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Draft Report: Amendment One  
**State of Indiana 2021  
Action Plan**

**PREPARED FOR:**

Office of Community and Rural Affairs  
Indiana Housing and Community Development Authority  
[www.in.gov/ocra](http://www.in.gov/ocra)  
[www.in.gov/ihcda](http://www.in.gov/ihcda)

**CREATED**

07/05/2021

## SECTION I.

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### AMENDED CDBG METHOD OF DISTRIBUTION

**STATE OF INDIANA**

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

**INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS  
FY 2021 PROGRAM DESIGN AND METHOD OF DISTRIBUTION  
AMENDMENT ONE**

**GENERAL BACKGROUND INFORMATION AND NATIONAL CDBG OBJECTIVES**

The State of Indiana, through the Indiana Office of Community and Rural Affairs (OCRA), assumed administrative responsibility for Indiana's Small Cities Community Development Block Grant (CDBG) Program in 1982, under the auspices of the US Department of Housing and Urban Development (HUD). Per 570.485(a) and 24 CFR Part 91, the State must submit a Consolidated Plan to HUD by May 15 of each year following an appropriate citizen participation process according 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 2017. **The State of Indiana's anticipated allocation of federal Community Development Block Grant (CDBG) funds for FY 2021 is \$31,917,082.**

This document applies to all federal Small Cities CDBG funds allocated by HUD to the State of Indiana through OCRA.

The primary objective of Indiana's Small Cities CDBG Program is to assist in the development and redevelopment 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 emphasize 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.

OCRA 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 personnel) when making funding decisions respective to applications for CDBG funding.

## PROGRAM AMENDMENTS

OCRA reserves the right to transfer up to twenty-five percent (25%) of each fiscal year's available allocation of CDBG funds between the programs described herein to optimize the use and timeliness of distribution and expenditure of CDBG funds, without formal amendment of this Annual Action Plan.

OCRA will provide citizens and general units of local government with reasonable notice and opportunity to comment on any substantial change to be made in the use of CDBG funds for any open grant year. "Substantial Change" shall mean the movement between programs of more than twenty-five percent (25%) of the total allocation for each fiscal year's CDBG allocation. The twenty-five percent (25%) does not include the reallocation of reverted funds. OCRA, in consultation with the Indianapolis office of the HUD, will determine those actions, which may constitute a "substantial change."

OCRA will submit any Consolidated Plan, Annual Action Plan, or other related documents to HUD before it implements any changes embodied in the given document and before posting the final version publicly.

## 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 OCRA's CDBG program. However, the OCRA reserves the right to prioritize funding of those eligible activities; the OCRA prefers to expend federal CDBG funds on activities/projects which will produce tangible results for 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 each fiscal year's 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 that do not receive CDBG entitlement funding directly from HUD or are not located in an "urban county" or other areas eligible for "entitlement" funding from HUD.
2. All Indian tribes meeting the criteria outlined in Section 102 (a)(17) of the Federal Act.

To be eligible for CDBG funding, applicants may not be suspended from participation in any CDBG funded programs or by OCRA due to findings/irregularities with previous CDBG grants, overdue reports, overdue responses to monitoring issues, or overdue closeout documents on current grants, or other reasons that call into an applicant's ability to be able to comply with all elements of the State's CDBG program. In addition, applicants may be suspended from participation in the state CDBG-funded projects administered by the Indiana Housing & Community Development Authority (IHCD).

All applicants must fully expend all CDBG Program Income as defined in 24 CFR 570.489(e) before or as a part of the proposed CDBG-assisted grant to be eligible for further CDBG funding from the State.

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

## FY 2021 FUND DISTRIBUTION

### Sources of Funds:

FY 2021 CDBG Allocation	<b>\$31,917,082</b>
CDBG Program Income	\$0
<b>Total:</b>	<b>\$31,917,082</b>

### Uses of Funds:

1. Stellar Regions	\$ 4,500,000
2. Blight Clearance Program 1.0 & 3.0	\$ 9,000,000
3. Wastewater Drinking Water	\$ 0
4. Stormwater Improvements Program	\$ 0
5. Downtown Renewal	\$ 3,000,000
6. Public Facilities Program 2.0	\$ 8,000,000
7. Responsive Needs Fund	\$ 0
8. Urgent Need Fund	\$ 0
9. Pilot Programs	\$ 5,000,000
10. Planning Fund	\$ 1,580,000
11. Technical Assistance	\$ 200,000
12. Administration	<u>\$ 637,082</u>
<b>Total:</b>	<b>\$31,917,082</b>

The State of Indiana, through the Office of Community and Rural Affairs (OCRA), does not expect receipt of any CDBG program income for the period covered by this Annual Action Plan. In the event the OCRA receives CDBG Program Income, such funds will be placed in the Blight Clearance Program (BCP) to make additional grants under that program. Reversions of other years' funding will be allocated based on current needs as determined by OCRA. OCRA will allocate and expend all CDBG Program Income funds received before 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 OCRA.
2. Program income generated by CDBG grants awarded by the OCRA using CDBG funds must be returned to the OCRA if such amounts are equal to or greater than \$35,000 per calendar year according to 24 CFR 570.489.

