city, town, county)** wishes to obtain a planning grant from the Indiana Office of Community and Rural Affairs for **(describe the proposed project).**

The estimated cost of the planning project is $ **(estimated cost)**, which includes the following work items: **(summarize the scope of work)**.

As the chief elected official of **(city, town, county)**, I am signing this letter in anticipation of receiving your assistance in developing our planning grant application. Please contact **(contact person's name and title)** at **(phone number)** regarding this project.

Sincerely,

(Chief Elected Official)

SAMPLE

LEGAL ADVERTISEMENT FOR REQUEST FOR QUALIFICATIONS/REQUEST FOR PROPOSALS

REQUEST FOR PROPOSAL/STATEMENT OF QUALIFICATIONS
TOWN OF AMERICANA, INDIANA

In order to assure compliance with the Indiana Office of Community and Rural Affairs (IOCRA) and related requirements regarding competitive negotiation of planning services, the Town of Americana is seeking Statements of Qualifications for the provision of planning technical assistance relating to a utility master plan.

Description of Services Needed

WATER

I. Project Planning Area Characteristics
- Location and Background Information
- General Characteristics of the Planning Area
- Environmental Resources
- Hydrology and Groundwater Resources
- Land Use, Population Trends and Projections

II. Existing Waterworks Facilities / Specific Problems
1. Source of Supply
2. Water Treatment Area (If Applicable)
3. Water Distribution System
4. Water Storage
5. Hydraulic Analysis
6. Compliance with Safe Drinking Water Act (SDWA)
7. Water Pumpage
8. Distribution of Users
9. Water Loss
10. Projected Future Water Demands
11. Fire Protection Considerations
12. Current Utility Financial Status

III. Need for Project
1. Description
2. Design Criteria
3. Layout Map
4. Environmental Impacts
5. Land Requirements
6. Construction Problems
7. Cost Estimates
   a. Construction
   b. Non-Construction
   c. Annual Operation and Maintenance
   d. Present Work
8. Advantages / Disadvantages
   - Short and Long Term

IV. Proposed Recommend Alternatives (Short and Long Term)
   1. Project Preliminary Design
   2. Cost Estimate
   3. Annual Operating Budget

V. Funding Options
   1. Indiana Office of Community and Rural Affairs
   2. Rural Development

VI. Preliminary Rate Derivation
   1. Residential Customers

VII. Conclusions and Recommendations
   1. Project Implementation Schedule

WASTEWATER

I. Project Planning Area
   1. General Characteristics
   2. Location Maps
   3. Environmental Resources
   4. Growth Areas

II. Existing Facilities / Specific Problems
   1. Location Map
   2. History
   3. Present Conditions
   4. Adequacy of Current Facilities

III. Need for Project
   1. Health and Safety
   2. Regulatory Concerns
   3. Growth and Future Needs During the Planning Period

IV. Alternatives Considered
   1. Description
   2. Preliminary Design Criteria
   3. Layout Map
   4. Environmental Resources
   5. Land Requirements
   6. Construction Problems
   7. Cost Estimates
      a. Construction
      b. Non-Construction
      c. Annual Operations and Maintenance
      d. Present Worth

   8. Advantages / disadvantages
   9. Short and Long Term

Type of Contract

The town of Americana will execute a cost reimbursement type of contract for these services that is contingent on the final commitment of planning grant funding. All services will be stated on the cost reimbursement basis (hourly rate and maximum hours fixed). The awarded contract will have a not to exceed ≤ clause that will limit the allowable fees charged in connection with these services through close out.

Federal Requirements

Prospective offerors should note the successful proposer must meet the following terms and conditions:

1. 24 CFR Part 85 .36
2. Title VI of the Civil Rights Act of 1964
3. Conflict of Interest (24 CFR Part 570).
4. Access to records.
5. Executive Order 11246 – Equal employment Opportunity
6. Executive Order 12138 – Women Business Enterprise Policy.
7. Architectural Barrier Act of 1968.
8. Age Discrimination Act of 1975.
9. Section 3 clause – Housing and Urban Development Act of 1968.
10. Section 504-Rehabilitation Act of 1973.
11. Retention and Custodial Requirements (24 CFR Part 85.42).
12. Executive Order 11063
13. Affirmative Action Program / Plan.
14. Davis Bacon and Related Acts.

The Indiana Office of Community and Rural Affairs has a 10% MBE/WBE goal for all projects funded with Community Development Block Grant Funds.

Rate of Proposals/Qualifications

The proposal must include sufficient information regarding qualifications and determine that the engineer is qualified and experienced in water/sewer utility projects. Do not include a proposed fee with the proposal, as this is a qualification based selection process. The proposal should include the following:

1. A description of expertise, experience and resources directly relevant and available for the proposed project.
2. A list of similar projects previously completed.
3. A list of references.
4. Resumes of professional staff members that will work on this project.
5. Name of person to be in charge of project.
6. Description of scope of services as per Description of Services Needed
7. A project time line.

The proposal shall also provide the following information: name, title, address and telephone number of individuals with authority to negotiate and bind the proposer contractually, and who may be contracted during the period of proposal evaluation.

Award of Contract

Proposal Evaluation criteria shall include:

1. Specialized experience or technical expertise of the organization and its personnel in connection with the scope of services to be provided and complexity of the project. (___ points)

2. Past record of performance on contracts, including quality of work, timelines and cost control. (___ points)
3. Capacity of the organization to perform the work within time limitations, taking into consideration the current planned workload of the firm. (___ points)
4. Familiarity of the organization with this type of project or problems applicable to the project. (____ points)

* For a total of ____ points possible.

If you are interested in providing the required services, please note that six (6) copies of the Statement of Qualification/Proposal of each prospective organization must be received by the Town of Americana, Clerk Treasure's Office, P.O. Box 177, Americana, Indiana 46777 no later than 12:00 p.m. (noon) local time on May 1, 2001. Each statement of Qualification/Proposal will be reviewed for completeness and clarity according to the above criteria. Interviews are expected to be held on May 16, 2001.

The Town may or may not negotiate the fee schedule with one or more offers. The Town reserves the right to reject any and / or all proposals. The town is an Equal Opportunity Employer. The contract is tentatively scheduled to be awarded by the Town on June 1, 2001. Offerors may desire additional information, a site visit or clarification regarding the Statement of Qualification / Proposal. If so please contact John Smith between 9:00 a.m. and 5:00 p.m. local time at (317) 555-1234.

SAMPLE RESOLUTION AUTHORIZING APPLICATION SUBMISSION AND LOCAL MATCH COMMITMENT

RESOLUTION OF THE CITY/TOWN/COUNTY COUNCIL OF THE CITY /TOWN/COUNTY OF _____, INDIANA AUTHORIZING THE SUBMITTAL OF THE CDBG PLANNING GRANT APPLICATION TO THE INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS AND ADDRESSING RELATED MATTERS

WHEREAS, the Council of the City/Town/County of _____, Indiana recognizes the need to stimulate growth and to maintain a sound economy within its corporate limits: and

WHEREAS, THE Housing and Community Development Act of 1974, as amended, authorizes the Indiana office of Community and Rural Affairs to provide grants to local units of government to meet the housing and community development needs of low-and moderate-income persons; and

WHEREAS, the City/Town/County of _____, Indiana has conducted or will conduct public hearings prior to the submission of an application to the Indiana Office of Community and Rural Affairs, said public hearings to assess the housing, public facilities and economic needs of its low-and moderate-income residents:

NOW, THEREFORE BE IT RESOLVED by the Council of _____, Indiana that:

1. The Mayor/Town Council President/County Commission President is authorized to prepare and submit an application for grant funding to address (summary of proposed project) and to execute and administer a resultant grant including requisite general administration and project management, contracts and agreements pursuant to regulations of the Indiana Office of Community and Rural Affairs and the United States Department of Housing and Urban Development.

2. The City/Town/County of _____, Indiana hereby commits the requisite local funds in the amount of _____ ($ _____) in the form of (source of local match), as matching funds for said program, such commitment to contingent upon receipt of CDBG funding from the Indiana Office of Community and Rural Affairs.

Adopted by the City/Town/County council of the City/town/County of _____, Indiana this _____ day of (month), (year), at (time).

SIGNATURE: _____
Chief Elected Official, Title
(Mayor, Board President)

ATTET: _____
(Chief Financial Officer, Title)
(Controller, Clerk-Treasurer, Auditor)

*****Please note a separate letter must be attached by the Chief Financial Officer. See Readiness to Proceed Guidelines for further details regarding letter content.***

SAMPLE

PUBLIC NOTICE FOR FIRST PUBLIC HEARING

On or about (date), (Applicant) intends to apply to the Indiana Office of Community Rural Affairs for a grant from the State Community Development Block Grant (CDBG) Planning program. This program is funded by Title I of the federal Housing and Community Development Act of 1974, as amended. These funds are to be used for a community development planning project that will include the following activities: (summary of proposed project). The total amount of CDBG funds to be requested is $(amount of request). The amount of CDBG funds proposed to be used for activities that will benefit low- and moderate-income persons is $(amount of CDBG Planning funds requested x percentage of low- to moderate-income residents*). The Applicant also proposes to expend an estimated $(amount of local match) in non-CDBG funds on the project. These non-CDBG funds will be derived from the following sources: (source and amount).

(Applicant) will hold a public hearing on (date), at (time), in (place) to provide interested parties an opportunity to express their views on the proposed federally funded CDBG project.
Persons with disabilities or non-English speaking persons who wish to attend the public hearing and need assistance should contact (name, address, phone #) not later than (date). Every effort will be made to make reasonable accommodations for these persons.

Information related to this project will be available for review prior to the public hearing as of (date) at the office the (Applicant) located at (address) between the hours of (office hours). Interested citizens are invited to provide comments regarding these issues either at the public hearing or by prior written statement. Written comments should be submitted to (name and address) no later than (date) in order to ensure placement of such comments in the official record of the public hearing proceedings. A plan to minimize displacement and provide assistance to those displaced has been prepared by (Applicant) and is also available to the public. This project will result in (no displacement of any persons or businesses – or – displacement of the following persons and businesses [name and address]). For additional information concerning the proposed project, please contact (person – telephone – office hours and days) or write to (person – address).

***This is required in the ad even for Slum/Blight projects**.

SAMPLE

PUBLIC NOTICE FOR SECOND PUBLIC HEARING

The (Applicant) will hold a public hearing on (date) beginning at (time) at the (location) to provide interested citizens an opportunity to express their views on the recently completed (name of study). The (name of study) was paid for using Federal Community Development Block Grant Funds from the Indiana Office of Community and Rural Affairs. Representatives from the (type of consulting firm) firm, (name of consulting firm) will present their findings and recommendations at the hearing. Every effort will be made to allow persons to voice their opinions at the public hearing. Persons with disabilities or non-English speaking persons who wish to attend the public hearing and need assistance should contact (contact person, title, mailing address) or call (phone number for contact person) not later than (deadline). Every effort will be made to make reasonable accommodations for these persons. For additional information concerning the public hearing or the (name of study) please contact: (contact person and title) at the address or phone number listed above.

SAMPLE

LOCAL RESOLUTION APPROVING THE PLAN

WHEREAS, the (city/town/county) had identified adequate reason to analyze (name of project or project abstract from cover page of application), and

WHEREAS, the (city/town/county) has hired (consultant name) to define and describe the issues, advise us of our options, and make recommendations to address this issue in the near future, and

WHEREAS, the (city/town/county) has received federal Community Development Block Grant dollars from the Indiana Office of Community and Rural Affairs to fund this study and has contributed (match amount) as local match for this project, and

WHEREAS, the (city/town/county) has reviewed the process and completed study thoroughly and is satisfied with the services performed, information contained therein, and methodology applied;

WHEREAS, the (city/town/county) has received (number of copies) copies of this document for our records and will keep them on file in the town offices for future reference, and

BE IT RESOLVED by the (city/town/county) that the final document is hereby approved, contingent upon comments and approval received from the Indiana Office of Community and Rural Affairs. The (city/town/county) will fully consider all comments and feedback received from the Indiana Office of Community and Rural Affairs and will direct its consultant to provide amended copies of this plan reflecting all said comments.

SAMPLE

LOCAL DISPLACEMENT PLAN

1. (Applicant) will consider for submission to the Indiana Office of Community and Rural Affairs, under its various Community Development Block Grant funded programs, only projects and activities that will result in the displacement of as few persons or businesses as necessary to meet State and local development goals and objectives.

2. (Applicant) will certify to the State, as part of its application process, that it is seeking funds for a project or activity that will minimize displacement.

3. (Applicant) will provide referral and reasonable moving assistance, both in terms of staff time and dollars, to all persons involuntarily and permanently displaced by any project or activity funded with Community Development Block Grant funds.

4. All persons and businesses directly displaced by (applicant) as the result of a project or activity funded with Community Development Block Grant funds will receive all assistance required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, including provisions of the Uniform Relocation Act Amendments of 1987, Title IV of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

5. (Applicant) will provide reasonable benefits and relocation assistance to all persons and businesses involuntarily and permanently displaced by the Community Development Block Grant activity funded by the State in accordance with appendices attached hereto, provided they do not receive benefits as part of such action under number 4 above.

SAMPLE

ENVIRONMENTAL REVIEW EXEMPTION LETTER

(**Date**)

Environmental Officer
Grant Services
Office of Lt. Governor
One North Capitol, Suite 600
Indianapolis, IN 46204-2288

The City/Town/County of (**name of applicant**) has received a planning grant from the Indiana Office of Community and Rural Affairs. Grants for the sole purpose of planning are classified as exempt per 24 CFR Part 58.24.

We are requesting from the State of Indiana, upon receipt of a fully executed planning grant agreement, the release our community's grant funds. We understand we are prohibited from incurring costs on this project prior to receiving a fully executed grant agreement without express written permission to do so from the IOCRA.

