

State of Indiana 2012 Action Plan Executive Summary, 91.320 (b)

Purpose of the Consolidated Plan

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. These grants funds include: Community Development Block Grants (CDBG), Emergency Solutions Grant (ESG),¹ the HOME Investment Partnerships Program (HOME), and Housing Opportunities for People with AIDS (HOPWA). 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.

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.

This 2012 Action Plan reports how the State proposes to allocate the CDBG, HOME, ESG and HOPWA funds during the 2012 program year, July 1, 2012 to June 30, 2013.

CAPER. The Consolidated Annual Performance and Evaluation Report (CAPER) is also required yearly. The CAPER reports on how funds were actually spent (v. proposed in the Action Plan), the households that benefitted from the block grants and how well the City/State met its annual goals for housing and community development activities. This report is completed by the State during the months after the end of each program year and is available for public comment September 15-30 of each year.

Fair housing requirement. HUD requires that cities and states receiving block grant funding take actions to affirmatively further fair housing choice. Cities and states report on such activities by completing an Analysis of Impediments to Fair Housing Choice (AI) every three to five-years. In general, the AI is a review of impediments to fair housing choice in the public and private sector.

The State of Indiana's 2012 Update of the Analysis of Impediments to Fair Housing Choice for 2010-2014 will be completed during the summer and fall of 2012.

Compliance with Consolidated Plan Regulations

The State of Indiana's 2012 Action Plan was prepared in accordance with Sections 91.300 through 91.330 of the U.S. Department of Housing and Urban Development's (HUD) Consolidated Plan regulations.

¹ Formerly the Emergency Shelter Grant.

Lead and Participating Organizations

The lead agencies for completion of the State's 2012 Action Plan include:

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

The State of Indiana retained BBC Research & Consulting, Inc. (BBC), an economic research and consulting firm specializing in housing research, to assist in the preparation of the 2012 Action Plan and AI update. In addition to BBC, the Indiana-based consulting firms Brilljent and Engaging Solutions, assisted with the key person interviews, resident survey and stakeholder survey conducted in 2012.

Organization of the Report

The remaining sections of this report include:

- Section II:** The Citizen Participation and Consultation Process section summarizes the public participation opportunities that were available and the public input gathered during development of the 2012 Action Plan.
- Section III:** The Resources section details the federal, state, local and private resources the State plans to use to address housing and community development needs in 2012.
- Section IV:** This section contains the annual objectives and activities for 2012.
- Section V:** This section contains the specific requirements for each of the four federal grant programs.
- Appendix A:** This appendix contains the Citizen Participation Plan that governs the citizen participation process during the five-year Consolidated Planning period, including each the process in each Action Plan year.
- Appendix B:** This appendix contains information about the public participation process and public hearings conducted for the 2012 Action Plan and (for final version) public comments received during the 30-day comment period.
- Appendix C:** This appendix contains background information on demographic and housing market conditions and the special needs populations in Indiana.
- Appendix D:** This appendix contains the HUD required needs and summary tables.
- Appendix E:** This appendix describes the 2012 Method of Distribution for CDBG by OCRA.
- Appendix F:** This appendix describes the 2012 Method of Distribution for IHCDA.
- Appendix G:** This appendix contains the HUD required signed Certifications and SF-424s.

Five-Year Goals, Objectives and Outcomes and 2012 Action Plan

Four goals were established to guide funding during the 2010-2014 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 *objectives* and *outcomes* detail what the State intends to accomplish with the identified funding sources to meet housing and community development needs for the 2010-2014 program years and each Action Plan year. The outcome and objective that will be achieved is included in each of the planned activities and is identified using the numbering system that ties to the Community Planning and Development Performance Measurement System developed by HUD.

The outcome/objective numbers are as follows:

	Availability/ Accessibility	Affordability	Sustainability
Decent Housing	DH-1	DH-2	DH-3
Suitable Living Environment	SL-1	SL-2	SL-3
Economic Opportunity	EO-1	EO-2	EO-3

The following section outlines the 2010-2014 Strategic Plan goals, objectives and outcomes in detail along with the 2012 Action Plan outcomes. . The State of Indiana certifies that not less than seventy-percent (70 percent) of FY 2012 CDBG funds will be expended for activities principally benefiting low and moderate income persons, as prescribed by 24 CFR 570.484, et. seq.

Decent Housing:

GOAL 1. Expand and preserve affordable housing opportunities throughout the housing continuum.