All obligations of CDBG program income by grantee require prior approval by the OCRA. This includes the use of program income as matching funds for CDBG-funded grants from the IHCDA. Applicable parties should contact the CDBG Program Director for guidance on the use of program income before the obligation of such funds.

Local Governments that have been inactive in using their program income are required to return their

program income to OCRA. Local governments that have been approved to use their program income to fund at least one project in the previous twelve (12) months will be considered active.

Furthermore, US Department of Treasury regulations require that CDBG program income cash on hand balances be expended on any active CDBG grant being administered by a grantee before additional federal CDBG funds can be requested from the OCRA. These US Treasury regulations apply to projects funded both by IHCD and OCRA. 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 OCRA or IHCD.

**METHOD OF DISTRIBUTION**

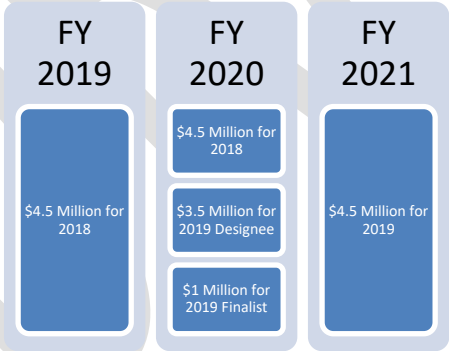
The choice of activities on which the State’s CDBG funds are expended has been determined through a robust review that engaged a variety of stakeholders and considered comments from the public. The eligible activities enumerated in the following Method of Distribution are eligible activities as provided for under Section 105(a) of the Federal Act, as amended.

All projects/activities funded by the OCRA will be made on the basis that 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. Stellar Regions Program: \$ 4,500,000**

OCRA will allocate \$4,500,000 of its FY 2021 CDBG funds for the Stellar Region Designee.

Funds will be allocated to designees as outlined in the breakdown that follows. That breakdown covers the Stellar allocation for FY 2019, 2020, and 2021.



Indiana’s Stellar Regions Program is a collaborative effort of the Office of Community and Rural Affairs (OCRA), the Indiana Housing and Community Development Authority (IHCD), Department of Natural Resources (DNR), Indiana Office of Tourism Development (IOTD), Indiana Arts Commission (IAC), Department of Workforce Development (DWD), Indiana Bond Bank (IBB), Indiana State Department of Health (ISDH), and the Indiana Department of Transportation (INDOT). The Stellar Regions Program seeks to engage one (1) region to achieve a three-year revitalization strategy that will leverage unified state investment and funding from the partnering agencies to complete projects comprehensively. In the revitalization strategy, communities will identify areas of interest and types of projects, produce a

schedule to complete projects, produce cost estimates, identify local match amounts, sources, and additional funding resources, indicate the level of community impact, and describe the significance each project will have on the overall comprehensive revitalization of the region. From this revitalization strategy, regions will produce a three-year regional development plan which will identify capital and quality of life projects to be completed during that period.

Evaluation and selection of the final regions to the Stellar Regions Program will be based on:

- Summary of the Regional Development Plan
- Identify at least one project to be completed in the first three (3) years of the designation. The total number of projects is solely limited to the Community’s ability to complete the projects successfully;
- Identify/document project cost estimates, local match amounts, and sources, and funding resources;
- Completion of outlined requirements of the Stellar Designation;
- Document the level of need and significance of each project in overall community revitalization efforts;
- Capacity of the applicant to administer the funds; and
- The long-term viability of the plan;

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

**B. Blight Clearance Program 1.0 & 3.0: \$9,000,000**

OCRA will allocate \$9,000,000 of its FY 2021 CDBG funds for the Blight Clearance Program (BCP) 1.0 and 3.0. BCP 3.0 will expand the program to include residential properties.

Applications will be accepted in rounds, and awards will be made on a competitive basis. OCRA will award such grants that meet the criteria outlined in Attachments C and D hereto. The BCP shall have a maximum grant amount of \$500,000. The amount of CDBG funds granted will be limited to \$5,000 cost per project beneficiary. Matching funds of at least 10% of the total project cost are required for all this program.

**C. Downtown Renewal: \$3,000,000**

OCRA will allocate \$3,000,000 of its FY 2021 CDBG funds for the Downtown Renewal.

OCRA will award Downtown Renewal grants to eligible applicants to assist Indiana communities with streetscape and façade activities intended to revitalize their downtown area. Each applicant must meet the following prerequisites:

- 1) Have a designated Indiana Main Street Organization that:
  - a. Is nationally accredited; or
  - b. Is a traditional Indiana Main Street that is at least three (3) years old;
- 2) The Main Street Organization is in good standing and has met all the reporting requirements;

- 3) The Main Street Organization has attended all required workshops associated with the Indiana Main Street Program during the past calendar year;
- 4) The Main Street organization is functioning within the Main Street 4 Point Approach of Organization, Design, Economic Vitality, and Promotion;
- 5) The Main Street organization has current Work Plans for each of its Committees that have been submitted to Indiana Main Street;
- 6) The Community has completed a downtown revitalization plan within the past five (5) years that meets OCRA's Minimum Plan Requirements. If a community has an alternative plan that meets OCRA's Minimum Plan Requirements for a downtown revitalization plan, they can use that alternative plan with approval from the CDBG Program Director.
- 7) The Indiana Main Street Organization has been involved in the project development process for the application, and there is a plan for their continued involvement if awarded.