Sincerely,

(**Chief Elected Official**)

SAMPLE SLUM AND BLIGHT SPOT DECLARATORY RESOLUTION

(CITY/TOWN/COUNTY) OF _____
RESOLUTION # _____

WHEREAS, the (city/town) Redevelopment Commission desires to eliminate slum and blighted structures within the corporate limits of (city/town), Indiana, and

WHEREAS, identifying such a structure is necessary for effective action to eliminate slum and blighting conditions, and

WHEREAS, public improvements such as sidewalks and streets have severely deteriorated, contributing to slum and blighting conditions, and

WHEREAS, the structure has experienced a cessation of private investment since _____, and

WHEREAS, ( ) percent of first floor commercial space, ( ) percent of second floor commercial space, and ( ) percent of total commercial space in downtown (city/town) is currently vacant, and

WHEREAS, widespread deterioration of the structure has taken place as evidenced by crumbling facades, broken or boarded windows, unrepaired vandalism, growth of vegetation, and presence of litter in and around many downtown commercial buildings,

BE IT RESOLVED by the (city/town) Redevelopment Commission that the following property of (city/town) hereby be designated as (a slum/blighted) as defined by Indiana Code 36-7-14: (insert specific address of spot location).

SAMPLE SLUM AND BLIGHT AREA DECLARATORY RESOLUTION

(CITY/TOWN/COUNTY) OF _____
RESOLUTION # _____

WHEREAS, the (city/town) Redevelopment Commission desires to eliminate slum and blighted areas within the corporate limits of (city/town), Indiana, and specifically downtown (city/town), and

WHEREAS, identifying such areas is necessary for effective action to eliminate slum and blighting conditions, and

WHEREAS, public improvements such as sidewalks and streets have severely deteriorated, contributing to slum and blighting conditions, and

WHEREAS, the downtown area has experienced a cessation of private investment since _____, and

WHEREAS, ( ) percent of first floor commercial space, ( ) percent of second floor commercial space, and ( ) percent of total commercial space in downtown (city/town) is currently vacant, and

WHEREAS, widespread deterioration of downtown commercial buildings has taken place as evidenced by crumbling facades, broken or boarded windows, unrepaired vandalism, growth of vegetation, and presence of litter in and around many downtown commercial buildings,

BE IT RESOLVED by the (city/town) Redevelopment Commission that the following areas of downtown (city/town) hereby be designated as (a slum/blighted) as defined by Indiana Code 36-7-14: High Street from 1/2 block east of Meridian Street to and including Oak Street, and Oak and Union Streets 1/2 block north and south of High Street.

SAMPLE

COOPERATION AGREEMENT

The City/Town of _____, Indiana, seeks to support the efforts of the City/Town of _____ to obtain a Community Focus Fund grant from the Indiana Office of Community and Rural Affairs for (proposed project) located in both the aforementioned Cities/Towns. As the chief executive officers of our respective local governments, we are signing this agreement to provide our full cooperation to accomplish these improvements. The City/Town of _____ is hereby designated as the lead agency for this application and program and will be the applicant for funds. The City/Town of _____ will be liable for all the program's administrative functions should the grant be awarded.

_____	_____
Mayor	Town President

City of _____

_____	_____
Attest/ Date	Attest/ Date
SEAL:	SEAL:

Note: This general form (or a suitable variation) is to be used by local government applicants whose proposed project area involves more than one jurisdiction. It is a required part of any "in behalf of" or "joint" application with appropriate modifications as may be required to fit local situations.

APPENDIX ONE:
EVALUATION CRITERIA

GRANT EVALUATION CRITERIA - 1100 POINTS TOTAL

Note: Planning projects MUST score a minimum of 600 points total to be funded.

Economic and Demographic Characteristics- 450 points:

National Objective Score (200 points):
Depending on the National Objective to be met by the project, one of the following two mechanisms will be used to calculate the score for this category.

1. National Objective = Benefit to Low- and Moderate-Income Persons: 200 points maximum awarded according to the percentage of low- and moderate-income individuals to be served by the project. The total points given are computed as follows:

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

___ Slum/Blight Area or Spot designated by resolution of the local unit of government (50 pts.)

___ Community is an Indiana Main Street Senior Partner or Partner, and the project relates to downtown revitalization (5 pts.)

___ The project site is a Brownfield* (5 pts.)

___ The project is located in a designated redevelopment area under IC 36-7-14 (5 pts.)

___ The building or district is listed on the Indiana or National Register of Historic Places (10 pts.)

___ The building or district is eligible for listing on the Indiana or National Register of Historic Places (5 pts.)

___ The building is on the Historic Landmarks Foundation of Indiana's "10 Most Endangered List" (5 pts.)

* The State of Indiana defines a Brownfield as an industrial or commercial property that is abandoned, inactive, or underutilized, on which expansion or redevelopment is complicated due to actual or perceived environmental contamination.

Community Distress Factors (250 Points) - the community distress factors used to measure the economic conditions of the applicant community are listed below. Each is described with an explanation and an example of how the points are determined. Each factor can receive a maximum of 50 points with the total distress point calculation having a maximum of 250 points. The formula calculation for each measure is constructed as a percentage calculation along a scale range. The resulting percentage is then translated into a point total on a 50 point scale for each measure.

1. **Unemployment Rate (50 points maximum) -** Unemployment rate for the county of the lead applicant. The average rate for the previous 12 months is used.

   a. If the unemployment rate is 10% or higher, 50 points are awarded.
   b. If the unemployment rate is 2% or below, 0 points are awarded.
   c. Between those values, the points are calculated by taking the unemployment rate, subtracting 2%, dividing by 8% and multiplying by 50, where 2% is the bottom point of the scale and 8% is the range of the scale.

Unemployment Rate Points = [(Unemployment rate - 2%)/8%] X 50

For example, if the unemployment rate is 5%, take unemployment rate of 5%, subtract 2%, divide by 8%, and multiply by 50. The score would be 18.75 point of a possible 50; [(5-2)/8 X 50 = 18.75]

2. **Net Assessed Value/capita (50 points maximum)** - Net assessed value per capita for lead applicant.

   To determine the net assessed value per capita, take the appropriate net assessed value and divide by the total 1996 population (projected from census data) of the lead applicant;

   NAV/capita = NAV/Total Population

   a. If the net assessed value/capita for the lead applicant is above $10,000, 0 points are awarded.
   b. If the net assessed value/capita for the lead applicant is $3,000 or under, 50 points are awarded.
   c. Between those values, the points are calculated by subtracting the NAV/capita from $10,000, dividing by $7000 and multiplying by 50, where $10,000 is the top of the scale and $7000 is the range of the scale.

   NAV/capita points = [($10,000- NAV/capita)/$7000] X 50

   For example, if the Net Assessed Value/capita is $4,000, take $10,000, subtract the NAV/capita of $4,000, divide by $7,000, and multiply by 50. The score would be 42.86 points of a possible 50 points; [(10,000 - 4,000)/7000] X 50 = 42.86.

3. **Median Housing Value (50 points maximum)** - Median Housing Value for lead applicant.

   Median Housing Value Points = [($75,000 - median housing value)/$50,000] X 50

   a. If the median housing value for the lead applicant is $75,000 or higher, no points are awarded.
   b. If the median housing value for the lead applicant is $25,000 or lower, 50 points are applicant.

   For example, if the median housing value is $35,000, take $75,000, subtract the median housing value of $35,000, divide by $50,000, and multiply by 50. The score would be 40 points out of a total possible of 50; [(75,000 - 35,000]/50,000 X 50 = 40.

4. **Median Household Income (50 points maximum)**

   Median Household Income Points = [($50,000 - median household income]/$25,000) X 50

   a. If the median household income is $50,000 or higher, no points are awarded.
   b. If the median household income is $25,000 or lower, 50 points are awarded.
   c. Between those values, the points are calculated by subtracting the median household income from $50,000, dividing by $25,000 and multiplying by 50, where $50,000 is the top of the scale and $25,000 is the range of the scale.

   For example, if the Median Household Income is $32,500, take $50,000, subtract the median household income of $32,500, divide by $25,000, and multiply by 50. The score would be 35 points out of a possible 50; [(50,000 - 32,500)/25,000] X 50 = 35.

5. **Percentage Population Change (50 points maximum)** - Percentage population change (1990-2000).

   The percentage change is computed by subtracting the 1990 population from the 2000 population projection and dividing by the 1990 population. Convert this decimal to a percentage by multiplying by 100.

   Percentage Population Change = [(2000 population - 1990 population)/1990 population] X 100

   a. If the population increased by 15% or greater, 0 points are awarded.
   b. If the population decreased by 10% or greater, 50 points are awarded.
   c. Between those values, the points are calculated by subtracting the Percent Population Change from 15%, dividing by 25%, and multiplying by 50, where 15% is the top of the scale and 25% is the range of the scale.

   Percentage Population Change points = [(15% - Percentage Population Change)/25%] X 50

For example, if the population increased by 3%, take 15%, subtract 3%, divide by 25%, and multiply by 50. The score would be 24 points out of a total possible of 50; (15-3)/25 X 50 =24.

Local Match Contribution- 100 points:

Up to 100 points possible based on the percentage of local funds devoted to the project. This total is determined as follows:

Total Match Points = % Eligible Local Match X 2

Eligible local match can be local cash or debt. Government grants, including Build Indiana Funds, are not considered eligible match.

Project Design Factors- 450 points:

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

Project Need - why does the community need this project?
Financial Impact - why is grant assistance necessary to complete this project?
Local Effort - what has/is the community doing to move this project forward?

The project can receive a total of 150 points in each category. The points in these categories are awarded by the IOCRA review team when evaluating the projects. Applicants should work with the Indiana Office of Community and Rural Affairs' Community Development Division to identify ways to increase their project's scores in these areas.

Project Priority Factors (100 points):

Group A Projects — 75 points
- Health Facilities
- Youth Centers
- Water System Improvements
- Sewer System Improvements
- Storm water System Improvements

Group B Projects — 60 points
- Community Centers
- Day Care Centers
- Senior Centers
- Fire Stations
- ADA/Handicap Compliance
- Infrastructure in support of housing
- Other Special Needs Facilities

Group C Projects — 45 points
- Historic Preservation
- Downtown Revitalization
- Parks/Recreation
- Slum/Blight Clearance

Leveraging of Philanthropic Capital — 25 points

2% of total Grant amount or $5,000 (whichever is greater) is being funded by Philanthropic capital. Sources include but are not limited to:
- County Community Foundation
- Lilly Foundation
- Kellogg Foundation
- University Foundations
- Private Endowments

APPENDIX TWO:
PROCUREMENT

PROCUREMENT OVERVIEW

The procurement process required for the Community Development Block Grant (CDBG) programs is called Qualifications Based Selection (QBS) for architectural and engineering services, and Request for Proposal (RFP) for all other services. The QBS, or Request for Qualifications (RFQ), process does not include price as an evaluation criterion. The IOCRA has certain requirements for this process that must be met before the procurement process is approved and a grant is awarded. The following paragraphs outline the steps that a community must take in order to be in compliance with the requirements of the IOCRA.

1. The community must develop a preliminary scope of work for the project. This scope of work should include all major components of the proposed project in order to provide potential consultants with an understanding of what the community needs.

2. The community must solicit consulting firms qualified to do the work, using a Request For Statement of Qualifications (RFQ) or Request for Proposals (RFP). The community is responsible for two methods of such solicitation: (1) soliciting via direct mail and (2) placing a legal ad in a newspaper of general circulation. When deciding which firms to solicit, the community should consider businesses in the logical geographical area relative to their vicinity. Communities should also contact other communities for feedback and recommendations.

The direct mail solicitation must be sent to at least five (5) firms, two (2) of which must be certified Minority-owned Businesses (MBE) with the State of Indiana's Directory of Minority and Women-owned Businesses. (You can access this directory on the Internet at www.ai.org/idoa/minority/index.html. While the IOCRA does encourage communities to solicit Women-owned Businesses, the Women-owned Businesses are not a substitute for the requirement of soliciting two Minority-owned Businesses.) The required five (5) direct-mail solicitations need to be sent via certified mail, and the certified mail receipts must be kept. Communities may solicit more than five (5) firms via direct mail, if local leaders so choose; if this occurs, certified mail receipts are required for all firms solicited.

The legal ad must contain the following elements: (a) the general scope of work, or outline of project components, (b) contact information for obtaining a detailed scope of work (if one is available), (c) the deadline for submitting the statement of qualifications/proposal, (d) the address to which the statement of qualifications/proposal should be sent, (e) the evaluation criteria that will be used for selection of the consultant, and (f) the scoring weight attached to each of the aforementioned evaluation criteria. Formal advertising for professional services is required by Federal regulations under 24 CFR 85.36(d) (3). An example of a legal advertisement for a Request For Statement of Qualifications/Request For Proposals is included in the Sample section of this Application Packet. <u>Advertisements must be published no less than 30 calendar days before the proposal due date.</u>

3. The lead applicant for the grant needs to appoint a selection committee that consists of objective local parties familiar with the proposed project. IOCRA recommends no more than three to five (3-5) persons*. This committee is responsible for reviewing the information received as a result of the RFQ/RFP process and determining whether to short-list firms or take all into further consideration. The selection committee may choose to interview those firms it wishes to consider. Each individual committee member must complete a score sheet for each firm considered. This scoring can be done as part of the interview process, or simply at a meeting to evaluate submitted materials. The scoring is done based on the criteria and weights assigned and advertised in the legal ad. The firm compiling the most points as a result of the scoring process is considered the selected firm.
*Grant administrators shall NOT serve on this committee, as they most likely have on-going working relationships with multiple firms.

4. If using QBS (for architectural or engineering services) negotiations can now begin with the selected firm to determine the price of the services. If a price is agreed upon, the selection process is complete. A proposed contract should be written between the community and the selected firm, BUT SHOULD NOT BE SIGNED. This contract must include the Professional Service Third Party Provisions attachment. (This attachment is included in the CDBG Program Grantee Implementation Manual and can also be obtained via our website at: www.in.gov/ocra.) If a price cannot be agreed upon, the community may begin negotiations with the firm in second place based on the scoring process.

5. Communities must submit a packet of procurement information for approval by IOCRA along with the grant application. The packet must contain all of the following: a copy of the detailed scope of work, the original legal advertisement and publisher's affidavit, copies of the certified mail receipts to the firms solicited (at least five in number), a list of all firms solicited with MBE firms clearly indicated, a list of the firms that responded, a list of the firms on the short list (if applicable), a list of the community members on the selection panel and their titles, a copy of each panel member's signed score sheet for each firm considered, a summary of scores, copies of correspondence to firms, and a copy of the proposed contract between the community and the selected firm, including the Professional Service Third Party Provisions attachment (available in the CDBG Program Grantee Implementation Manual and via our website at www.in.gov/ocra/).

6. Private firms or non-governmental entities that perform project development and administration activities for CDBG-assisted projects (project development, environmental review, grant application preparation, procurement assistance, and grant administration) will NOT be allowed to also perform architectural, engineering, planning or other related services/activities for grantee.

Proposal/Statement of Qualifications Evaluation

FOR SHORT-LISTING / INTERVIEWS

The following model is provided for your use as appropriate for your specific situation. The weights and rating values assigned should be the same as those used for the interviews, which you will do later. Complete a sheet for each firm submitting a proposal/qualifications.

The highest number represents the most value for each column. **Rating column:** 1-5 points. In this column you rate the firm based on each qualification. **Weight column:** 1-10 depending on value to the project. Use the weight column to indicate the level of importance (in your judgment), in each area, to the particular project. Multiply the rating by the weight for each category and enter the total. Add all totals to establish the grand total.

Firm:	
Contact Person:	
Project Description:	
Address:	
Phone:	

INDIVIDUAL EVALUATION

	RATING	X	WEIGHT	=	TOTAL
1. History of firm and resource capabilities to perform required services.		X		=	
2. Evaluation of assigned personnel.		X		=	
3. Related experience (as appropriate). - design services - planning - feasibility studies - other		X		=	
4. Budget, cost controls, experience, and results.		X		=	
5. Familiarity with local experience and results.		X		=	
6. Ability to relate to project.		X		=	
7. Analysis of narrative statement. (One page)		X		=	
8. Reference check (evaluation transfer from reference check form).		X		=	

Name of Reviewer:	**Grand Total:**

THE REFERENCE CHECK

Firm Being Checked:	
Project Referenced:	
Person Contacted:	
Phone:	

*Based on the reference provided in the firm's proposal, or through networking with other owners who have worked with the firm.

SAMPLE QUESTIONS TO BE ASKED:
(Owner may wish to add to this list of questions.)

	5 Excellent	**4 Good**	**3 Average**	**2 Fair**	**1 Poor**
1. What project did the firm perform for you?	☐	☐	☐	☐	☐
2. When was it completed?	☐	☐	☐	☐	☐
3. What was the scope of services? (Design work, construction phase services, studies, other).	☐	☐	☐	☐	☐
4. Was the project completed on schedule?	☐	☐	☐	☐	☐
5. Was the budget, cost control and financial administration within the planned controls and limitations?	☐	☐	☐	☐	☐
6. Did the firm and (you) the owner work well as a team in relation to the project?	☐	☐	☐	☐	☐
7. Did the firm personnel work well with the committee/board staff and on all of the specific requirements of the project?	☐	☐	☐	☐	☐
8. How would you rate the value you received to the cost of the services of the firm?	☐	☐	☐	☐	☐
9. What is your overall evaluation of the firms based on your experience?	☐	☐	☐	☐	☐
10. Would you use this firm on a similar project?	☐	☐	☐	☐	☐
GRAND TOTAL					

GROUP QUALIFICATIONS EVALUATION SUMMARY
SHORTLISTING

The group evaluation form is provided for the chairperson of the evaluation group to evaluate the results of the process. Use it to develop a short-list of firms who submitted qualifications down to the number desired (firms to be interviewed).

FIRMS	**1**	**2**	**3**	**4**
Reviewer 1				
Reviewer 2				
Reviewer 3				
Reviewer 4				
Reviewer 5				
GRAND TOTALS				

Letter to Short Listed Firms

SAMPLE

TO: FIRMS SELECTED FOR INTERVIEWS

FROM:

PROJECT:

RE: INTERVIEW SCHEDULE AND REQUIREMENTS

The firms listed below have been selected to be interviewed for the professional services relative to the above referenced project.

Attached to this memo are the following:

1) An Interview Score Sheet, which will be used by the interviewers during the interview session.
2) Evaluation form for use by the evaluation group chairperson to compile the evaluation scores.

Each firm will be allowed 25 minutes to present their qualifications and 15 minutes to answer questions. The interviewers will schedule 10 minutes between interviews for informal discussion of information presented during the preceding interview. At the completion of the interviews, the committee will rank the firms interviewed in accordance with their determination of which firm is most qualified and compatible to do the work. The firm deemed to be most qualified will then be invited to negotiate the scope of work and activities and a contract to provide the necessary professional services. If contract terms cannot be reached, the firm deemed the next most qualified will be invited for contract negotiations.

Interviews will be held on _____, 20_____ in the _____ (all times listed are local time).

The order and time of interviews is:

Firm A: **Time:**
Firm B: **Time:**
Firm C: **Time:**

Please contact _____ at _____ with any questions you may have.

Sincerely,

Chief Elected Official

Letter to Firms Not Short Listed

SAMPLE

TO: REJECTED FIRM

FROM: (CLIENT)

PROJECT:

RE: STATUS OF SELECTION PROCESS

DATE:

The Town of Americana would like to express their appreciation to you and your firm for submitting your Statement of Qualifications.

After careful consideration by the selection committee, a decision to interview (Insert number of firms to be interviewed) has been made.

The firms selected for further consideration are listed alphabetically:

1) **(FIRM)**

2) **(FIRM)**

3) **(FIRM)**

While your firm was not selected for an interview, we appreciate your interest in our project and the time spent in the preparation of your proposal.

Sincerely,

Chief Elected Official

Instructions for the Scoring/Selection Committee

Highest number represents the most value for each column. **Rating column:** 1-5 points. In this column you rate the firm based on each category. Rates should vary from one reviewer to another. **Weight column:** 1-10 depending on the value to project. Use the weight column to indicate the level of importance (in your judgment), in each area, to the particular project. Weights should vary among the categories, but must be consistent among the reviewers.

At the completion of the interview, multiply the rating by the weight for each category and enter the total. Add all totals to establish the grand total. The chairperson will combine all of the totals for those participating in the interview session on the Group Interview Evaluation Form.

Name of Reviewer:	
Name of Firm:	

General Notes:

EVALUATION SCORE SHEET

Name of Reviewer **Name of Firm**

Weights should be assigned a value between 1-10, with ten (10) being the highest consideration. **Weights** should vary among the categories, but must be consistent among the reviewers. **Rates** should very from one reviewer to another, as this is a personal judgment.

Categories	Rating	X	Weight	=	Total
1. Understanding of Project Requirements: (Owner may evaluate analysis, preparation and level of interest of the firm).		X		=	
2. Design Approach / Methodology: (Owner may evaluate firm or individual creativity and problem solving abilities).		X		=	
3. Key Personnel and Roles: (Owner may evaluate personal qualifications and professional skills of key individuals).		X		=	
4. Pertinent Experience, Firm: (Owner may evaluate related projects presented as previous work of the firm).		X		=	
5. Pertinent Experience, Individual: (Owner may evaluate related projects presented as previous work of key personnel).		X		=	
6. Consultant / In-House Resources: (Owner may evaluate abilities of the firm and importance of consultant or in-house support services).		X		=	
7. Technical Project Management: (Owner may evaluate abilities of the firm related to technical functions such as project cost controls, construction observation, time schedule, etc.).		X		=	
8. Responsiveness to Concerns of the Owner: (Owner may evaluate abilities of the firm to form successful working relationships and communications with the owner).		X		=	
9. Method of Compensation: (Owner may evaluate method of determining compensation used by the firm. Compensation proposals are NOT required at this time).		X		=	
10. Sub- Consultant Selection: (Owners may evaluate method of hiring sub-contractors).		X		=	
11. Cost (not applicable for architectural & engineering services)		X		=	
12. Other Relevant Issues: (Owner may evaluate importance of other relevant issues by firm).		X		=	
	GRAND TOTAL			=	

_____

Signature of Reviewer

GROUP INTERVIEW EVALUATION FORM

NOTE: Enter the grand total for each firm as recorded by each interviewer on the score sheet. After all entries are made and totaled, divide the combined group total for each firm by the number of interviewers to determine grand totals for each firm. This is to equalize scoring in the event all interviewers do not interview all firms

COMBINED GROUP TOTALS

Firm Name			
	FIRM A	**FIRM B**	**FIRM C**
Interviewer 1			
Interviewer 2			
Interviewer 3			
Interviewer 4			
Interviewer 5			
TOTALS			

HOME & CDBG Allocation Plan

Program Description and Allocation Plan

Program Year 2007

Community Development Block Grant (CDBG)
HOME Investment Partnership Program (HOME)
American Dream Downpayment Initiative

Method of Distribution

The Indiana Housing and Community Development Authority (IHCDA) allocates CDBG, HOME, and ADDI funds through the programs shown below. Each program area has unique criteria upon which funding decisions are based. For detailed program information, please refer to IHCDA's full application packages and/or program guides.

PROGRAM NAME	FUNDING SOURCE	TIMING OF FUNDING
CHDO Works	HOME	2 annual competitive funding cycles
HOME	HOME	3 annual competitive funding cycles
CDBG	CDBG	2 annual competitive funding cycles
HOME Administrative Subrecipients	HOME	As needed funding cycles
Homeownership Counseling Program	HOME	TBD
First Home/Plus	HOME/ADDI	Continuous throughout the year
First Home/One Down	HOME/ADDI	Continuous throughout the year
First Home 100	HOME/ADDI	Continuous throughout the year
HomeChoice	HOME/ADDI	Continuous throughout the year
First Home Community	HOME/ADDI	Continuous throughout the year
First Home Opportunity	HOME/ADDI	Continuous throughout the year

CHDO Works

Eligible Applicants

Eligible applicants are not-for-profit organizations that have successfully obtained certification from IHCDA as a Community Housing Development Organization (CHDO), are in good standing with IHCDA, and serve non-participating jurisdiction areas. Organizations that have not yet received CHDO certification (or whose certification is pending) are not eligible for operating funds.

*Participating Jurisdiction areas include:

Anderson	Gary	Muncie
Bloomington	Hammond	St. Joseph County Consortium***
East Chicago	Indianapolis**	Terre Haute

Evansville	Lake County	Tippecanoe County Consortium****
Fort Wayne		

**The Cities of Beech Grove, Lawrence, Speedway, Southport, and the part of the Town of Cumberland located within Hancock County are not considered part of the Indianapolis participating jurisdiction. Applicants that serve these areas would be eligible for CHDO Works funding.

***St. Joseph County Consortium is made up of the cities of South Bend and Mishawaka and the unincorporated areas of the county. These areas are not eligible to receive funding from IHCDA. Other incorporated areas are eligible to receive assistance.

****Tippecanoe County Consortium is made up of the cities of Lafayette and West Lafayette and the unincorporated areas of the county. These areas are not eligible to receive funding from IHCDA. Other incorporated areas are eligible to receive assistance.

Eligible Activities

Eligible activities are those directly related to promoting the agency's ability to develop, sponsor, and/or own HOME CHDO-eligible affordable housing, such as homebuyer, rental, permanent supportive, and transitional housing. Any applicant who successfully competes for operating funds is required to apply and receive funding for a HOME CHDO-eligible housing activities within twenty-four (24) months from the date that an operating award is made.

According to 24 CFR §92.208, eligible costs include reasonable and necessary costs for the operation of the CHDO. Such costs include, but are not limited to, salaries, wages, and other employee compensation and benefits; employee education, training, and travel; rent; utilities; communication costs; taxes; insurance; equipment, including filing cabinets; materials; supplies; annual financial audit; and costs associated with a strategic long-range plan. Other costs may also be eligible. Applicants are encouraged to consider computer equipment needs, especially hardware and software updates.

Administrative costs associated with implementing the lead based paint regulations are eligible for funding under CHDO Works. These expenses include training staff on the regulations, staff certification for Lead Inspector/Risk Assessor and Lead Construction Supervisor, and special equipment purchases such as protective clothing or XRF machines.

Eligible costs do not include furniture or other office décor.

Threshold Criteria

To be considered for funding, an applicant must meet all of the criteria listed below. Applications that fail to meet any of these criteria will not be scored. All required supporting documentation must be included in the application.

1. On or before the application deadline, the applicant must provide all documentation as instructed in the "CHDO Works Application." If the Authority requests additional information from the applicant, all documents are due on or before the date provided by IHCDA staff.
2. The applicant must be a legally constituted, state-certified Community Housing Development Organization (CHDO) that is in good standing with IHCDA. The applicant must be eligible to apply for assistance under IHCDA's HOME Investment Partnerships Program.
3. The proposed activity must meet all the requirements as instructed in the "Application Process," "Eligible Activities," "Application Forms," and the "Appendices," sections of

the CHDO Works Application. In addition, the application must meet all the requirements HOME Investment Partnerships Program regulations of 24 CFR 570 and 24 CFR 92.

4. CHDO Works award recipients may not apply for a new CHDO Works award until at least three CHDO Works funding rounds have passed since the board award date of their last CHDO Works award. The past CHDO Works award must be closed before the award recipient will receive a release of funds on a new CHDO Works award.

5. All recipients of CHDO Works awards are required to apply and receive funding for at least one IHCDA HOME CHDO-eligible activity within 24 months of receiving each CHDO Works award. Any applicant that has received a CHDO Works award more than 24 months prior to submission and has not yet received IHCDA HOME funding for a CHDO-eligible activity is not eligible to apply for additional CHDO Works awards until an IHCDA HOME CHDO award is made.

6. Any CHDO that has received $50,000 or 50% of their total operating expenses, whichever is greater, in HOME operating funds (from IHCDA or Participating Jurisdiction) within the applicant's fiscal year is ineligible to apply for additional operating funds during that same fiscal year. This includes HOME-funded CHDO operating dollars received through an award for a specific housing activity. (See 24 CFR §92.300f).

7. IHCDA reserves the right to disqualify from funding any application where the applicant, subrecipient, administrator, preparer or any of their related parties has a history of disregarding the policies, procedures, or staff directives associated with administering any IHCDA program or programs of other State, Federal, or affordable housing entities, such as, but not limited to the Indiana Office of Rural Affairs, U.S. Department of Housing and Urban Development (HUD), U.S. Department of Agriculture - Rural Development, or Federal Home Loan Bank.

8. The applicant must meet the minimum scoring threshold as follows:

Number of Previous "CHDO Works" Awards	Threshold
0 awards	55 points
1 award	65 points
2 or more awards	75 points

Funding Limitations

Applicants may apply for up to $70,000 in operating assistance. CHDO Works funding (along with all other HOME-funded CHDO operating expenses) is limited to: (1) 50% of the CHDO's total operating expenses in any one fiscal year, or (2) $50,000, whichever is greater. An award recipient will have up to $35,000 available to them during the first 12 months of an award and an additional $35,000 of funding available during the final 12 months of an award. Any amount of funds not expended in the first 12 months will not be transferred to the final 12 months unless a formal modification is approved. Contact your Funds Management Associate for further assistance.

HOME

Eligible Applicants

Eligible applicants include cities, towns, counties, townships, public housing authorities, CHDOs, not-for-profit 501(c)3 or 501(c)4 corporations.

Applications from, or housing activities located within, the following participating jurisdictions are not eligible for HOME funds:

Anderson	Gary	St. Joseph County Consortium**
Bloomington	Hammond	Terre Haute
East Chicago	Indianapolis*	Tippecanoe County Consortium***
Evansville	Lake County	
Fort Wayne	Muncie	

*The cities of Beech Grove, Lawrence, Speedway, Southport, and the Town of Cumberland when the housing activity is located in Hancock County will be eligible to receive assistance.

**St. Joseph County Consortium is made up of the cities of South Bend and Mishawaka and the unincorporated areas of the county. These areas are not eligible to receive funding from IHCDA. Other incorporated areas are eligible to receive assistance.

***Tippecanoe County Consortium is made up of the cities of Lafayette and West Lafayette and the unincorporated areas of the county. These areas are not eligible

Eligible Activities

1. CHDO predevelopment and seed money loans.
2. New construction or rehabilitation of transitional, permanent supportive, or rental housing can be provided in the form of traditional apartments, group homes, or single room occupancy units (SROs).
3. New construction or rehabilitation of single-family homebuyer housing.
4. Applicants applying for HOME funds for developments that previously received other sources of IHCDA funding (including RHTCs and LIHTF) will be allowed. However, these developments will be subject to analysis under the current underwriting requirements set forth in the application. Previously funded RHTC developments must have received their Form 8609 more than five years prior to application to be eligible to apply.
5. Applicants applying for HOME funds for developments that previously received HOME funding should refer to the Eligible Activities section for a description of "Supplemental HOME."

Scoring Preference Criteria

To be considered for funding, an applicant must meet all of the criteria listed below. Applications that fail to meet any of these criteria will not be eligible to submit their application.

1. During a funding round, the applicant must provide all documentation as instructed in the application. If IHCDA requests additional information from the applicant, all documentation must be received by IHCDA prior to award decisions being made.
2. The application may only contain one housing activity, as listed in the Eligible Activities section.
3. The application must meet all the requirements under HOME Investment Partnerships Program regulations of 24 CFR 570 and 24 CFR 92.
4. An IHCDA Community Development Representative must have completed a site visit.

5. Prior to the Allocation Round, IHCDA must have on file a copy of your organization's 10 month Housing Plan. An Organizational Housing Plan must contain the following information:
    a) Anticipated housing development undertakings over the next 10 months
    b) Identified your anticipated beneficiaries
        i) Special Needs Populations
        ii) Targeted AMI Levels
    c) Identified how you will reach your beneficiaries
    d) Anticipated development cost
    e) Identified your anticipated financial resources
6. Applicants must meet the minimum number of preferences identified under each category (Does not pertain to Pre-Development of Seed Money loan applications):
    a) General – Minimum of 3 items
    b) Organizational Capacity – Minimum of 4 items
    c) Development Characteristics – Minimum of 4 items
    d) Housing Need – Minimum of all 4 items
    e) Predevelopment Activities - Minimum of 4 items
    f) Rental – Minimum of 4 items
    g) Homebuyer – Minimum of 5 items
7. Applicants may not exceed $1,500,000 in HOME funding through the HOME application program and/or the Qualified Allocation Plan within the previous 12-month period from application due date.
8. The applicant must have resolved all previous monitoring requirements.
9. IHCDA reserves the right to disqualify from funding any application where the applicant, subrecipient, administrator, preparer or any of their related parties has a history of disregarding the policies, procedures, or staff directives associated with administering any IHCDA program or programs of other State, Federal, or affordable housing entities, such as, but not limited to the Indiana Office of Rural Affairs, U.S. Department of Housing and Urban Development (HUD), U.S. Department of Agriculture - Rural Development, or Federal Home Loan Bank.
10. If there are any funds available at the end of an allocation round, then IHCDA reserves the right to fund applications that do not meet the minimum number of preferences identified under criteria number 6. However, these applications would have to be approved by the IHCDA Board of Directors.

Funding Limitations

Rental Housing Activities:

- The maximum award is $750,000.
- HOME funds used for acquisition, rehabilitation, new construction, program delivery (including CHDO Predevelopment or CHDO Seed Money Loan), relocation, rent-up reserve, and developer's fee combined cannot exceed:

AMI Level	**Subsidy Limit**			
	0 Bedroom or Efficiency Units	**1 Bedroom Units**	**2 Bedroom Units**	**3 or more Bedroom Units**
30%	$40,000	$47,250	$50,000	$57,750
40%	$38,000	$45,000	$47,500	$55,000
50%	$36,100	$42,750	$45,150	$52,250
60%	$34,300	$40,600	$42,850	$49,650

Homebuyer Activity:

- The maximum award is $750,000.
- HOME funds used for acquisition, rehabilitation, new construction, program delivery (including CHDO Predevelopment or CHDO Seed Money Loan), relocation, homeownership counseling, and developer's fee combined cannot exceed:
    - $35,000 per 0 bedroom/efficiency unit, or
    - $40,000 per 1 or 2 bedroom unit, or
    - $50,000 per 3 or more bedroom unit.

Provisions for Rental Rehabilitation/Refinance:

- Applicants for transitional, permanent supportive, and rental rehabilitation/refinance must demonstrate that:
- Refinancing is necessary to maintain current affordable units and/or create additional affordable units.
- The primary activity is rehabilitation. The applicant must budget a minimum of 51% of the HOME funds for rehabilitation.
- The development will satisfy a minimum 15-year affordability period.
- Disinvestment in the property has not occurred.
- The long term needs of the development can be met.
- It is feasible to serve the targeted population over the affordability period.
    - The amount of funds applied to the refinance budget line item will be made as an amortized loan to the applicant. The applicant should propose at least a 2% interest rate, a term of not more than 30 years, and an amortization period of not more than 30 years.
    - The HOME loan must be fully secured.
    - The HOME funds used for construction may be forgiven at the end of the affordability period.
- Applicants for permanent supportive housing rehabilitation/refinance cannot use HOME funds to refinance multifamily loans made or insured by any other federal program, including, but not limited to, FHA, CDBG, or Rural Development.

General Provisions

- Award funds for administration or CHDO operating costs, environmental review, program delivery, and developer's fee combined cannot exceed 20% of the HOME award.
- Award funds for administration or CHDO operating costs cannot exceed 5% of the HOME award.
- Award funds for developer's fee cannot exceed 15% of the HOME award.
- 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.
- Units that have been certified as Energy Star® Rated may receive up to $3,000 in additional subsidies.
- All subsidies must be secured throughout the affordability period by a written, legally binding, recorded restrictive covenant.

CDBG

<u>Eligible Applicants</u>

Eligible applicants include cities, towns, or counties that are located within Indiana but outside of CDBG entitlement communities and whose proposed activities are consistent with the State's HUD-approved Consolidated Plan. Not-for-profit 501(c)3 or 501(c)4 organizations, CHDOs, public housing authorities, regional planning commissions, or townships are encouraged to participate in activities as subrecipients of local units of government but must apply through a sponsoring eligible city, town, or county.

The following entitlement communities are not eligible to apply for CDBG funds:

Anderson	East Chicago	Gary	Kokomo	LaPorte	New Albany
Bloomington	Elkhart	Goshen	Indianapolis***	Michigan City	South Bend
Carmel*	Evansville	Hamilton County**	Lafayette	Mishawaka	Terre Haute
Columbus	Fort Wayne	Hammond	Lake County	Muncie	West Lafayette

*If the City of Carmel becomes an Entitlement Community, they will be ineligible to receive assistance.
**The town of Sheridan when the housing activity is located in Hamilton County will be eligible to receive assistance.
***The cities of Beech Grove, Lawrence, Speedway, Southport, and the Town of Cumberland when the housing activity is located in Hancock County will be eligible to receive assistance.

Eligible Activities

- Emergency Shelters – New Construction and Rehabilitation
- Youth Shelters – New Construction and Rehabilitation
- Migrant/Seasonal Farm Worker Housing – New Construction and Rehabiltitation
- Rental – Rehabilitation
    - Permanent Rental
    - Permanent Supportive Housing
    - Transitional Housing
- Homeowner Repair and Improvement

Scoring Criteria

Through the scoring criteria, preference is given to housing activities that:

- Meet the needs of their specific community
- Attempt to reach very low-income levels of area median income
- Ready to proceed with the housing activity upon receipt of the award
- Revitalize existing neighborhoods
- Propose developments that are energy-efficient and are of the highest quality attainable within a reasonable cost structure
- Encourage the use of minority business enterprises and/or women-owned business enterprises

If an application satisfies all applicable requirements, it will be evaluated and scored based on criteria in the following categories: Constituency Served; Development Characteristics; Financing; Market; Organizational Capacity; Readiness to Proceed; and Minority and Women Business Enterprise Participation. Where applicable, the funding agreement and any restrictive covenants recorded with the property will contain restrictions applicable to the points received.

Assistance may be provided in the form of grants; however, funds will be awarded only in amounts appropriate to the scope of the identified need. IHCDA reserves the right to determine the exact amount and type of assistance needed for each individual housing activity.

Funding Limitation

Emergency Shelter, Youth Shelter, Migrant Seasonal/Farm Worker Housing Activities:

- Maximum award amount is limited to $500,000.
- Maximum CDBG funds per bed may not exceed $20,000.

Rental Housing Activities:

- Maximum award amount is limited to $500,000.
- CDBG funds for acquisition, rehabilitation, relocation and program delivery combined may not exceed:
  - $35,000 per 0 bedroom/efficiency unit, or
  - $40,000 per 1 or 2 bedroom unit, or
  - $50,000 per 3 or more bedroom unit.

Homeowner Repair and Improvement:

- Maximum award amount is $300,000.
- CDBG funds for rehabilitation, relocation, and program delivery combined may not exceed $15,000 per unit.

Rental Housing Tax Credit Financing (RHTC/HOME Combined Funding)

In an effort to streamline the multi-family application process, developers applying for Rental Housing Tax Credits (RHTCs) may simultaneously request funds from the HOME Investment Partnerships Program (HOME). If you are applying for RHTCs for a development and want to also access HOME funds, you must indicate the HOME funding request on the "Multi-Family Housing Finance Application" and submit additional documentation as instructed in the "Multi-Family Housing Finance Application – HOME Supplement." Outside of this process, applications for HOME financing for a RHTC development will only be considered in accordance with IHCDA's Housing from Shelters to Homeownership application criteria.

Eligible Applicants

The award of HOME funds will be made as follows:

1. State-Certified Community Housing Development Organization (CHDO) – HOME funds will be provided in the form of a grant to state-certified CHDOs that are the 100% general partner or managing member of the LP or LLC or whose wholly owned subsidiary is the 100% general partner or managing member of the LP or LLC.
2. Not-for-Profit Organizations or Public Housing Authorities – HOME funds will be provided in the form of a grant to not-for-profit organizations that are the 100% general partner or managing member of the LP or LLC or whose wholly owned subsidiary is the 100% general partner or managing member of the LP or LLC.
1. Limited Partnerships (LP) or Limited Liability Companies (LLC) – For developments where a state-certified CHDO, not-for-profit organization, or PHA (or their wholly owned subsidiary) is not the 100% general partner or member, HOME funds will be loaned to the ownership entity. If the LP or LLC has not yet been formed, the applicant for HOME funds should be the general partner or member. If a HOME award is made to the development, the loan documents must be executed by the LP or LLC.

Form of Assistance

1. If the CHDO, not-for-profit, or PHA structures the HOME funds into the development as an amortized or deferred loan, they may be permitted to retain the repayments of principal and interest for use in other affordable housing developments at IHCDA's discretion. The CHDO, not-for-profit, or PHA may use the repayment stream (both principal and interest): (1) to buy the property at the end of the partnership; (2) to pay the exit fees for other partners in the development at the end of the affordability period; (3) to provide services to the tenants of the particular development; (4) to exert influence over the conditions of sale of the property; or (5) for the organization's other affordable housing activities that benefit low-income families.

2. Alternatively, for developments where a CHDO or not-for-profit organization (or their wholly owned subsidiary) is not the 100%general partner or managing member, IHCDA will provide the HOME funds as an amortized or deferred loan to the LP or LLC. If such an entity has not yet been formed, the applicant for the HOME funds should be the general partner or managing member, but all award documents must be executed by the LP or LLC. Principal and interest payments on these awards may be either deferred or amortized. The applicant may propose a loan term for up to 17 years (up to 2 years as a construction loan and 15 years as permanent financing). The interest rate is proposed by the applicant. The applicant must demonstrate in their application that the interest rate proposed is necessary in order to make the HOME-assisted units affordable. The HOME loan must be fully secured. . IHCDA will subordinate to the point when the HOME loan plus other financing is at an amount not to exceed 100% of the costs of construction. Subordination beyond one hundred percent (100%) will be entertained on a case-by-case basis.

Eligible Activities

HOME funds are available to Developments located outside of the following participating jurisdictions.

Anderson	Gary	St. Joseph County Consortium**
Bloomington	Hammond	Terre Haute
East Chicago	Indianapolis*	Tippecanoe County Consortium***
Evansville	Lake County	
Fort Wayne	Muncie	

*The Cities of Beech Grove, Lawrence, Speedway, Southport, and the part of the Town of Cumberland located within Hancock County are not considered part of the Indianapolis participating jurisdiction.

**St. Joseph County Consortium is made up of the cities of South Bend and Mishawaka and the unincorporated areas of the county. These areas are not eligible to receive funding from IHCDA. Other incorporated areas are eligible to receive assistance.

***Tippecanoe County Consortium is made up of the cities of Lafayette and West Lafayette and the unincorporated areas of the county. These areas are not eligible to receive funding from IHCDA. Other incorporated areas are eligible to receive assistance.

Additionally, HOME may not be used to assist properties located in the 100-year floodplain.

HOME funds may be used for acquisition, construction or rehabilitation hard costs, and testing for lead hazards for HOME-assisted units. HOME funds may not be used toward the refinancing of existing permanent debt.

HOME funds may assist rental, permanent supportive, or transitional housing. These units can be in the form of traditional apartments or single-room-occupancy units (SROs). SRO housing consists of single room dwelling units that are the primary residence of the occupant(s). If the Development consists of conversion of non-residential space or reconstruction, SRO units must contain either kitchen or bathroom facilities (they may contain both). For Developments involving acquisition or rehabilitation of an existing residential structure, neither kitchen nor bathroom facilities are required to be in the unit. However, if individual units do not contain bathroom facilities, the building must contain bathroom facilities that are shared by tenants.

HOME funds are generally not available for units identified as part of an approved RHTC lease-purchase program, unless the purchase will occur after the termination of the HOME affordability period. In such case, the assisted units will be considered rental for purposes of the HOME award. Prior to the HOME affordability period expiration, IHCDA will consider requests to permit tenants to purchase HOME-assisted rental units on a case-by-case basis only.

Scoring Criteria

There are no scoring criteria for RHTC/HOME awards. Eligibility for the HOME funds will be determined based on:

1. Whether the development demonstrates a need for HOME funds in order to make a greater number of rental units affordable to lower income households.
2. Whether the development meets State and Federal requirements of all programs for which it is applying.
3. If the development ranking is sufficient for it to be awarded RHTCs pursuant to the RHTC or Bond process.
4. The availability of HOME funds.

Funds will be awarded only in amounts appropriate to the scope of the identified need. IHCDA reserves the right to determine the exact amount and type of assistance needed for each individual housing activity.

Funding Limitations

The maximum HOME request is $500,000**.**

HOME-Assisted Units	AMI	Maximum Funding
100 %	< or = 60 % *	$300,000
75 %	< or = 50 %	$400,000
50 %	< or = 40 %	$500,000

*Federal regulations require development with 5 or more HOME-assisted units to have at least 20% of the HOME units set-aside for households with incomes at or below 50% AMI.

IHCDA has established a per unit subsidy limitation for HOME-assisted units of $35,000 for 0-bedroom units, $40,000 for 1- and 2-bedroom units, and $50,000 for units with 3 or more bedrooms.

HOME Administrative Subrecipients

IHCDA staff generally oversees the implementation of the HOME program; however, IHCDA accepts proposals from organizations interested in participating in specific areas of administration that compliment and/or expand IHCDA's efforts. Proposals are accepted on an as needed basis as determined by the needs of IHCDA and their recipients.

IHCDA reserves the right, however, to initiate subrecipient agreements with not-for-profit organizations or public agencies for specific HOME administrative activities. These subrecipient agreements will be made available throughout the year upon approval of the activity by the IHCDA Board of Directors.

Eligible Applicants

- Not-for-profit corporations, as designated under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code
  Public agencies

Eligible Activities

- Only those activities allowed under the HOME regulations (24 CFR 92.207) are eligible for funding with IHCDA's HOME administration funds.
- HOME subrecipient activities must comply with the requirements of 24 CFR 84 (a.k.a. OMB Circular A-110) "Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Not-for-profit Organizations."
- In general, IHCDA looks for proposals that have a statewide impact and serve to further the Authority's efforts in one or more of the following areas:
  - General management, oversight, and coordination of the HOME program
  - Providing public information to residents and citizen organizations participating in the planning, implementation, or assessment of housing activities being assisted with HOME funds
  - Affirmatively furthering fair housing
  - Compiling data in preparation for the State Consolidated Plan
  - Complying with other Federal requirements such as affirmative marketing; minority outreach; environmental review; displacement, relocation, and acquisition; labor standards; lead-based paint; and conflicts of interest.

Scoring Criteria

There are no scoring criteria for HOME Administrative Subrecipient awards. Eligibility for these funds will be determined based on:

1. Whether proposed activities have a statewide impact.
2. Whether the proposal demonstrates a need for HOME funds.
3. Whether proposed activities meet the HOME regulatory requirements of an administrative subrecipient.
4. Whether proposed activities serve to further IHCDA staff efforts.
5. The availability of HOME administrative funds.

Funding Limitations

As allowed by HOME regulations (24 CFR 92.207), IHCDA may expend up to 10% of the annual allocation for payment of reasonable administrative and planning costs of the HOME program.

Homeownership Counseling

IHCDA is developing a program for homeownership counseling and downpayment assistance administered through its Community Development department.

Certified nonprofit organizations will provide homeownership counseling and downpayment assistance to targeted households. Eligibility of targeted households is determined based on one or more of the following:

- Credit score below 620;
- Previous financing denied;
- Income below 50% AMI;
- Public housing resident.

Nonprofit must provide eligible participants with a minimum of eight hours of education, 10 hours of pre-purchase counseling, and four hours of post-purchase counseling. The nonprofit must identify mortgage lender who will provide best available mortgage product.

Down payment assistance will be structured as a matched savings product. IHCDA will match 3:1 every dollar the household contributes with a minimum of $500 and a maximum of $1,500. IHCDA's contribution will be used to offset closing costs and will appear on the HUD 1 at closing. Household savings will be retained by nonprofit for up to one year and used for repairs, rehabilitation, or increases in escrow payments. After 12 months balance of household savings will be put toward principal.

First Home/Plus

Eligible Activities

Income-eligible homebuyers can receive up to 5%, not to exceed $3,500, of the home purchase price in down payment assistance in conjunction with a below-market interest rate mortgage through IHCDA. The First Home/Plus program is operated through a partnership between IHCDA and participating local lending institutions throughout Indiana. HOME/ADDI down payment assistance is provided as a 0%, second mortgage. The second mortgage is due upon sale or transfer of ownership of the property. For the purchase of an existing home, for three months prior to the sale, the home must have been vacant, occupied by the seller, or rented to the household that is buying the home.

Funds are allocated on a first-come, first-served basis. Interested borrowers must contact a participating lender to apply for the program. Borrowers are encouraged to contact a participating lender for loan "pre-approval" before they begin looking for a house.

Borrowers must successfully complete a homeownership training program. The participating lender may choose the type of training the borrower receives; however, IHCDA strongly recommends a face-to-face or classroom course given by a HUD approved counselor. A certificate of completion or achievement is required in the loan application package.
Difficulty in coming up with cash for a down payment is often the biggest obstacle for first-time homebuyers. Subsequently, IHCDA has developed the First Home/Plus program, through which IHCDA links HOME/ADDI funds in the form of down payment assistance with its Mortgage Revenue Bond (MRB) program.

Eligible Applicants

The borrower must meet the following eligibility requirements:

1. Must be a first-time homebuyer (i.e. has not, at any time during the three years preceding the date of loan closing had an ownership interest in his/her principal residence), unless the buyer is purchasing a home located in a targeted area as published in IHCDA's First Home/Plus Program Guide.
2. Must be income-eligible as published in IHCDA's First Home/Plus Program Guide.
3. If a borrower is separated from their spouse, a legal separation agreement or a petition for the dissolution is required prior to preliminary approval.
4. Must reasonably expect to reside in the property as his/her principal residence within 60 days after the loan closing date on existing homes and within 60 days of completion for a newly constructed home.
5. Must currently be or intend to become a resident of the State of Indiana.
6. Must successfully complete a homeownership training program.

Funding Limitations

Depending upon their income, borrowers receive HOME/ADDI funded down payment assistance of 5% capped at $3,500 of the sales price or the appraised value of the property, whichever is less. Acquisition cost of the home may not exceed the lesser of the maximum as set forth in IHCDA's First Home/Plus Program Guide or FHA 203(b) Mortgage Limits as published periodically by HUD.

First Home 100

The First Home 100 program combines IHCDA's First Home program and Rural Development's Direct Loans to stretch resources and reach a broader number of eligible borrowers. It is available in areas that are served by Rural Development. Hoosiers can apply for the program through Rural Development offices.

IHCDA and Rural Development have combined their income and purchase price limits to make it simpler to determine eligibility for the program. Under First Home 100, an eligible borrower would receive two mortgages, one from IHCDA's First Home program, with a below market interest rate, and one from Rural Development, with an interest rate based on the applicant's ability to pay. In some cases, a borrower may also qualify for IHCDA's HOME/ADDI funded down payment assistance, which would result in a forgivable third mortgage to further reduce the borrower's monthly payments.

While IHCDA's First Home programs are primarily restricted to first-time homebuyers, this requirement is waived in 30 rural Indiana counties that are designated as targeted areas by the U.S. Department of Housing and Urban Development. These areas largely coincide with the areas served by Rural Development.

HomeChoice

The HomeChoice program was created by Fannie Mae to provide affordable housing for low- to moderate-income individuals who are disabled or who have disabled dependents living with them. Fannie Mae has approved Indiana's HomeChoice Program, and a public announcement was made on January 24, 2001. The availability of this program in Indiana is the result of a team effort among IHCDA, Fannie Maeand the Back Home in Indiana Alliance.
The program is tailored to meet the unique needs of people with disabilities by offering lower down payment requirements; flexible qualifying and underwriting standards; and use of non-traditional credit histories.

To be eligible for the HomeChoice, program applicants must meet certain requirements. Borrowers must be classified as disabled as established in the Americans with Disabilities Act of1990 or be defined as handicapped by the Fair Housing Amendments of Act of 1988. Also, borrowers must be low- or moderate-income as defined by the U.S. Department of Housing and Urban Development (HUD), which varies by county. In addition, the borrower must occupy the home within 60 days of the loan's closing or completion.

Initially, HomeChoice was offered in three counties: Bartholomew, Knox, and Marion, and is now being offered in all counties of the state. IHCDA has earmarked $1 million in revenues from its non-taxable mortgage revenue bonds (MRBs) to finance the first mortgages. Additionally, borrowers receive HOME/ADDI funded down payment assistance of 10% of the sales price or the appraised value of the property, whichever is less, up to $14,999. Momentive Credit Counselingv markets, screens applicants, and coordinates counseling for the program. They also make referrals to participating lenders.

Community Mortgage 100% Option

My Community Mortgage 100% is a partnership program with Fannie Mae that offers affordable homeownership opportunities for borrowers that are low to very low-income. The program offers a minimum contribution of $500 from the borrower's own funds. The seller may contribute up to 3% of the sales price to help with closing costs. This program has greater flexibility in qualifying and underwriting standards. In addition, borrowers may qualify for IHCDA's down payment assistance.

HOME/ADDI down payment assistance of 5% or 10% (capped at $3,500 and $7,000, respectively), depending upon the buyer's income, is provided in the form of a 0% forgivable second mortgage.

Community Solutions 100

Community Solutions 100 is a partnership program with Fannie Mae that enables Teachers, Fire Fighters, Law Enforcement, and State and Municipal workers to purchase a home with as little as $500 of their own funds. The program allows for higher loan-to-value options, lower our-of-pocket costs and more flexible underwriting criteria. The seller may contribute up to 3% of the sales price to help with closing costs. In addition, borrowers may qualify for IHCDA's down payment assistance.

HOME/ADDI down payment assistance of 5% or 10% (capped at $3,500 and $7,000, respectively), depending upon the buyer's income, is provided in the form of a 0% forgivable second mortgage.

HOME Investment Partnerships Program - Resale/Recapture Guidelines

In accordance with the HOME Investment Partnerships Program, 24 CFR Part 92.254(a)(4), the State of Indiana is establishing policy guidelines to ensure affordability for low-income homebuyers. Because of the diversity of program designs throughout the State, recapture

provisions will be appropriate for some housing activity designs and resale provisions will be appropriate for others.

Affordability Periods

HOME-assisted housing must meet the affordability requirements listed below, beginning after project completion. Project completion, as defined by HUD, means that:

- all necessary title transfer requirements and construction work have been performed;
- the project complies with the HOME requirements, including the property meets the stricter of the Indiana State Building Code and/or local rehabilitation standards;
- the final drawdown has been disbursed for the project; and
- the project completion information has been entered into HUD's IDIS system.

Homeownership Assistance HOME amount per unit	Minimum period of affordability
under $15,000	5 years
$15,000 - $40,000	10 years
over $40,000	15 years

Termination of Affordability Period

The affordability restrictions must terminate upon occurrence of any of the following termination events: foreclosure, transfer in lieu of foreclosure, or assignment of an FHA insured mortgage to HUD. The housing provider of HOME funds may use purchase options, rights of first refusal, or other preemptive rights to purchase the housing before foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the termination event, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the development.

Resale Guidelines

Where the program design calls for no recapture (home received only a development subsidy), the guidelines for resale will be adopted in lieu of recapture guidelines. Resale restrictions will require the seller to sell the property only to a low-income family that will use the property as their principal residence. The term "low-income family" shall mean a family whose gross annual income does not exceed 80% of the median family income for the geographic area as published annually by HUD.

The purchasing family should pay no more than 29% of its gross family income towards the principal, interest, taxes, and insurance for the property on a monthly basis. Individual grantees may, however, establish guidelines that better reflect their mission and clientele. Such guidelines should be described in the application, program guidelines, or award agreement. The housing shall remain affordable to a reasonable range of low-income buyers for the period described in the HOME regulations, as from time to time may be amended.

The homeowner selling the property will be allowed to receive a fair return on investment, which will include the homeowner's investment and any capital improvements made to the property.

Recapture Guidelines

The maximum amount of HOME funds subject to recapture is based on the amount of HOME assistance that enabled the homebuyer to buy or lease the dwelling unit. This includes any

HOME assistance that reduced the purchase price from the fair market value to an affordable price, but excludes the amount between the cost of producing the unit and the market value (i.e., development subsidy).

The amount to be recaptured is based on a prorata shared net sale proceeds calculation. If there are no proceeds, there is no recapture. Any net sale proceeds that exist would be shared between the recipient and the beneficiary based on the number of years of the affordability period that have been fulfilled, not to exceed the original HOME investment.

The net proceeds are the total sales price minus all loan and/or lien repayments. The net proceeds will be split between the IHCDA recipient and borrower as outlined according to the forgiveness schedule below for the affordability period associated with the property. The IHCDA recipient must then repay IHCDA the recaptured funds.

5 Year Affordability Period

Number of Years Fulfilled	% of HOME Funds Recaptured
Year 1	80%
Year 2	60%
Year 3	40%
Year 4	20%
Year 5	0%

10 Year Affordability Period

Number of Years Fulfilled	% of HOME Funds Recaptured
Year 1	90%
Year 2	80%
Year 3	70%
Year 4	60%
Year 5	50%
Year 6	40%
Year 7	30%
Year 8	20%
Year 9	10%
Year 10	0%

15 Year Affordability Period

Number of Years Fulfilled	% of HOME Funds Recaptured
Year 1	93%
Year 2	87%
Year 3	80%
Year 4	73%
Year 5	67%
Year 6	60%
Year 7	53%
Year 8	47%

Year 9	40%
Year 10	33%
Year 11	27%
Year 12	20%
Year 13	13%
Year 14	7%
Year 15	0%

Property Disposition

In situations in which units assisted by IHCDA are not brought to completion or fail to meet their affordability commitment, IHCDA may acquire these properties or assist other organizations in acquiring. Properties IHCDA purchases would then be available for sale through a disposition program outside of the typical funding rounds on an as needed basis.

The disposition goals include:

- Selling assisted units quickly.
- Ensuring that all applicable HOME or CDBG requirements/regulations are met.

IHCDA would negotiate the final terms of any and all contracts or agreements with buyers selected to successfully meet the needs of IHCDA.

In situations in which an activity has been completed, IHCDA may choose to seek a waiver from HUD for the use of additional HOME funds in the development.

ESG Allocation Plan

Program Allocation Plan

Program Year 2007

Emergency Shelter Grant (ESG)

Method of Distribution

Emergency Shelter Grant funds are distributed through a competitive two-year application process and we have a two-year contract with the grantees. The current ESG grantees are in the first year of their two-year contract with Indiana Housing & Community Development Authority. The second year of the contract will be 7/1/07-6/30/08. IHCDA utilized a formula allocation method that determined distribution of funds.

IHCDA weighed the following factors for each shelter and continuum of care region:

- The number of available shelter beds and capacity of shelter beds with point in time counts
- The number of persons served and housed from the previous year
- The number of people identified in the most recent homeless count
- The overall score of the ESG RFP Application

We obtained the information from a variety of sources including the Indiana Coalition on Housing and Homeless Issues, ESG reports and recent Exhibit 1 sections from Balance of State and Entitlement Communities' last application for HUD SuperNOFA funding.

The weighted factors were then analyzed to determine the ratio of need for each continuum of care region. For example, if it was determined that region 2 has 13% of the need determined by the weighed factors, and then region 2 would receive 13% of the available amount of ESG funds. We funded multiple shelters in a continuum of care region up to the maximum allocated amount. If the region had extra funded that was not allocated, that extra was allocated to a neighboring continuum of care region that could provide the necessary needs of the region.

We gave preference to agencies that were currently receiving ESG funding that were in good standing and in compliance with all ESG regulations policies and procedures. In order to evaluate current recipients, in addition to the application materials submitted for funding, we took into considerations other reports:

- 2005 Monthly Performance Reports
- Semi-Annual Report
- Final Year-End report
- Applicable monitoring reviews and related correspondence

Unallocated ESG funds were set aside (approximately $57,000) for a Request for Proposal for Rehabilitation/Renovation activity that is being made available to all current ESG grantees that

are in good standing with Indiana Housing & Community Development Authority and who have contract with this agency. IHCDA's RFP is for shelters with specific needs to renovate their emergency shelter or transitional housing so that it is more accessible for homeless persons who are disabled. The grantees should be awarded by May 2007 and will be able to access the funds by July 1, 2007. The renovation is required to be completed by June 30, 2008.

Continuum of Care Regional Amounts

Each Continuum of Care region was allocated a percentage of the available ESG funds. IHCDA used the same ratio for Continuum of Care allocations that HUD used when allocating SuperNOFA funding to Indiana.

The regional percentages are as follows:

- Region 1 - 20%
- Region 2 - 10%
- Region 3 - 9%
- Region 4 - 4%
- Region 5 - 2%
- Region 6 - 5%
- Region 7 - 6%
- Region 8- 24%
- Region 9- 1%
- Region 10- 4%
- Region 11- 4%
- Region 12- 10%

Eligible Applicants

Non-profit organizations that:

- Are organized under State or local laws;
- Have no part of its net earnings inuring to the benefit of any member, founder, contributor or individual;
- Have a functioning accounting system that is operated in accordance with generally accepted accounting principles, or had designated an entity that will maintain such an accounting system;
- Have among its purposes significant activities related to providing services or shelter to homeless persons
- Can demonstrate integration, or the willingness to partner, with the existing local or regional continuum of care

Eligible Activities

- Essential Services
- Shelter Operations
- Homeless Prevention
- Rehabilitation

Award Number	Shelter	County	Funds Awarded	CofC Region
ES-006-001	Adams Wells Crisis Center	Adams	**$6,600.00**	3
ES-006-002	AIDS Ministries/AIDS Assist of North Indiana, Inc.	St Joseph	**$14,400.00**	2
ES-006-003	Albion Fellows Bacon Center	Vanderburgh	**$13,800.00**	12
ES-006-004	Alternatives Inc.	Madison	**$32,500.00**	6
ES-006-005	Anchor House, Inc.	Jackson	**$16,200.00**	11
ES-006-006	Archdiocese of Indpls/Catholic Soc. Srvs/Holy Family	Marion	**$37,132.00**	13
ES-006-007	Archdiocese/St. Elizabeth	Floyd	**$23,000.00**	8
ES-006-008	Bountiful Harvest (New)*	Madison	**$10,000.00**	6
ES-006-009	Bridges Community (New)	Delaware	**$10,000.00**	6
ES-006-010	Caring Place, Inc.(The)	Porter	**$12,617.00**	1
ES-006-011	Center for the Homeless, Inc. (The)	St. Joseph	**$48,825.00**	2
ES-006-012	Center for Women and Families (The)	Floyd	**$18,432.00**	13
ES-006-013	Children's Bureau	Marion	**$16,000.00**	8
ES-006-014	Christian Community Action of Porter County, Inc.	Porter	**$29,200.00**	1
ES-006-015	Christian Love Help Center	Henry	**$9,150.00**	6
ES-006-016	Coburn Place (Former Martin Luther King)	Marion	**$7,000.00**	8
ES-006-017	Columbus Regional Shelter for Victims of DV (turning point)	Bartholomew	**$15,298.00**	11
ES-006-018	Community & Family Services, Inc.	Huntington	**$9,750.00**	3
ES-006-019	Community Action Program of Evansville & Vanderburgh Co	Vanderburgh	**$42,050.00**	12
ES-006-020	Community Service Center of Morgan County, Inc.	Morgan	**$50,510.00**	10
ES-006-021	Coordinated Asst.Ministries (Salv. Army Kokomo) (Day Center)	Howard	**$35,000.00**	5
ES-006-022	Council on Domestic Abuse, Inc. (CODA)	Vigo	**$13,000.00**	7
ES-006-023	Crisis Center, Inc. A Youth Service Bureau	Lake	**$13,530.00**	1
ES-006-024	Crisis Connection, Inc.	Dubois	**$2,700.00**	13
ES-006-025	Dayspring Center, Inc.	Marion	**$26,070.00**	8
ES-006-026	Dismas Inc./Dismas of Michigan	St. Joseph	**$12,800.00**	2
ES-006-027	ECHO Housing Corp	Vanderburgh	**$30,905.00**	12
ES-006-028	Elijah Haven Crisis	Lagrange	**$6,858.00**	3
ES-006-029	Evansville Goodwill Industries	Vanderburgh	**$12,800.00**	12
ES-006-030	Family Crisis Shelter of Montgomery County, Inc.	Montgomery	**$25,000.00**	4
ES-006-031	Family Services Assoc.of Kokomo	Howard	**$21,199.00**	5
ES-006-032	Family Services of Delaware County	Delaware	**$11,600.00**	6
ES-006-033	Family Services of Elkhart/Elkhart Co Women's Shelter	Elkhart	**$12,400.00**	2
ES-006-034	Family Services Society, Inc.	Grant	**$19,200.00**	6
ES-006-035	Fort Wayne Women's Bureau Inc.	Allen	**$19,060.00**	3
ES-006-036	Genesis Outreach, Inc.	Allen	**$24,900.00**	3
ES-006-037	Genesis Place, Inc.(The)	Grant	**$44,636.00**	6
ES-006-038	Gennesaret Free Clinic, Inc.	Marion	**$31,185.00**	8
ES-006-039	Goshen Interfaith Hospitality Network	Elkhart	**$25,409.00**	2
ES-006-040	Hancock Hope House, Inc.	Hancock	**$7,315.00**	8
ES-006-041	Haven House Services, Inc.	Clark	**$43,568.00**	13
ES-006-042	Heart House, Inc.	Dearborn	**$15,216.00**	13
ES-006-043	Hope House, Inc.	Allen	**$27,600.00**	3
ES-006-044	Horizon House, Inc.(Day Center)	Marion	**$44,000.00**	8
ES-006-045	House of Bread and Peace (The)	Vanderburgh	**$37,260.00**	12
ES-006-046	House of Hope - Madison County	Madison	**$15,469.00**	6
ES-006-047	Housing Authority of the City of Greencastle	Putnam	**$11,713.00**	7
ES-006-048	Housing Opportunities, Inc.	Porter	**$30,008.00**	1
ES-006-049	Human Services, Inc.	Bartholomew	**$38,000.00**	11
ES-006-050	Indianapolis Interfaith Hospitality Network, inc.	Marion	**$29,200.00**	8
ES-006-051	Interfaith Hospitality of Ft. Wayne	Allen	**$18,737.00**	3
ES-006-052	Interfaith Mission, Inc.	Whitley	**$12,900.00**	3
ES-006-053	Julian Center, Inc.(The)	Marion	**$43,605.00**	8
ES-006-054	Knox County Task Force Against Domestic Violence	Knox	**$6,492.00**	12
ES-006-055	Kosciusko County Shelter for Abuse, Inc.	Kosciusko	**$15,960.00**	2
ES-006-056	Lafayette Trans.Housing Center (Lincoln Day Center)	Tippecanoe	**$33,949.00**	4
ES-006-057	Lafayette Urban Ministry	Tippecanoe	**$30,000.00**	4
ES-006-058	Life Choice, Inc.	Vanderburgh	**$11,600.00**	12
ES-006-059	Life Treatment Centers, Inc.	St. Joseph	**$40,000.00**	2
ES-006-060	Martha's House, Inc.	Monroe	**$25,000.00**	10
ES-006-061	Mental Health Association in Indiana (Day Center)	Tippecanoe	**$25,700.00**	4
ES-006-062	Middle Way House, Inc.	Monroe	**$22,000.00**	10
ES-006-063	Noble House, Inc.	Noble	**$11,200.00**	3
ES-006-064	North Central Indiana Rural Crisis	Jasper	**$2,350.00**	1
ES-006-065	Open Door Community Services, Inc. (Transitional Housing)	Delaware	**$35,378.00**	6
ES-006-066	Open Door Independent Living (New)	Delaware	**$10,000.00**	6
ES-006-067	Ozanam Family Shelter	Vanderburgh	**$35,294.00**	12
ES-006-068	Prisoner and Community Services	Washington	**$7,920.00**	13
ES-006-069	Providence Self Sufficiency Ministries, Inc.	Floyd	**$12,671.00**	13
ES-006-070	Quest for Excellence, Inc.	Marion	**$13,325.00**	8
ES-006-071	Roosevelt Mission	Greene	**$6,726.00**	10
ES-006-072	Safe Passage, Inc.	Ripley	**$14,057.00**	13
ES-006-073	Salvation Army - Harbor Lights	Marion	**$25,480.00**	8
ES-006-074	Salvation Army - Lafayette (The)	Tippecanoe	**$12,500.00**	4
ES-006-075	Salvation Army Social Service Center	Marion	**$46,200.00**	8
ES-006-076	Sheltering Wings	Hendricks	**$22,000.00**	8
ES-006-077	St. Jude House, Inc.	Lake	**$15,600.00**	1
ES-006-078	Stepping Stone Shelter for Women, Inc.	LaPorte	**$10,950.00**	1

ES-006-079	Stepping Stones for Veterans, Inc.	Madison	**$59,093.00**	6
ES-006-080	Turning Point of Steuben Co.	Steuben	**$5,850.00**	3
ES-006-081	United Caring Shelters	Vanderburgh	**$18,000.00**	12
ES-006-082	Vincent House, Inc.	Allen	**$14,000.00**	3
ES-006-083	Youth Service Bureau of St. Joseph County, Inc.	St. Joseph	**$21,609.00**	2
ES-006-084	YWCA of Evansville	Vanderburgh	**$20,000.00**	12
ES-006-085	YWCA of Fort Wayne	Allen	**$6,600.00**	3
ES-006-086	YWCA of Greater Lafayette	Tippecanoe	**$5,720.00**	4
ES-006-087	YWCA of Richmond	Wayne	**$3,600.00**	9
ES-006-088	YWCA of St. Joseph	St. Joseph	**$16,500.00**	2
ES-006-089	Wayne County Halfway House*	Wayne	**$10,000.00**	9
			$1,858,631.00	

* Shelters were awarded however they did not sign contracts. No funds drawn down.

TOTAL **$3,717,262.00**

HOPWA Allocation Plan

Program Description and Allocation Plan

Program Year 2007

Housing Opportunities for Persons with AIDS (HOPWA)

Method of Distribution

IHCDA will allocate HOPWA funds through a non-competitive renewal process. Program Year 2006 Sponsors in good standing will be invited to submit an annual plan detailing their use of the HOPWA funds for their region for the period of July 1, 2007-June 30, 2008.

Notwithstanding the submission of the annual plan described above, IHCDA reserves the right and shall have the power to allocate funds irrespective of the annual plan submission, if such intended allocation is (1) in compliance with the applicable statutes; (2) in furtherance of promoting affordable housing and homeless outreach; and (3) determined by IHCDA's Board of Directors to be in the interests of the citizens of the state of Indiana.

In order to ensure statewide access to HOPWA funds, IHCDA utilizes the Indiana State Department of Health (ISDH) HIV Care Coordination Regions. IHCDA has assigned a maximum funding amount available in each of the eleven regions of the state served by the Indiana HOPWA funds.

2007 Regional Allocation

HOPWA funds will be allocated to the HOPWA Care Coordination Regions on a formula basis assigned by utilizing ISDH's most current epidemiological data (December 2006) showing the current number of reported HIV/AIDS cases in each county. Each Care Coordination Region will receive their applicable amount of HOPWA funding based on the total number of reported HIV/AIDS cases in their service. There was no marked difference in the epidemiological data during Program Year 2006.

The following counties are not served under the State program: Boone, Brown, Clark, Dearborn, Floyd, Franklin, Hamilton, Hancock, Harrison, Hendricks, Johnson, Morgran, Ohio, Putnam, Scott, Shelby, and Washington.

The purpose of HOPWA is to provide states and localities with the resources and incentives to devise long-term comprehensive strategies for meeting the housing and support services needs of low-income persons with AIDS and HIV-related diseases. A broad range of housing-related activities may be funded under HOPWA, including, but not limited to: project or tenant based

rental assistance; supportive services; short-term rent or mortgage payments to prevent homelessness; and technical assistance in establishing/operating a community residence.

The Federal Fiscal Year 07-08 allocation is $822,000. There is a minimum of funds totaling $38,000.00 carried over from the prior fiscal year. While 2007 HOPWA funds will continue to be focused on the provision of housing and housing related services to low-income individuals with HIV/AIDS, excess and recaptured HOPWA funds will be used to align HOPWA funding to the State of Indiana's Ten Year Plan to End Chronic Homelessness, which was formally endorsed by Gov. Mitch Daniels in 2005.

The vision of the plan is to end chronic homelessness in Indiana. In order to achieve this vision, participating stakeholders have identified the following five strategies, each designed to help support the plan's focal point: 1) Enhance prevention activities and strategies, 2) Increase supply of supportive housing, 3) Enhance and coordinate support systems, 4) Optimize use of existing mainstream resources, and 5) Develop a policy and planning infrastructure. To this end, 2007 HOPWA allocations will target the need for homeless outreach and the development of housing goal plans for homeless individuals and head of households with HIV/AIDS through a bonus allocation consisting of all excess and recaptured HOPWA funds. In July of 2007, IHCDA will issue a Request for Proposals (RFP) for HOPWA related homeless outreach programs working through the local continua of care. In particular, the RFP will ask local care sites to submit proposals for outreach programs that will 1) network with their local continuum of care, 2) identify homeless person with HIV/AIDS living on the streets, in places not intended for human habitation, in emergency shelters, or "doubled up", 2) assign a case manager to such persons with the purpose of developing a housing goal plan, and 3) assist such persons finding appropriate stable housing. Proposals will be ranked and funded through excess and recaptured HOPWA funds.

Another challenge in meeting the housing needs of people living with HIV and their families is the continued need to identify affordable permanent housing for individuals and families who can move to independent living. Advances in medical treatment and medications have prolonged and improved the quality of life for many people living with HIV. This brings the necessity of providing a stable long-term housing environment as well a shift in the focus of housing from short-term, end-stage care to long-term, permanent housing. IHCDA strongly encourages local care providers using HOPWA social service funds to provide housing related case management to address the need for long-term permanent housing.

Eligible Applicants

Non—profit organizations that:

- Are organized under State or local laws;
- Have no part of its net earnings inuring to the benefit of any member, founder, contributor or individual;
- Have a functioning accounting system that is operated in accordance with generally accepted accounting principles, or had designated an entity that will maintain such an accounting system;
- Have among its purposes significant activities related to providing services or housing to persons with acquired immunodeficiency syndrome (AIDS) or related diseases;
- Can demonstrate integration, or the willingness to partner, with the existing HIV/AIDS Continuum of Care in the local region;
- Are eligible to participate in HUD programs (not on HUD's debarred list);

- Are in good standing with IHCDA (not on the suspension list or otherwise precluded from applying for funding)

Eligible Activities

- Acquisition/Rehabilitation/Conversion
- Housing Information
- Resource Identification
- Rental Assistance
- Rental Assistance Program Delivery
- Short-term Rent, Mortgage and Utility Assistance
- Short-term Rent, Mortgage an Utility Assistance Program Delivery
- Supportive Services
- Operating Costs
- Technical Assistance
- Administration

Project Sponsors

For program year 2007 HOPWA funding, IHCDA requested that existing project sponsors submit annual plans detailing their use of HOPWA funds for the period of July 1, 2007-June 30, 2008.

In prior program years, IHCDA offered a competitive process for allocating HOPWA funds. Previously, IHCDA staff conducted outreach and information sessions to community based volunteer AIDS action groups and Task Forces and organizations created and staffed by people living with HIV/AIDS. There was, however, no marked demand for new HOPWA projects for the 2007 program year. Many organizations have had success in receiving other sources of funding for HIV/AIDS and have elected to partner with our existing providers instead of trying to create new programs that may divert limited resources from them. In 2006, for example, Region 1 received funding for a Shelter Plus Care project serving homeless individuals living with HIV/AIDS. Our existing project sponsors area all community based not for profit organizations that serve persons living with HIV/AIDS. IHCDA will utilize a competitive RFP process for the 2008 HOPWA program year.

IHCDA's goal for the HOPWA program is to reduce homelessness and increase housing stability for people living with HIV/AIDS and their families. Existing project sponsors provided information on their HOPWA program's ability to support that goal and deliver the outcome of increasing the availability of housing units for people living with HIV/AIDS and their families and increasing their housing stability.

The existing project sponsors are:

AIDS Ministries/AIDS Assist of North Indiana, Inc.
Service Area: Elkhart, Fulton, Marshall, Pulaski, and St. Joseph Counties

AIDS Resource Group of Evansville, Inc.
Service Area: Daviess, Dubois, Gibson, Knox, Martin, Perry, Pike, Posey, Spencer, Vanderburgh, and Warrick Counties

AIDS Task Force, Inc.
Service Area: Adams, Allen, DeKalb, Huntington, Kosciusko, LaGrange, Noble, Steuben, Wabash, Wells, and Whitley Counties

The Center for Mental Health, Inc.
Service Area: Benton, Carroll, Clinton, Fountain, Jasper, Montogmery, Newton, Tippecanoe, Warren, and White Counties

Bloomington Hospital, Inc.
Service Area: Bartholemew, Greene, Lawrence, Monroe, and Owen Counties

The Center for Mental Health, Inc.
Service Area: Cass, Howard, Madison, Miami, and Tipton Counties

Greater Hammond Community Services, Inc.
Service Area: Lake, LaPorte, and Porter Counties

Brothers Uplifting Brothers, Inc.
Service Area: Lake, LaPorte, and Porter Counties

Hoosier Hills AIDS Coalition, Inc.
Service Area: Crawford, Jackson, Jefferson, Jennings, Orange, and Switzerland Counties

The Center for Mental Health, Inc.
Service Area: Blackford, Delaware, Grant, Jay, and Randolph Counties

West Central Indiana Economic Development District
Service Area: Clay, Parke, Sullivan, Vermillion, and Vigo Counties

The Center for Mental Health, Inc.
Service Area: Decatur, Fayette, Henry, Ripley, Rush, Union, and Wayne Counties

SECTION II.

Citizen Participation Plan and Input

SECTION II.
Citizen Participation Plan and Input

The Citizen Participation Plan (CPP) described below is based on the CPP established for the State's five-year Consolidated Plan, covering program years 2005–2009. The CPP was developed around a central concept that acknowledges residents as stakeholders and their input as key to any improvements in the quality of life for the residents who live in a community.

The purpose of the CPP is to provide citizens of the State of Indiana maximum involvement in identifying and prioritizing housing and community development needs in the State, and responding to how the State intends to address such needs through allocation of the federal Community Development Block Grant (CDBG), HOME Investment Partnerships Program funding (HOME), the Emergency Shelter Grant (ESG) and Housing Opportunity for Persons with AIDS (HOPWA) funding.

This document guides the CPP for the five-year Consolidated Planning period. Each program year affords Indiana residents an opportunity to be involved in the process. Citizens have a role in the development of the Consolidated Plan and annual Action Plans regardless of age, gender, race, ethnicity, disability and economic level. A special effort is made each year to enhance the participation efforts of the previous year and to reach sub-populations who are marginalized in most active participation processes. For example, for the FY2005–2009 five-year Consolidated Plan, a telephone survey was conducted of residents in the State's nonentitlement areas to obtain broad input into the Consolidated Planning process. Through this survey, 300 residents were able to participate in the process from the convenience of their homes. In addition, a similar citizen survey was distributed to the State's housing and social service organizations, including public housing authorities, to maximize input from the State's low-income citizens and citizens with special needs.

From the onset of the first community forum to the distribution of the surveys and writing of the Plan, the needs of the Indiana residents, government officials, nonprofit organizations, special-needs populations and others and have been carefully considered and reflected in the drafting of the document.

Five-Year Consolidated Plan Participation Process

The participation process for the five-year Consolidated Plan included four phases and took nine months to complete. There were multiple approaches used to inform residents of the process and then gather community opinions. Citizens throughout the State were actively sought out to participate and provide input for the process.

Phase I. Citizen Participation Plan development. The citizen participation plan (CPP) was crafted by the administering agencies and Consolidated Plan Coordinating Committee in late 2005. The CPP was modified with an eye toward obtaining broader public input and facilitating more direct input from low-income individuals and persons with special needs.

Phase II. Survey preparation and implementation. Four survey instruments were prepared for the Consolidated Plan CPP:

- A key person survey to capture stakeholder input;
- A telephone survey, the Indiana Rural Poll, conducted of Indiana residents living outside of Indiana's urbanized areas;
- A citizen survey targeted to special-needs and low-income individuals, including persons who had been or are currently homeless; and
- A survey of public housing authorities.

Drafts of the survey instruments were reviewed with the Coordinating Committee. The Committee assisted in developing the list of organizations to receive the mail/email citizen survey, which was passed onto clients. The Committee also helped spread the word about the citizen survey and its importance to the Consolidated Plan. The Indiana Housing and Community Development Authority (IHCDA) sent an announcement about the citizen survey to their email subscribers and encouraged public participation. They also posted a downloadable version of the survey on their website.

Phase III. Strategic, Action and Allocation Plan development. After the Consolidated Plan research was completed, the administering agencies reviewed and discussed the FY2005–2009 Strategic Plan Strategies and Actions to develop new five-year goals. These goals are used to guide the funding allocation of CDBG, HOME, ESG and HOPWA during each program year covered by the Plan.

In addition, OCRA consulted 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.

Phase IV. Public hearing and comment period. Citizens and agency representatives were notified of the publication of the Draft Consolidated Plan during the surveys and by public notification in newspapers throughout the State. The draft report was posted on the Indiana Housing and Community Development Authority and Office of Community and Rural Affairs websites.

Residents had the opportunity to comment on the Draft Consolidated Plan in verbal or written form during a 30-day public comment period. During the comment period, copies of the Draft Plan were provided on agency websites, and Executive Summaries were distributed to the public. Two public hearings were held in nonentitlement areas to give residents an opportunity to discuss the Draft Plan in person. Residents were informed through the public hearings and notices about how to submit comments and suggestions on the Plan.

The State has a policy to provide citizens and units of general local government with reasonable and timely access to records regarding the past and proposed use of CDBG funds, as such records are requested.

2007 Action Plan Participation Process

Citizens had the opportunity to comment on the 2007 Draft Action Plan for CDBG, HOME, ESG and HOPWA through two public hearings held during the 30-day public comment period, April 5 through May 7, 2007. The public hearings were publicized through legal advertisements in 13

regional newspapers with general circulation statewide. In addition, the notice was distributed by mail to more than 1,000 local officials, nonprofit entities and interested parties statewide. A list of the newspapers in which the legal notice appeared along with a copy of the notice appears at the end of this section.

On April 24 and 25, 2007, public hearings were held in Salem and Kokomo, beginning at 10:00 a.m. During the session, executive summaries of the Plan were distributed and instructions on how to submit comments were given. In addition, participants were given an opportunity to provide feedback or comment on the Draft Plan. Stakeholders were also directly consulted about the State's greatest needs and encouraged to provide comments on the Action Plan through personal interviews conducted in March and April 2007.

Comments Accepted, Considered and Not Accepted or Considered. The State of Indiana accepted public comments on the 2007 Draft Action Plan between April 5 and May 7, 2007. All of the comments received—both verbal and written—are summarized or appended to the Action Plan, unless otherwise requested by the commenter.

Annual Performance Report

Before the State submits a Consolidated Plan Annual Performance and Evaluation Report (CAPER) to HUD, the State will make the proposed CAPER available to those interested for a comment period of no less than 15 days. Citizens will be notified of the CAPER's availability through a notice appearing in at least one newspaper circulated throughout the State. The newspaper notification may be made as part of the State's announcement of the public comment period and will be published two to three weeks before the comment period begins.

The CAPER will be available on the websites of the Indiana Housing and Community Development Authority and the Office of Community and Rural Affairs during the 15-day public comment period. Hard copies will be provided upon request.

The State will consider any comments from individuals or groups received verbally or in writing. A summary of the comments, and of the State's responses, will be included in the final CAPER.

Substantial Amendments

Occasionally, public comments warrant an amendment to the Consolidated Plan. The conditions for whether to amend are referred to by HUD as "Substantial Amendment Criteria." The following conditions are considered to be Substantial Amendment Criteria:

1. A substantial change in the described method of distributing funds to local governments or nonprofit organizations to carry out activities. "Substantial change" shall mean the movement between programs of more than 10 percent of the total allocation for a given program year's block-grant allocation, or a major modifications to programs.

   Elements of a "method of distribution" are:

   - Application process for local governments or nonprofits;
   - Allocation among funding categories;

- Grant size limits; and
- Criteria selection.

2. An administrative decision to reallocate all the funds allocated to an activity in the Action Plan to other activities of equal or lesser priority need level, unless the decision is a result of the following:
   - There is a federal government recession of appropriated funds, or appropriations are so much less than anticipated that the State makes an administrative decision not to fund one or more activities;
   - The governor declares a state of emergency and reallocates federal funds to address the emergency; or
   - A unique economic development opportunity arises wherein the State administration asks that federal grants be used to take advantage of the opportunity.

Citizen participation in the event of a substantial amendment. In the event of a substantial amendment to the Consolidated Plan, the State will conduct at least one additional public hearing. This hearing will follow a comment period of no less than 30 days, during which the proposed amended Plan will be made available to interested parties. Citizens will be informed of the public hearing, and of the amended Plan's availability, through a notice in at least one newspaper prior to the comment period and hearing.

In the event of substantial amendments to the Consolidated Plan, the State will openly consider all comments from individuals or groups submitted at public hearings or received in writing. A summary of the written and public comments on the amendments will be included in the final Consolidated Plan.

Changes in Federal Funding Level. Any changes in federal funding level after the Consolidated Plan's draft comment period has expired, and the resulting effect on the distribution of funds, will not be considered an amendment or a substantial amendment.

Citizen Complaints

The State will provide a substantive written response to all written citizen complaints related to the Consolidated Plan, Action Plan amendments and the CAPER within 15 working days of receiving the complaint. Copies of the complaints, along with the State's response, will be sent to HUD if the complaint occurs outside of the Consolidated Planning process and, as such, does not appear in the Consolidated Plan.

OCRA Citizen Participation Requirements

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 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 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.

Citizen and Stakeholder Input

To collect additional information from stakeholders and citizens about Indiana's housing and community development needs, interviews were conducted during March and April 2007 with key persons who are knowledgeable about these needs in the State. These key persons included economic development organizations, a utility provider, local government representatives, an engineering consultant, housing providers, community service providers, advocates and others. The interviews provided information about the housing market in general and about the top housing and community development needs in the State. Their responses build upon those received through key person interviews conducted as part of the five-year Consolidated Plan and 2006 Action Plan.

The following is a list of organizations and agencies who participated in the planning process as part of key person interviews. Their input was very welcome and their thoughts much appreciated.

Exhibit II-1.
Organizations/Agencies Consulted, March and April 2007

Organizations/Agencies	Area(s) Served
Community Action Program of Western Indiana	Western Indiana
Economic Development Group (Wabash County)	Wabash County
Hannum Wagle and Cline	State of Indiana
Hoosier Energy	Southern Indiana
Indiana Association for Community and Economic Development	State of Indiana
Indiana Association of Cities and Towns Field Services Manager	State of Indiana
Indiana Association of United Way	State of Indiana
Indiana Economic Development Corporation	State of Indiana
Indiana Finance Authority	State of Indiana
Mayor of Logansport	Logansport, IN
Mayor of Washington	Washington, IN
Milestone Ventures	Southern Indiana
Providence Self-Sufficiency Ministries	Floyd and Vigo counties
Rural Opportunities, Inc.	Southern Indiana
Rural Rental Housing Association	State of Indiana
Southern Indiana Regional Planning Commission	Southern Indiana
USDA Rural Development	State of Indiana
Vectren Energy	State of Indiana

The information from the interviews is summarized in the following exhibits. Exhibit II-2 shows the housing needs organized by the number of times an organization or agency mentioned the need, from most to least. The top housing need, identified by almost all the interviewees, was providing affordable rental or for-sale housing.

Exhibit II-2.
Housing Needs

Housing Needs	
Provide affordable housing to rent and own for low to moderate income families	***Identified***
Offer housing repair/rehabilitation/weatherization assistance (including more lenders)	***the most***
Offer counseling/education for new homeowners	↓
Provide payment assistance and mortgage interest buy-downs	
Develop executive housing in rural areas where large manufacturing facilities are locating	
More funding to create affordable housing (from State or Government)	
More housing for the elderly	
Reduce the number of abandoned houses	
Regulate mortgage companies on lending practices	
Increase number of minority families that own homes	
Offer property tax relief for landlords	***Identified***
Overhaul entire taxation system	***the least***

Source: Key Person Interviews for 2007 Annual Action Plan, March and April 2007.

In addition, participants were asked if there were any land use and/or zoning regulations that inadvertently restrict access to fair housing or prevent the development of affordable housing. Several of the participants responded that there were none, and they thought that cities were careful when considering their zoning and land use regulations. One participant mentioned that there is an assumption that lower density is better, which is not always true. Another participant suggested there is a community perception/social stigma that low-income housing in certain communities prevents building.

Exhibit II-3 shows the top community and economic development needs identified by stakeholders through interviews. As in Exhibit II-2, they are listed in descending order, with those identified the most appearing at the top of the exhibit.

Exhibit II-3.
Community and Economic Development Needs

Community and Economic Development Needs	
Access to more jobs with better pay	***Identified***
Increase funds to maintain public infrastructures	***the most***
Fix failing public septic systems/reduce combined sewer overflow/sewer system upgrades/creation	↓
More transportation options for rural areas	
Create better development sites	
Downtown redevelopment	
More educational programs (employment, trade, social service opportunities, etc.)/General lack of education	
Offer Broad Band service via wireless or fiber	
Create workforce development programs	
Develop regional waste water treatment facilities	
Develop rural healthcare	
Increase co-ordination and co-operation between local government entities	
Increase strong, sustained local leadership	
More grocery stores/private businesses in rural areas	
More mental health services that are affordable	
Continue increased access to higher education	
Continue to improve primary and secondary schools	
Difficult to attract larger commercial development projects in rural areas	
Indiana culture does not reward or welcome entrepreneurship, creativity or risk takers	
More banks	
More medical assistance programs/institutions	
Offer more recreation opportunities	***Identified***
Zoning boards and commissions only approving higher priced new homes	***the least***

Source: Key Person Interviews for 2007 Annual Action Plan, March and April 2007.

Exhibit II-4 shows the needs of the special-needs or at-risk populations of Indiana, as identified through stakeholder interviews. The needs are listed in descending order.

Exhibit II-4.
Needs of Special-Needs Populations

More housing choices for low-income clients	***Identified***
Credit-maintenance programs for low-income clients; education on credit	***the most***
More job training and GED programs for uneducated populations	↓
More Senior housing	
More landlords to offer housing to low-income citizens and make the process easier (currently too difficult).	
Assist and educate people to have more responsibility for their lives.	
Methamphetamine usage where I live (Seymour) adds to crime and loss of life.	
More housing for farm workers in rural areas	***Identified***
Programs to foster/develop independence from social services	***the least***

Source: Key Person Interviews for 2007 Annual Action Plan, March and April 2007.

In addition, participants were asked to discuss "quality of life" issues and address what is lacking or most needed in the small cities and rural areas of Indiana, as well as to identify the positive aspects of those areas. The first five most-needed items listed received two responses; the rest were each mentioned once. The most commonly identified benefit of living in a small city or rural area was the feeling that the communities are safe and have low crime and that people tend to know one another and are more connected. The following exhibit lists the responses to what is most needed in the small and rural communities and the positive aspects of living in a smaller or rural community.

Exhibit II-5.
Quality of Life in Indiana's Small Cities and Rural Areas

Quality of Life	
Most needed in small communities and rural areas:	***Identified the most***
Tax base to pay for a good quality of life and a look at the State's tax structure as a whole	
Access to broadband via wireless or fiber	
Infrastructure improvements, including improved waste water and drinking water treatment	
Programs to generate new jobs and job retention, along with better employment opportunities	
Strong local government leaders willing to create change and improve the quality of life for their residents	
Continue to improve access to higher education, and primary and secondary schools can always be improved	
Downtown redevelopment	
More executive level housing	
More recreational opportunities	
Quality health care	***Identified the least***
Residents need to embrace change and reward creativity, entrepreneurs and risk takers	
Positiveaspects of small and rural communities:	
A community that is safe, where people are connected to one another	***Identified the most***
Access to higher education and good/decent schools	
Access to recreation and natural resources	
Clean and scenic communities	
Good transportation with less traffic	
Affordable housing	
Good churches	
Good clean industry	
Good work ethic	
Governmental units that work together	
Health care and hospitals	
Improved telecommunications	
Local shopping	***Identified the least***
Senior citizen activities	

Source: Key Person Interviews for 2007 Annual Action Plan, March and April 2007.

Newspapers in which Public Notices Ran

The Republic
Classified Advertising
The Republic Drive
Columbus, IN 47201
Attention: Jan Rittenhouse
812/379-5661
FAX 812/379-5776

Indianapolis Star
Classified Advertising
307 North Pennsylvania
Indianapolis, IN 46204
Attention: Judy Martenez
317/633-1163
FAX 317/444-8806

The Journal-Gazette
Pamela Wood
Classified Advertising
P.O. Box 100
Ft. Wayne, IN 46802
260/461-8246
FAX 260/461-8230

The Chronicle-Tribune
Classified Advertising
610 South Adams St.
Marion, IN 46953
317/664-5111
FAX 765/664-6292

The Courier Journal
Classified Advertising
525 West Broadway
Louisville, KY 40202
502/582-4731
FAX 502/582-4930

Gary Post Tribune
Casie Newton
Legal Notices
1433 E. 83rd Ave.
Merrillville, IN 46410
1/800/876-8907

Tribune Star
Box 149
Terre Haute, IN 47807
812/231-4200
FAX 812/231-4234

Journal & Courier
217 N. 6th St.
Lafayette, IN 47901
765/423-5511
FAX 765/742-5633

Evansville Courier
Box 268
Evansville, IN 47072
Attention: Classified
812/424-7711
FAX 812/464-7487

South Bend Tribune
225 W. Colfax Ave.
South Bend, IN 46626
Attention: Laura
574/233-6161
FAX 574/232-1880

Palladium-Item
Box 308
Richmond, IN 47374
Attention: Sandy Baisley
765/973-4545
FAX 765/973-4440

The Times
601 45th Ave.
Munster, IN 46321
Attention: Classified Advertising
219/933-3200
FAX 219/933-3334

The Star Press
P.O. Box 2408
Muncie, IN 47307
Attention: Legal Advertising
765/213-5700
FAX 765/213-5758

NOTICE OF PUBLIC HEARING
FY 2007 CONSOLIDATED PLAN FOR FUNDING

INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS
INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY

Pursuant to 24 CFR part 91.115(a)(2), the State of Indiana wishes to encourage citizens to participate in the development of the State of Indiana Consolidated Plan for 2007. In accordance with this regulation, the State is providing the opportunity for citizens to comment on the 2007 Consolidated Plan Update draft report, which will be submitted to the US Department of Housing and Urban Development (HUD) on or before May 15, 2007. 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 2007 Consolidated Plan will set forth the method of distribution of funding for the following HUD-funded programs:

State Community Development Block Grant (CDBG) Program
Home Investment Partnership Program
Emergency Shelter Grant Program
Housing Opportunities for Persons With AIDS Program

These public hearings will be conducted as follows:

Salem Public Library
Program Room
212 North Main St.
Salem, IN 47167
Tuesday, April 24
10:00 am (Local Time)

Kokomo Public Library - south branch
Cardinal Room
1755 East Center Road
Kokomo, IN 46902
Wednesday, April 25
10:00 am (Local Time)

If you are unable to attend the public hearings, written comments are invited April 5, 2007 through May 7, 2007, at the following address:

Indiana Office of Community and Rural Affairs
One North Capitol – Suite 600
Indianapolis, IN 46204-2288

Persons with disabilities will be provided with assistance respective to the contents of the Consolidated Plan. Interested citizens and parties who wish to receive a free copy of the Executive Summary of the FY 2007 Consolidated Plan or have any other questions may contact the Indiana Office of Community and Rural Affairs at its toll free number 800.824.2476, or 317.232.8911, during normal business hours or via electronic mail at bdawson2@ocra.in.gov.