- **Objective DH-2.1 (Affordability):** Increase the supply and improve the quality of affordable **rental housing**.

DH-2.1 outcomes/goals:

- Support the **production of new affordable rental units** and the **rehabilitation** of existing affordable rental housing.
 - *Five-year outcome/goal:* 675 housing units
 - *2012 outcome/goal:* 100 housing units; \$3 million HOME
 - *Targeted to elderly and persons with disabilities:* 33 housing units

- **Objective DH-2.2 (Affordability):** Increase and improve affordable **homeownership opportunities** to low and moderate income families.

DH-2.2 outcomes/goals:

- Provide and support homebuyer assistance through **homebuyer education and counseling and downpayment assistance**.
 - *Five-year outcome/goal:* 2,500 households/housing units
 - *2012 outcome/goal:* 700 households/housing units; \$4 million HOME
- Provide funds to organizations for the **development of owner occupied units**.
 - *Five-year outcome/goal:* 125 housing units
 - *2012 outcome/goal:* 25 housing units; \$1 million HOME
 - *Targeted to special needs populations:* 5 housing units
- Provide funds to organizations to complete **owner occupied rehabilitation**.
 - *Five-year outcome/goal:* 1,500 housing units
 - *2012 outcome/goal:* 240 housing units; \$3.5 million CDBG & \$500,000 HOME
 - *Targeted to elderly and persons with disabilities:* 160 housing units

- **Objective DH-2.3 (Affordability):** Build capacity of affordable housing developers.

DH-2.3 outcomes/goals:

- Provide funding for **predevelopment loans** to support affordable housing.
 - *Five-year outcome/goal:* 25 housing units
 - *2012 outcome/goal:* 5 housing units; \$250,000 HOME
- Provide funding for **organizational capacity**.
 - *Five-year outcome/goal:* 80 housing units
 - *2012 outcome/goal:* 8 housing units; \$500,000 HOME

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

- **Objective DH-1.1 (Availability/Accessibility):** Improve the range of housing options for **homeless and special needs populations**.

DH-1.1 outcomes/goals:

- Support the construction and rehabilitation of **permanent supportive housing** units.
 - *Five-year outcome/goal:* 250 housing units
 - *2012 outcome/goal:* 40 housing units; \$4 million HOME
 - *Targeted to special needs populations:* 40 housing units
- **New objective in 2012:** Support the construction and rehabilitation of **migrant farmworker housing** units.
 - *Five-year outcome/goal:* N/A
 - *2012 outcome/goal:* 40 beds; \$500,000 CDBG
- Provide **tenant based rental assistance** to populations in need.
 - *Five-year outcome/goal:* 1,000 housing units
 - *2012 outcome/goal:* 200 housing units (HOME), 108 units (ESG); \$1 million HOME, plus \$1.17 million ESG rapid re-housing funding.
 - *Targeted to special needs populations:* 200 housing units

- **Objective DH-1.2 (Availability/Accessibility):** Support activities to improve the range of housing options for special needs populations and to end chronic homelessness through the **Emergency Solutions Grant (ESG)** program by providing operating support to shelters; rapid re-housing activities; and case management to persons who are homeless. Beginning in FY2012, funding allocations will focus on rapid re-housing.

DH-1.2 outcomes/goals:

- **Operating support**—provide shelters with operating support funding.
 - *Five-year outcome/goal:* 55 shelters receiving support; \$6.12 million over next five-years
 - *2012 outcome/goal:** 55 shelters receiving support annually; \$1.22 million ESG
- **Essential services**—provide shelters with funding for essential services to homeless families and individuals in emergency shelter.
 - *Five-year outcome/goal:* 53 shelters; \$2 million over next five-years.
 - *2012 outcome/goal:** 31 shelters, for an estimated 15,000 clients assisted annually; \$200,000 ESG
- **Rapid re-housing**—includes housing relocation and stabilization and tenant-based rental assistance (TBRA).