Applications will be accepted in rounds, and awards will be made on a competitive basis. The specific threshold criteria and basis for scoring are provided in Attachment C and D hereto. The MSRP shall have a maximum grant amount of \$1,000,000. The amount of CDBG funds granted will be limited to \$5,000 cost per project beneficiary. Matching funds of at least 20% for streetscape projects and 30% for façade projects of the total project cost are required for this program.

To encourage communities and Main Street organizations to achieve National Main Street Accreditation, OCRA will set aside \$1,000,000 of this allocation for projects that come from communities that have nationally-accredited Main Street Organizations. Funds may be used for Indiana-accredited Main Street Organizations if no nationally-accredited organization is fundable.

Grantees must ensure that the local Indiana Main Street Organization remains in good standing with OCRA until the completion of the project. If the local Indiana Main Street Organization falls out of good standing, then de-obligation or repayments of CDBG funds is possible.

**D. Public Facilities Program 2.0: \$8,000,000**

OCRA will allocate \$8,000,000 of its FY 2021 CDBG funds for the Public Facilities Program (PFP) 2.0.

Applications will be accepted in rounds, and awards will be made on a competitive basis. The specific threshold criteria and basis for scoring are provided in Attachment C and D hereto. The PFP shall have a maximum grant amount of \$500,000. The amount of CDBG funds granted will be limited to \$5,000 cost per project beneficiary. Matching funds of at least 10% of the total project cost are required for all this program.

**E. Wastewater Drinking Water: \$0**

OCRA will allocate \$0 of its FY 2021 CDBG funds for the Wastewater Drinking Water (WDW).

Applications will be accepted in rounds, and awards will be made on a competitive basis. The specific threshold criteria and basis for scoring are provided in Attachment C and D hereto. WDW shall have a maximum grant amounts based on present combined user rates (water, wastewater, and stormwater) as shown in the matrix below. The amount of CDBG funds granted will be limited to \$5,000 cost per project beneficiary. Matching funds of at least 20% of the total project cost are required for all this program.



Maximum Grant Amounts	Rates for 4,000 gallons		
	User Rates (Over \$65)	User Rates (\$35 to \$65)	User Rates (Under \$35)
Projects over \$1 million in total project cost	\$700,000	\$600,000	\$550,000
Projects under \$1 million in total project cost	\$600,000	\$550,000	\$500,000

**F. Stormwater Improvements Program: \$0**

OCRA will allocate \$0 of its FY 2021 CDBG funds for the Stormwater Improvements Program (SIP).

Applications will be accepted in rounds, and awards will be made on a competitive basis. The specific threshold criteria and basis for scoring are provided in Attachment C and D hereto. The SIP shall have a maximum grant amount of \$600,000. The amount of CDBG funds granted will be limited to \$5,000 cost per project beneficiary. Matching funds of at least 10% of the total project cost are required for all this program.

**G. Needs Responsive Fund: \$0**

OCRA will allocate \$0 of its FY 2021 CDBG Funds to the Needs Responsive Fund. The purpose of this fund is to allow OCRA flexibility to respond to the needs of eligible communities. Specifically, this program will allow OCRA to fund projects that are eligible activities under CDBG but are not covered by other programs.

OCRA will award such grants that meet the minimum scoring criteria outlined in Attachment D throughout the program year. The Needs Responsive Fund shall have a maximum grant amount of \$1,000,000. The amount of CDBG funds granted will be limited to \$5,000 cost per project beneficiary. Matching funds of at least 10% of the total project cost are required for all this program.

**H. Urgent Need Fund: \$0**

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

The Urgent Need Fund will be available to eligible applicants to meet an imminent threat to the health and safety of local populations. The grants may be funded as made available through the Public Facilities Program or reversions when not budgeted from the annual allocation. Particular selection factors include need, proof of recent threat of a catastrophic nature, statement of a declared emergency, and inability to fund through other means. Projects will be developed with the assistance of the Office of Community and Rural Affairs as a particular need arises. To be eligible, these projects and their activities must meet the “urgent need” national objective of Section 104(b)(3) of the Federal Act. Generally, projects funded are those, which need immediate attention and are, therefore, inappropriate for consideration under OCRA’s regular programs. The types of projects, which typically receive funding, are municipal water systems (where the supply of potable water has been threatened by severe weather conditions) and assistance with demolition or clean-up after a major fire, flood, or other natural disasters. 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 significant 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 the provision of employee labor.

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

**I. Pilot Programs:**

OCRA will allocate \$5,000,000 of its FY 2021 CDBG funds for pilot programs. During the program year, OCRA plans to run at least two pilot programs. Details on the pilots will be announced as the pilots are initiated. The two pilots currently planned are:

- 1. Owner Occupied Rehabilitation (OOR) \$2,000,000 – OCRA piloted an OOR program with a 2019 Stellar Finalist during the 2020 program year. OCRA is looking to extend that pilot and two (2) additional communities. The purpose of the pilot is to determine OCRA’s capacity to offer an OOR program in the future.
- 2. Preserving and Revitalizing Indiana Downtown Economies (PRIDE) \$3,000,000 – OCRA is investigating ways to assist Community with historic preservation efforts and how those efforts support economic revitalization. This pilot will focus on one (1) community over a two (2) year period.

OCRA reserves the right to initiate additional or discontinue pilots at any time during the program year.

**J. Planning Grants: \$1,580,000**

OCRA will allocate \$1,580,000 of its FY 2021 CDBG funds for planning-only activities. ORCA 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. OCRA will award such grants that meet the minimum scoring criteria outlined in Attachment D on a quarterly basis. The Planning Grant program shall have a maximum grant amount of \$90,000. The amount of CDBG funds granted will be limited to \$5,000 cost per project beneficiary. Matching funds of at least 10% of the total project cost are required for all this program.

A list of eligible plans and their specific maximum grant amounts are available on OCRA’s CDBG website. The Office reserves the right to prefer one type of plan over other types of plans when making awards.

The specific threshold criteria and basis for scoring for Planning Grant are provided in Attachment C and D hereto. 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.

**K. Technical Assistance Set-aside: \$200,000**

Pursuant to the federal Housing and Community Development Act (Federal Act), specifically Section 106(d)(5), the State 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 2021 Action Plan is \$200,000, which constitutes less than one percent (1%) of the State’s FY 2021 CDBG allocation. 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. The Technical Assistance Program will also be used by the Office to conduct pilots of new programs or adjustments to current programs.

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

- a. Provide the technical assistance directly with Office of Community and Rural Affairs or other State staff;
- b. Hire a contractor to provide assistance;
- c. Use sub-recipients such as Regional Planning Organizations as providers or securers of the assistance;
- d. Directly allocate the funds to nonprofits and units of general local governments to secure/contract for technical assistance.
- e. Pay for tuition, training, and/or travel fees for specific trainees from units of general local governments and nonprofits;
- f. Transfer funds to another state agency for the provision of technical assistance; and,
- g. Contracts with state-funded institutions of higher education to provide the assistance.

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

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

**L. Administrative Funds Set-aside: \$637,082**

The State (Office of Community and Rural Affairs) will set aside up to \$637,082 of its FY 2021 CDBG funds for payment of costs associated with administering its State Community Development Block Grant (CDBG) Program (CFDA Number 14.228). This amount (\$637,082) constitutes less than two percent (2%) of the State's CDBG allocation. The amount of \$537,082 is subject to the \$1-for-\$1 matching requirement of HUD regulations. A \$100,000 is not subject to state match per HUD regulations. 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 Annual Action Plan and statement of Method of Distribution is intended to amend all prior Consolidated and Action Plans for grant years where funds are still available to reflect the new program designs. The Methods of Distribution described in this document will be in effect commencing on July 1, 2021, and ending June 30, 2022, unless subsequently amended, for all FY 2021 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.

In the case that prior years' funds should become available, they will be placed in any of the currently open programs and become subject to the requirements and allowances set forth in this plan. Non-expended funds, which revert from the financial settlement of projects funded from other programs, will be placed in any open program for use in that ongoing program.

### **APPLICATION PROCESSES**

Planning Grant applications are accepted on a quarterly basis. Eligible units of local governments should first contact their regional Community Liaison to discuss their interest in a planning grant. Then an initial application can be submitted for scoring. Note planning grant applications are not considered fully submitted until a Public Hearing is completed and all FEEPs materials are submitted. If an application meets the minimum threshold and scoring criteria, it will be regarded as fundable but will not be considered awarded until the application is fully submitted.

Stellar Regions Program is a single competitive application process over the course of a calendar year. Interested applicants submit a Letter of Intent from which up to six (6) finalists are selected by the partner organizations. Finalists take part in numerous capacity-building, teamwork, and planning activities throughout the year as they build their Regional Development Plan (RDP). Each finalist must an RDP and present before the partner organizations. The partner organizations the Designee based on consensus.

The application process for the Blight Clearance Program (BCP), Public Facilities Program (PFP), Stormwater Improvements Program (SIP), the Main Street Revitalization Program (MSRP), and the Wastewater Drinking Water (WDW) will be a two-stage competitive application process. Grant rounds are held twice each calendar year, with additional rounds possible. Programs available during each round will be announced with the opening of each round.

For grant programs with a two-stage process, eligible applicants will first submit an abbreviated proposal.

After submitting a proposal, eligible projects under the Federal Act will be invited to submit a complete application. A proposal that is incomplete, contains cursory narratives, or has statements similar to “will complete by application” may not be invited to submit an application. For each program, the entire application will be reviewed and evaluated. OCRA, as applicable, will provide technical assistance to the communities in the development of complete applications and require an in-person site visit with the Community prior to application.

An eligible applicant may submit only one application at a time. OCRA reserves the right to deny applications lacking credible readiness to proceed.

#### **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 of the Code of the Federal Register, and with consideration to non-regulatory guidance from HUD. 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 OCRA’s selection process will be required to maintain a plan for minimizing displacement of persons as a result of activities assisted with CDBG funds or 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 the 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 drawdowns. 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 the 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 Handbook, which is posted on the Office’s website.

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 heads OCRA. Principal responsibility for the CDBG program is vested in the Executive Director of OCRA. OCRA also has the responsibility of administering compliance activities respective to CDBG grants awarded to units of local government through a partnership with the Grant Services Division of the Lieutenant Governor's business office.

Primary responsibility for providing "outreach" and technical assistance for the Stellar Regions Program, Main Street Revitalization Fund, Stormwater Improvement Program, Wastewater Drinking Water, Public Facilities Program, and Planning Grants process resides with the 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 OCRA.

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

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

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

## ATTACHMENT A

### DEFINITIONS

**Green Infrastructure** - The range of measures that use plant or soil systems, permeable pavement or other permeable surfaces or substrates, stormwater harvest and reuse, or landscaping to store, infiltrate, or evapotranspiration of stormwater and reduce flows to sewer systems or to surface waters as defined by Section 502 of the Clean Water Act.

**Low- and Moderate-Income** - 80% of less than 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 CDBG Program Director.

**Matching funds** - local public or private sector in-kind services, cash, or debt allocated to the CDBG project. The level of local matching funds required for CDBG projects based on each program. This percentage is computed by adding the proposed grant amount and the local matching amount and dividing the local matching fund amount by the total sum of the two amounts. A maximum of 5% of the total match can be pre-approved and validated in-kind contributions. Any in-kind over and above the specified 5% may be designated as an ineligible cost. Other funds provided to applicants by OCRA are not eligible for use as matching funds.

**Proposal** - A document submitted by a community that 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. OCRA encourages communities to submit a proposal that is basically a draft of the 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 OCRA 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). More Specifically, OCRA defines blight as:

An area possessing a substantial amount of buildings (public or privately owned) and or public improvements which demonstrate:

1. General deterioration, seen through:
  - a. Neglect or lack of maintenance on the property; or
  - b. Facilities of plumbing, heating, sewage, and/or others that have been disconnected, destroyed, removed, or rendered inadequate; or
  - c. Impaired structural condition, making the building(s) unsafe to a person or property (IC 36-7-9-4); or
  - d. Any combination of these factors
2. Significant noncompliance with current building code, safety code, health code, fire code, state statute, or local ordinance, as seen by:

- a. Excessive vacancy and/or abandonment of properties; or
  - b. Environmental hazards; or
  - c. Fire hazards; or
  - d. Lack of ventilation, light, or sanitary facilities; or
  - e. any combination of these factors
3. Building(s) are conducive to ill health, the transmission of disease, infant mortality, juvenile delinquency, increased criminal activity compared to other areas, and detrimental to public health, safety, morals, or welfare through any of the following conditions:
- a. Age; or
  - b. Dilapidation; or
  - c. Overcrowding of structures and/or high-density population; or
  - d. Excessive land coverage; or
  - e. Impairment of the overall economic vitality of Community through declines in property value, substantially lower property value than surrounding community areas; or
  - f. any combination of these factors

**Urgent Need** - is defined as a severe and immediate threat to the 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 the 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 contain projects and activities, which will result in the displacement of a 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, except pilots):

1. The applicant must be a legally constituted general purpose unit of local government and eligible to apply for the state program.
2. The applicant must possess the legal capacity to carry out the proposed program.
3. If the applicant has previously received funds under CDBG, they must have successfully carried out the program. An applicant must not have any overdue closeout reports, State Board of Accounts audit findings, or unresolved OCRA/IHCDA monitoring findings (where the Community is responsible for resolution.) Any determination of "overdue" is solely at the discretion of the Indiana Office of Community and Rural Affairs.
4. An applicant must not have any overdue CDBG semi-annual Grantee Performance Reports, subrecipient reports, or other reporting requirements of the OCRA/IHCDA. Any determination of "overdue" is solely at the discretion of the Indiana Office of Community and Rural Affairs.
5. The applicant must clearly show the manner in which the proposed project will meet one of the three national CDBG objectives and meet the criteria set forth under 24 CFR 570.483.
6. The applicant must show that the proposed project is an eligible activity under the Act.
7. The applicant must first encumber/expend all CDBG program income receipts before applying for additional grant funds from the Office of Community and Rural Affairs; EXCEPTION – these general criteria will not apply to applications made directly to the Indiana Housing & Community Development Authority (IHCDA) for CDBG-funded housing projects.
8. To be eligible to apply at the time of application submission, an applicant must not have any of the following:
  - a. Overdue grant reports, sub-recipient reports or project closeout documents; or
  - b. More than three (3) CDBG grants that are open or pending award (Indiana cities and incorporated towns), or four (4) CDBG grants that are open or pending award (Indiana counties) from OCRA;
  - c. For those applicants with an open MSRP, WDW, PFP, SIP, or BCP, a "Notice of Release of Funds and Authorization to Incur Costs" must have been issued for the construction activities under the open MSRP, WDW, PFP, SIP, or BCP contract, and a contract for construction of the principal (most significant funding amount) construction line item (activity) must have been executed prior to the deadline established by OCRA for receipt

of applications for funding.

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

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

- a. Any unresolved complaints filed against the applying party with the Indiana Civil Rights Commission or any other local human relations commission with the jurisdiction (collectively “Commissions”)<sup>1</sup>
  - i. A complaint during the investigation stage can be resolved for the purposes of this application if the applying party provides the response is submitted to the Commissions and provides verification that it is cooperating in the investigation.
  - ii. To resolve a complaint for the purposes of the application that has received a finding of Probable or Reasonable Cause, the complaint must be closed in a manner that includes the applying party taking a fair housing training and implementing a relevant policy to prevent future possible discriminatory incidents. The applying party need not take the training or implement the policy prior to the application being submitted if the applying party can provide proof that it intends to complete the training and implement the policy within a reasonable period of time. If a complaint has been closed and the closure did not include training or the implementation of a policy, then the applying party can elect to contact the Commissions to voluntarily complete training and have Commissions assist in the implementation of a relevant policy.
  - iii. To resolve a complaint that merits litigation, the applying party must submit evidence that the complaint cannot be settled (i.e., settlement ask too high, etc.) and evidence that training and a policy are not the impediments to settlement. Possible evidence can include offer letters, statements of disputed legal questions, statements of disputed facts, statements on behalf of the Commission that they are unwilling to settle the case, or any similar document that illustrates the case is not ripe for settlement.
- b. An unresolved pattern of complaints filed against the applying party with the Indiana Civil Rights Commission or any other local human relations commission with the jurisdiction (collectively “Commissions”)
  - i. A pattern for purposes of this application is defined as any more than an average of two complaints over a period of four years, regardless of the outcome.
  - ii. To resolve a pattern of complaints for purposes of the application, the applying party must partner with the Commission or other equivalent housing organization to thoroughly review the applying party’s current policies for best practices as well as for compliance with the Indiana Fair Housing Act and Indiana Civil Rights Law. Additionally, the applying party must show proof that the applying party intends to undergo annual fair housing training for all of its employees that regularly interact with tenants and biannual training for all supervising employees for at least one year.

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<sup>1</sup> If agreeable, it would be the Indiana Civil Rights Commissions obligation to provide timely responses as well as to provide data retrieved from other relevant local human relations commissions.

10. The cost/beneficiary ratio for all CDBG funds will be maintained at \$5,000. Housing-related projects are to be submitted directly to the Indiana Housing & Community Development Authority (IHCDA) under its programs.
11. Required leveraging based on the program (as measured against the CDBG project, see definitions) must be proposed. The Indiana Office of Community and Rural Affairs may rule on the suitability and eligibility of such leveraging.
12. The applicant may only submit one proposal or application per round per program. Counties may submit either for their own project or an “on-behalf-of” application for projects of other eligible applicants within the county. However, no application will be invited from an applicant where the purpose is clearly to circumvent the “one application per round” requirement for other eligible applicants.
13. The application must be complete and submitted by the announced deadline.

## ATTACHMENT D

### GRANT EVALUATION CRITERIA 700 POINTS TOTAL

Applications must pass threshold review and achieve a minimum score of 450 points to be eligible for an award.

#### **NATIONAL OBJECTIVE SCORE (100 POINTS):**

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

**1. National Objective = Benefit to Low- and Moderate-Income Persons:** 100 points maximum awarded according to the percentage of low- and moderate-income individuals to be served by the project. The total points given are computed as follows:

**National Objective Score = % Low/Mod Beneficiaries X 1**

**2. National Objective = Prevention or Elimination of Slums or Blight:** 100 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)**

- Applicant has a Slum/Blight Resolution for project area (25 pts.)
- The project site is a brownfield\* (25 pts.)
- The building or district is listed on or is eligible for listing on the Indiana or National Register of Historic Places (25 pts.)
- The building is on the Historic Landmarks Foundation of Indiana's "10 Most Endangered List" (25 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. Points are awarded for sites listed with IFA's Brownfield program, which indicates involvement in the program, and a letter is provided from the IFA's Brownfield program staff that states the site is a brownfield.

#### **COMMUNITY DISTRESS FACTORS (175 POINTS):**

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

**Percentage of Households with Income under Poverty Level**  
**Median Household Income**  
**Percent of Housing Units that are Vacant**  
**Median Home Value**  
**Unemployment Rate**  
**Labor Force Participation**

Local government scores, which are updated and published annually, can be found at [www.stats.indiana.edu](http://www.stats.indiana.edu).

### **LOCAL MATCH CONTRIBUTION (75 POINTS):**

A maximum of 75 points is based on the percentage of local funds devoted to the project. This total is determined as follows:

$$\text{Total Match Points} = \% \text{ Eligible Local Match} \times 1$$

The points total is capped at 75 points or 75% match, i.e., a project with 75% match or greater will receive 75 points. Below 75% match, the formula calculation will apply.

The eligible local match can be local cash, debt, or in-kind sources. Federal, state, and local government grants are considered an eligible match. In-kind sources may provide the eligible local match for the project, but the amount that can be counted as a 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 CDBG Program Director approximately two (2) weeks prior to application submission (date of the deadline will be announced each round).

### **PROJECT DESIGN FACTORS (300 POINTS):**

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

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

The points in these categories are awarded by the OCRA Scoring Committee when evaluating the projects. Scoring questions for these categories are defined for each round and are provided to applicants that submit a proposal at the site visit. The questions are subject to change each round. **Applicants should refer to the application packet, scoring guide, and other resources to address all questions present.** Applicants are encouraged to work with their OCRA Community Liaison to identify ways to increase their project's competitiveness in these areas and of the application as a whole.

### **PROGRAM SPECIFIC POINTS (50 POINTS):**

#### **Blight Clearance Program (BCP)**

- **Environmental Impact** – 25 points will be awarded for projects that address documented environmental contamination at the project site.
- **Site Development Plan** - 25 points will be awarded for projects that have a site development plan the outlines the planned future use of the project site. Development plans must cover the five (5) year follow-up period and consist of an eligible CDBG activity.

#### **Planning Grants (PL.)**

- **Community Input and Collaboration** – 25 points are awarded for communities that document public input and collaboration efforts in the development of the application beyond letters of support, and the two (2) required Public Hearings.
- **Connection to Previous Planning Effort** – 15 points are awarded for documentation that the plan that is being applied for connects to a previous planning effort done by the Community.
- **Implementation of Previous Plan, or First-time Plans** – 10 points are awarded for communities that document the successful implementation of a previous plan or for communities that have never received a planning grant for the type of plan before.

#### **Public Facilities Program (PFP)**

- **Philanthropic Contributions** - Points are assigned based on philanthropic contribution as a percentage of total project costs.

- Less than 1% - 0 points
- 1-1.99% - 10 points
- 2-2.99% - 15 points
- 3-3.99% - 20 points
- 4%+ - 25 points
- **Project Sustainability** - A maximum of 25 points for the establishment of a (or documentation of existing) permanent Community Facility Fund to be used for ongoing operation and maintenance activities of the project.
  - 0 points – Less than \$3,000
  - 10 points - \$3,000-\$5,000
  - 25 points – More than \$5,000

**Downtown Renewal**

- Community is designated as a Nationally-Accredited Main Street Organization (10 points)
- The district is listed on the Indiana or National Register of Historic Places (5 points)
- Documentation of active and continued involvement in the application and project by the Main Street organization (10 points)
- The Main Street Organization has a long-term Strategic Plan. (Maximum of 5 points)
- The Main Street Organization has a sustainability/fundraising plan in place. (Maximum of 5 points)
- For streetscape projects:
  - The project has unique design elements or is part of a community branding effort. (Maximum of 15 points)
- For façade projects:
  - Up to 15 points can be awarded for projects that have a lower density. Density is calculated as the Linear Feet (LF) of all the facades in the project divided by the total Linear Feet (LF) of building frontage within the project area. Points are awarded as follows:
    - 0 points – Less than 30%
    - 5 points – 30%-40%
    - 10 points – 40%-50%
    - 15 points – More than 50%

**Wastewater Drinking Water (WDW) & Stormwater Improvement Program (SIP)**

- **Financial Gap** – A maximum of 10 points per each \$1 in the financial gap. The result of the OCRA Gap Calculation Worksheet is the amount that your Community would have to increase the monthly utility rate charged to each customer without grant assistance. This is the “gap,” which is the amount by which grant funds will reduce or “buy down” your utility rates. This amount added to the actual rates anticipated with OCRA grant funds will give you the rates needed “without OCRA grant funds.” (Maximum 10 points)
- **Green Infrastructure** – 15 points for the inclusion of green infrastructure elements in the project. (Maximum of 15 points)
- **Project Sustainability** - A maximum of 25 points for the establishment of or documentation of the existing combined utility rate for the ongoing operation and maintenance activities of the wastewater, drinking water, and/or stormwater systems.
 

0 points –	Less than \$35 combined user rates
10 points –	\$35-\$65 combined user rates
25 points –	More than \$65 combined user rates

**BONUS POINTS:**

It is OCRA's policy to reward communities that engage in best practices to proactively address their needs. As such, OCRA will award bonus points for the following items. To receive bonus points, an applicant must submit the required documentation approximately two (2) weeks prior to application submission for each round (deadline will be announced each round). Bonus point approvals are only good for the active round, so they will not be reviewed prior to the opening of the round they will apply.

- **Regional Collaboration** - 10 points – Points are awarded for projects that have a regional impact.
- **Comprehensive Planning** – 10 points – Points are awarded for projects that are included in a community's active comprehensive planning efforts. Efforts must be actively occurring and go beyond the creation or updating of a comprehensive plan.
- **Positive Environmental Impact** - 10 points – Points are awarded for projects that include elements that have a positive environmental impact on the Community.

**POINTS REDUCTION POLICY:**

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

**0 – 5 years since previous funding – -50 points**

**Example:** Community submits and receives a Wastewater Drinking Water (WDW) grant in 2015. When applying for a WDW grant in 2020, they would be subject to a point reduction of 50 pts. In 2021 they would have no point reduction.



## ATTACHMENT E

### CITIZEN PARTICIPATION PLAN INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS (STATE)

The State of Indiana, Office of Community and Rural Affairs, pursuant to 24 CFR 91.115, 24 CFR 570.431 and 24 CFR 570.485(a) wishes to encourage maximum feasible opportunities for citizens and units of general local government to provide input and comments as to its Method of Distribution (MOD ) set forth in OCRA's annual Consolidated Plan and Annual Action Plans for CDBG funds submitted to HUD and overall administration of the State's Small Cities Community Development Block Grant (CDBG) Program. In this regard, the Office of Community and Rural Affairs will perform the following:

1. Require each unit of general local government to comply with citizen participation requirements for such governmental units as specified under 24 CFR 570.486(a), to include the requirements for accessibility to information/records and to furnish citizens with information as to proposed CDBG funding assistance as set forth under 24 CFR 570.486(a)(3), provide technical assistance to representatives of low-and-moderate income groups, conduct a minimum of two (2) public hearings on proposed projects to be assisted by CDBG funding, such hearings being accessible to disabled 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 methods for submitting grievances and complaints.
2. Consult with local elected officials and other stakeholders, through interviews and surveys, on the development of the MOD set forth in the State's Consolidated Plan for CDBG funding.
3. Publish a draft Consolidated Plan and/or Action Plan and afford citizens and units of general local government the opportunity to comment thereon.
4. Furnish citizens and units of general local government with information concerning the amount of CDBG funds available for proposed community development and housing activities and the range/amount of funding to be used for these activities. This will typically take the form of the MOD.
5. Hold one (1) or more public hearings respective to the State's draft Consolidated Plan during the draft comment period, virtually or in person, at the state's discretion, to obtain the views of citizens on proposed community development and housing needs. Notify the availability of the plan by email to local officials, nonprofit entities, and interested parties statewide in an effort to maximize citizen participation in the planning process, and post the notice on the OCRA website.
6. Provide citizens and units of general local government with reasonable and timely access to records regarding the past and proposed use of CDBG funds as requested.
7. Make the Consolidated Plan available to the public after the plan is approved by HUD by hosting on OCRA's website.
8. Follow the process and procedures outlined in items 2 through 7 above with respect to any amendments to a given Consolidated Plan and/or annual Action Plan.

The State will respond within thirty (30) days to inquiries and complaints received from citizens and, as appropriate, prepare written responses to inquiries or complaints received from such citizens. The Performance and Evaluation Report will be available for public review and comment for 15 days, available on OCRA's website.

## SECTION II.

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### AMENDED PY2021 ACTION PLAN

# Executive Summary

## AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

### 1. Introduction

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

The Indiana Office of Rural and Community Affairs (OCRA) receives and administers CDBG. The Indiana Housing & Community Development Authority (IHCDA) receives and administers HOME, ESG, HOPWA, and HTF. As a condition for receiving HUD block grant funding, the State must complete a five-year strategic plan called a Consolidated Plan for Housing and Community Development (Consolidated Plan). The Consolidated Plan identifies the State's housing and community development needs and specifies how block grant funds will be used to address the needs. Each year, the state completes an Annual Action Plan which determines how the funds will be spent in the coming program year (PY).

The 2020-2024 five-year Consolidated Plan was approved by HUD in July 2020. This document, the 2021 Annual Action Plan, is the second action plan in the 2020-2024 Five-year Consolidated Plan cycle. It describes how OCRA and IHCDA plan to allocate HUD block grant funds during the 2021 program year (PY2021), which runs from July 1, 2021 through June 30, 2022.

[Amendment One changes the proposed allocation for the Community Development Block Grant \(CDBG\).](#)

### 2. Summarize the objectives and outcomes identified in the Plan

During PY2021, the State of Indiana will receive:

- \$31,917,082 in the Community Development Block Grant (CDBG);
- \$14,705,184 in the HOME Investment Partnerships grant (HOME);
- \$3,944,639 in the Emergency Solutions Grant (ESG);
- \$1,736,515 in the Housing Opportunities for Persons with HIV/AIDS grant (HOPWA);
- \$823,604 in the new Recover Housing grant program.

[This amendment changes CDBG priorities from Wastewater improvements and Stormwater improvements to Public Facilities and Blight Clearance. It also doubles the funding for the Pilot Programs for owner-occupied homeownership and revitalization to support economic development, and slightly increases funding for the downtown renewal program.](#)

HOME funds will prioritize rental construction projects (50% of HOME funds); innovative developments that serve persons with special needs including persons with disabilities, persons with substance abuse

challenges, and persons with mental illness disorders (20%); tenant based rental assistance (TBRA, 8%), and affordable homeownership development (7%).

For ESG, IHCDCA plans to allocate funding to approximately 10-12 agencies to administer the ESG Rapid Rehousing and Homeless Prevention Components of the ESG program for line items: Housing Relocation & Services (financial and services), Rental assistance and administration.

HOPWA will continue to assist persons with HIV and/or AIDS and who also have an income below 80% of AMI with housing placement and rental subsidies.

The National Housing Trust Fund (HTF) grant amount was unknown at the time this Action Plan was prepared and is estimated at approximately \$4.5 million. IHCDCA intends to allocate all of its HTF dollars for affordable rental housing, specifically for supportive housing for persons with disabilities. The HTF will also provide gap financing for Rental Housing Tax Credit developments.

### **3. Evaluation of past performance**

OCRA proposed changes to its funding allocation early in development of the 2020-2024 Five-year Consolidated Plan in response to past challenges in deploying funds. OCRA held two webinars and three focus groups with stakeholders to discuss the proposed changes and evaluate past programs. The proposed changes included: 1) Modifying the Main Street program to maximize impact through density and organizational capacity; 2) