

Adopted	Rejected
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COMMITTEE REPORT

YES:	8
NO:	1

MR. SPEAKER:

*Your Committee on Local Government, to which was referred House Bill 1261, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 1, delete lines 1 through 15.
- 2 Delete pages 2 through 8.
- 3 Page 16, line 4, after "satisfaction," insert "**and**".
- 4 Page 16, line 4, delete ", and a" and insert ".".
- 5 Page 16, line 5, delete "tax sale certificate."
- 6 Page 16, delete line 14.
- 7 Page 16, line 15, delete "(8)" and insert "**(7)**".
- 8 Page 16, line 27, delete "(9)" and insert "**(8)**".
- 9 Page 18, after line 17, begin a new paragraph and insert:
- 10 "SECTION 13. IC 36-7-15.1-35.5, AS AMENDED BY
- 11 P.L.211-2007, SECTION 48, IS AMENDED TO READ AS
- 12 FOLLOWS [EFFECTIVE JULY 1, 2012]: Sec. 35.5. (a) The general
- 13 assembly finds the following:
- 14 (1) Federal law permits the sale of a multiple family housing
- 15 project that is or has been covered, in whole or in part, by a
- 16 contract for project based assistance from the United States

- 1 Department of Housing and Urban Development without
 2 requiring the continuation of that project based assistance.
- 3 (2) Such a sale displaces the former residents of a multiple family
 4 housing project described in subdivision (1) and increases the
 5 shortage of safe and affordable housing for persons of low and
 6 moderate income within the county.
- 7 (3) The displacement of families and individuals from affordable
 8 housing requires increased expenditures of public funds for crime
 9 prevention, public health and safety, fire and accident prevention,
 10 and other public services and facilities.
- 11 (4) The establishment of a supplemental housing program under
 12 this section will do the following:
- 13 (A) Benefit the health, safety, morals, and welfare of the
 14 county and the state.
- 15 (B) Serve to protect and increase property values in the county
 16 and the state.
- 17 (C) Benefit persons of low and moderate income by making
 18 affordable housing available to them.
- 19 (5) The establishment of a supplemental housing program under
 20 this section and sections 32 through 35 of this chapter is:
- 21 (A) necessary in the public interest; and
 22 (B) a public use and purpose for which public money may be
 23 spent and private property may be acquired.
- 24 (b) In addition to its other powers with respect to a housing program
 25 under sections 32 through 35 of this chapter, the commission may
 26 establish a supplemental housing program. Except as provided by this
 27 section, the commission has the same powers and duties with respect
 28 to the supplemental housing program that the commission has under
 29 sections 32 through 35 of this chapter with respect to the housing
 30 program.
- 31 (c) One (1) allocation area may be established for the supplemental
 32 housing program. The commission is not required to make the findings
 33 required under section 34(5) through 34(8) of this chapter with respect
 34 to the allocation area. However, the commission must find that the
 35 property contained within the boundaries of the allocation area consists
 36 solely of one (1) or more multiple family housing projects that are or
 37 have been covered, in whole or in part, by a contract for project based
 38 assistance from the United States Department of Housing and Urban

1 Development or have been owned at one time by a public housing
 2 agency. The allocation area need not be contiguous. The definition of
 3 "base assessed value" set forth in section 35(a) of this chapter applies
 4 to the special fund established under section 26(b) of this chapter for
 5 the allocation area.

6 (d) The special fund established under section 26(b) of this chapter
 7 for the allocation area established under this section may be used only
 8 for the following purposes:

9 (1) Subject to subdivision (2), on January 1 and July 1 of each
 10 year the balance of the special fund shall be transferred to the
 11 housing trust fund established under subsection (e).

12 (2) The commission may provide each taxpayer in the allocation
 13 area a credit for property tax replacement in the manner provided
 14 by section 35(b)(7) of this chapter. Transfers made under
 15 subdivision (1) shall be reduced by the amount necessary to
 16 provide the credit.

17 (e) The commission shall, by resolution, establish a housing trust
 18 fund to be administered, subject to the terms of the resolution, by:

19 (1) the housing division of the consolidated city; or

20 (2) the department, division, or agency that has been designated
 21 to perform the public housing function by an ordinance adopted
 22 under IC 36-7-18-1.

23 (f) The housing trust fund consists of:

24 (1) amounts transferred to the fund under subsection (d);

25 (2) payments in lieu of taxes deposited in the fund under
 26 IC 36-3-2-11;

27 (3) gifts and grants to the fund;

28 (4) investment income earned on the fund's assets;

29 (5) money deposited in the fund under IC 36-2-7-10(j); and

30 (6) other funds from sources approved by the commission.

31 (g) The commission shall, by resolution, establish uses for the
 32 housing trust fund. However, the uses must be limited to:

33 (1) providing financial assistance to those individuals and
 34 families whose income is at or below eighty percent (80%) of the
 35 county's median income for individuals and families, respectively,
 36 to enable those individuals and families to purchase or lease
 37 residential units within the county;

38 (2) paying expenses of administering the fund;

- 1 (3) making grants, loans, and loan guarantees for the
 2 development, rehabilitation, or financing of affordable housing
 3 for individuals and families whose income is at or below eighty
 4 percent (80%) of the county's median income for individuals and
 5 families, respectively, including the elderly, persons with
 6 disabilities, and homeless individuals and families; ~~and~~
- 7 (4) providing technical assistance to nonprofit developers of
 8 affordable housing; **and**
- 9 **(5) funding other programs considered appropriate to meet**
 10 **the affordable housing and community development needs of**
 11 **lower income families (as defined in IC 5-20-4-5) and very low**
 12 **income families (as defined in IC 5-20-4-6), including lower**
 13 **income elderly individuals, individuals with disabilities, and**
 14 **homeless individuals.**
- 15 (h) At least fifty percent (50%) of the dollars allocated for
 16 production, rehabilitation, or purchase of housing must be used for
 17 units to be occupied by individuals and families whose income is at or
 18 below fifty percent (50%) of the county's area median income for
 19 individuals and families, respectively.
- 20 (i) The low income housing trust fund advisory committee is
 21 established. The low-income housing trust fund advisory committee
 22 consists of eleven (11) members. The membership of the low income
 23 housing trust fund advisory committee is comprised of:
- 24 (1) one (1) member appointed by the mayor, to represent the
 25 interests of low income families;
- 26 (2) one (1) member appointed by the mayor, to represent the
 27 interests of owners of subsidized, multifamily housing
 28 communities;
- 29 (3) one (1) member appointed by the mayor, to represent the
 30 interests of banks and other financial institutions;
- 31 (4) one (1) member appointed by the mayor, of the department of
 32 metropolitan development;
- 33 (5) three (3) members representing the community at large
 34 appointed by the commission, from nominations submitted to the
 35 commission as a result of a general call for nominations from
 36 neighborhood associations, community based organizations, and
 37 other social services agencies;
- 38 (6) one (1) member appointed by and representing the Coalition

- 1 for Homeless Intervention and Prevention of Greater Indianapolis;
 2 (7) one (1) member appointed by and representing the Local
 3 Initiatives Support Corporation;
 4 (8) one (1) member appointed by and representing the
 5 Indianapolis Coalition for Neighborhood Development; and
 6 (9) one (1) member appointed by and representing the
 7 Indianapolis Neighborhood Housing Partnership.
- 8 Members of the low income housing trust fund advisory committee
 9 serve for a term of four (4) years, and are eligible for reappointment. If
 10 a vacancy exists on the committee, the appointing authority who
 11 appointed the former member whose position has become vacant shall
 12 appoint an individual to fill the vacancy. A committee member may be
 13 removed at any time by the appointing authority who appointed the
 14 committee member.
- 15 (j) The low income housing trust fund advisory committee shall
 16 make recommendations to the commission regarding:
- 17 (1) the development of policies and procedures for the uses of the
 18 low income housing trust fund; and
 19 (2) long term sources of capital for the low income housing trust
 20 fund, including:
- 21 (A) revenue from:
 22 (i) development ordinances;
 23 (ii) fees; or
 24 (iii) taxes;
 25 (B) financial market based income;
 26 (C) revenue derived from private sources; and
 27 (D) revenue generated from grants, gifts, donations, or income
 28 in any other form, from a:
 29 (i) government program;
 30 (ii) foundation; or
 31 (iii) corporation.
- 32 (k) The county treasurer shall invest the money in the fund not

- 1 currently needed to meet the obligations of the fund in the same
- 2 manner as other public funds may be invested.".
- 3 Renumber all SECTIONS consecutively.
 (Reference is to HB 1261 as introduced.)

and when so amended that said bill do pass.

Representative Neese