- *Five-year outcome goal:* 3-4 programs annually; \$5,830,474 over next five years
 - *2012 outcome/goal:** 3 programs, for an estimated 130 clients assisted annually; \$1.17 million ESG
 - *Anticipated match:* Shelters match 100 percent of their rewards
 - *Anticipated number of counties assisted annually:* 90
 - *Anticipated number of clients served over next five years:* 100,650 (unduplicated count) with 100,000 assisted with temporary emergency housing
 - **Five year goals were based on 2011 funding levels. Fiscal year 2012 allocation levels and exact outcomes of new HEARTH activities are unknown at the time of the writing of the Consolidated Plan. Estimates for Rapid Re-housing activities are based loosely on Homeless Prevention and Rapid Re-housing outcomes, though the programs differ in eligible program activities.*
- Other ESG activities:
- Homeless Management Information System (HMIS): Require the use of the HMIS for all residential shelter programs serving homeless individuals and families.
 - Require participation in annual, statewide homeless Point-in-Time Count in late January and timely submission of this data to IHEDA.
 - Require that all ESG grantees actively participate in their Regional Planning Council on the Homeless meetings regularly (minimum 75 percent attendance).
- **Objective DH-1.3 (Availability/Accessibility):** Improve the range of housing options for special needs populations through the **Housing Opportunities for Persons With AIDS (HOPWA)** program by providing recipients who assist persons with HIV/AIDS with funding for housing information, permanent housing placement and supportive services.
- DH-1.3 outcomes/goals:*
- **Housing information services.**
 - *Five-year outcome/goal:* 375 households
 - *2012 outcome/goal:* 75 households; \$100,000 HOPWA
 - **Permanent housing placement services.**
 - *Five-year outcome/goal:* 500 households
 - *2012 outcome/goal:* 100 households; \$50,000 HOPWA
- **Objective DH-2.4 (Affordability):** Improve the range of housing options for special needs populations through the **Housing Opportunities for Persons With AIDS (HOPWA)** program by providing recipients who assist persons with HIV/AIDS with funding for short term rental, mortgage, and utility assistance; tenant based rental assistance; facility based housing operations; and short term supportive housing.

DH-2.4 outcomes/goals:

- **Tenant based rental assistance.**
 - *Five-year outcome/goal:* 1,000 households/units
 - *2012 outcome/goal:* 200 households/units; \$500,000 HOPWA
- **Short-term rent, mortgage and utility assistance.**
 - *Five-year outcome/goal:* 1,500 households/units
 - *2012 outcome/goal:* 300 households/units; \$200,000 HOPWA
- **Facility based housing operations support.**
 - *Five-year outcome/goal:* 35 units
 - *2012 outcome/goal:* 7 units; \$50,000 HOPWA
- **Short term supportive housing.**
 - *Five-year outcome/goal:* 100 units
 - *2012 outcome/goal:* 21 units; \$50,000 HOPWA

Suitable Living Environment:

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

- **Objective SL-1.1 (Availability/Accessibility):** Improve the quality and/or quantity of neighborhood services for low and moderate income persons by continuing to fund programs (such as OCRA's **Community Focus Fund**), which use CDBG dollars for community development projects ranging from environmental infrastructure improvements to development of community and senior centers.

SL-1.1 outcomes/goals:

- **Emergency services**—Construction of fire and/or Emergency Management Stations (EMS) stations or purchase fire trucks.
 - *Five-year outcome/goal:* 35-45 projects
 - *2012 outcome/goal:* 5 projects; \$1.5 million CDBG
- Construction of **public facility projects** (e.g. libraries, community centers, social service facilities, youth centers, etc.). Public facility projects also include health care facilities, public social service organizations that work with special needs populations, and shelter workshop facilities, in addition to modifications to make facilities accessible to persons with disabilities.
 - *Five-year outcome/goal:* 30 public facility projects
 - *2012 outcome/goal:* 4 public facility projects (anticipate receiving 2 applications for projects benefiting special need populations); \$1.5 million CDBG
- Completion of **downtown revitalization projects.**
 - *Five-year outcome/goal:* 10 downtown revitalization projects
 - *2012 outcome/goal:* Not funded in 2012.

- Completion of **historic preservation projects**.
 - *Five-year outcome/goal*: 10 historic preservation projects
 - *2012 outcome/goal*: 2 historic preservation project; \$500,000 CDBG
- Completion of **brownfield/clearance projects**.
 - *Five-year outcome/goal*: 10-25 brownfield/clearance projects
 - *2012 outcome/goal*: 2 clearance projects; \$200,000 CDBG
- **Objective SL-3.1 (Sustainability)**: Improve the quality and/or quantity of public improvements for low and moderate income persons by continuing to fund programs (such as OCRA's **Community Focus Fund**), which use CDBG dollars for community development projects ranging from environmental infrastructure improvements to development of community and senior centers.

SL-3.1 outcomes/goals:

 - Construction/rehabilitation of **infrastructure improvements** such as wastewater, water and storm water systems.
 - *Five-year outcome/goal*: 120 infrastructure systems
 - *2012 outcome/goal*: 23 systems; \$11,678,970 CDBG
- **Objective SL-3.2 (Sustainability)**: Improve the quality and/or quantity of public improvements for low and moderate income persons by continuing the use of the planning and community development components that are part programs (such as OCRA's **Planning Fund**) funded by CDBG and HOME dollars.

SL-3.2 outcomes/goals:

 - 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.
 - *Five-year outcome/goal*: 145 planning grants
 - *2012 outcome/goal*: 45 planning grants; \$1.3 million CDBG
- **Objective SL-3.3 (Sustainability)**: Improve the quality and/or quantity of public improvements for low and moderate income persons through programs (such as the **Flexible Funding Program**, newly created in 2010) offered by OCRA. OCRA recognizes that communities may be faced with important local concerns that require project support that does not fit within the parameters of its other funding programs. All projects in the Flexible Funding Program will meet one of the National Objectives of the Federal Act and requirements of 24 CFR 570.208 and 24 CFR 570.483 of applicable HUD regulations.

SL-3.3 outcomes/goals:

- Provide project support for community development projects.
 - *Five-year outcome/goal:* 10-25 community development projects
 - *2012 outcome/goal:*
 - ✓ **Flexible Funding Program:** 2 projects; \$900,000 CDBG;
 - ✓ **Stellar Communities:** 6 projects; \$3 million CDBG
 - ✓ **Main Street Revitalization Program:** 4 projects; \$1 million CDBG

Economic Opportunities:

GOAL 4. Promote activities that enhance local economic development efforts.

- **Objective EO-3.1 (Sustainability):** Improve economic opportunities for low and moderate income persons by coordinating with private industry, businesses and developers to create jobs for low to moderate income populations in rural Indiana.

EO-3.1 outcomes:

- Continue the use of the OCRA's **Community Economic Development Fund (CEDF)**, which funds infrastructure improvements and job training in support of employment opportunities for low to moderate income persons.
 - *Five-year outcome/goal:* 1,300 jobs
 - *2012 outcome/goal:* 120 jobs; \$1.2 million CDBG
- Fund training and micro-enterprise lending for low to moderate income persons through the **Micro-enterprise Assistance Program**.
 - *Five-year outcome/goal:* Will be made available if there is demand
 - *2012 outcome/goal:* Due to low demand this program has been suspended.

A matrix outlining the Consolidated Plan five-year goals, objectives and outcomes and action items for program year 2012 is provided at the end of this section in Figure I-1.

Administration. The State of Indiana will use CDBG, HOME, ESG and HOPWA funds to coordinate, monitor and implement the Consolidated Plan objectives according to HUD. During the five-year Consolidated Plan the State will create annual Action Plans and CAPER documents acceptable to HUD while working to affirmatively further fair housing.

Citizen Participation and Consultation Process

During the development of the 2012 Action Plan, the State conducted a public participation process to obtain input regarding housing and community development needs. That process consisted of four major parts:

- A Housing and Community Development Needs Survey was made available to many types of stakeholders in Indiana. The survey was sent to more than 800 organizations that provide assisted housing (public housing authorities and nonprofits), social service and health care services, and that assist low income and special needs residents.

- Fair housing barrier questions were incorporated into a resident survey, conducted by IHCDA which will be available for the AI analysis, to be conducted in summer and fall 2012.
- 25 interviews with key persons or groups who are knowledgeable about housing and community development needs in the State were conducted; and
- Two public hearings were conducted through video conferences with seven locations across Indiana. Public hearing comments are available in Appendix B of the final Plan.

The 30-day comment period began on April 9, 2012 and ended on May 9, 2012. All contacts who received the surveys and key persons who were interviewed were emailed about the availability of the draft Plan and were encouraged to provide their comments.

Five-Year and 2012 Action Plan Year Matrix

The following figure presents the five-year goals, objectives, both five-year and 2012 (year three) outcomes/goals, as well the 2012 funding proposal in one matrix. The matrix shows how the State of Indiana plans to allocate its FY 2012 block grants to address its five-year Consolidated Plan goals.

Figure ES-1.
FY2012 Action Plan for Five-Year Consolidated Plan Goals, State of Indiana

Goal	Objectives	HUD Objective Code	2012 Activity	Indicator	Goals		Funding for Year Three				2012 Year Funds
					Five Year	Year Three	CDBG	HOME	ESG	HOPWA	
1. Expand and preserve affordable housing opportunities throughout the housing continuum.	• Rental housing.	DH-2.1	➤ Rehabilitation and new construction	Units	675	100		\$3,000,000			\$ 3,000,000
		DH-2.2	➤ Homeownership education and counseling	Households	2,500	700		\$4,000,000			\$ 4,000,000
	• Homeownership opportunities.		➤ Homebuyer development	Units	125	25		\$1,000,000			\$ 1,000,000
			➤ Owner occupied rehabilitation	Units	1,500	240	\$3,500,000	\$500,000			\$ 4,000,000
		DH-2.3	➤ Predevelopment loans	Units	25	5		\$250,000			\$ 250,000
	• Build capacity for affordable housing developers		➤ Organizational capacity	Units	80	8		\$500,000			\$ 500,000
2. Reduce homelessness and increase housing stability for special needs populations.	• Improve the range of housing options for homeless and special needs populations.	DH-1.1	➤ Permanent supportive housing	Units	250	40		\$4,000,000			\$ 4,000,000
			➤ Rental assistance	Units	1,000	200		\$1,000,000			\$ 1,000,000
			➤ Migrant farmworker housing	Units	N/A	40	\$500,000				
	• Support activities to improve the range of housing options for special needs populations and to end chronic homelessness.	DH-1.2	➤ Operating support	Shelters	55	55 *			\$1,220,000		\$ 1,220,000
			➤ Essential services	Persons	80,000	15,000 *			\$200,000		\$ 200,000
			➤ Rapid re-housing	Persons	N/A	130			\$1,170,000		\$ 1,170,000
	• Improve the rang of housing options for special needs populations living with HIV/AIDS.	DH-1.3	➤ Housing information services	Households	375	75				\$100,000	\$ 100,000
			➤ Permanent housing placement services	Households	500	100				\$50,000	\$ 50,000
			➤ Supportive services	Households	1,000	0				\$0	\$ -
	• Tenant based rental assistance	DH-2.4	➤ Tenant based rental assistance	Units	1,000	200				\$500,000	\$ 500,000
		➤ Short-term rent, mortgage and utility assistance	Units	1,500	300				\$200,000	\$ 200,000	
		➤ Facility based housing operations support	Units	35	7				\$50,000	\$ 50,000	
		➤ Short term supportive housing	Units	100	21				\$50,000	\$ 50,000	
3. Promote livable communities and community revitalization through addressing unmet community development needs.	• Improve the quality and/ or quantity of neighborhood services for low and moderate income persons.	SL-1.1	➤ Community Focus Fund	Projects	35-45	5	\$1,500,000				\$ 1,500,000
			- Emergency services (stations & fire struck)	Facilities	30	4	\$1,500,000				\$ 1,500,000
			- Historic preservation projects	Projects	10	2	\$500,000				\$ 500,000
			- Brownfield/clearance projects	Projects	10-25	2	\$200,000				\$ 200,000
	• Improve the quality and/or quantity of public improvements for low and moderate income persons.	SL-3.1	➤ Community Focus Fund	Systems	120	23	\$11,678,970				\$ 11,678,970
		SL-3.2	➤ Infrastructure systems	Grants	145	45	\$1,300,000				\$ 1,300,000
		SL-3.3	➤ Planning Fund	Projects	10-25	2	\$900,000				\$ 900,000
	➤ Flexible Funding Program	Projects		6	\$3,000,000				\$ 3,000,000		
	➤ Stellar Communities	Projects		4	\$1,000,000				\$ 1,000,000		
	➤ Main Street Revitalization Program	Projects									
4. Promote activities that enhance local economic development efforts.	• Coordinate with private industry, businesses and developers to create jobs for low to moderate income populations in rural Indiana.	EO-3.1	➤ Community Economic Development Fund	Jobs	1,300	120	\$1,200,000				\$ 1,200,000
Administrative and supportive services			➤ CDBG admin. (OCRA and IHCD)				\$642,155				\$ 642,155
			➤ HOME admin. (IHCD)					\$500,000			\$ 500,000
			➤ HOPWA admin. (IHCD)						\$100,000		\$ 100,000
			➤ ESG program admin. (IHCD)						\$135,500		\$ 135,500
			➤ Tech. assist. set-aside (OCRA)				\$271,078				\$ 271,078
Total							\$27,692,203	\$14,750,000	\$2,725,500	\$1,050,000	\$ 46,217,703

Source: BBC Research & Consulting.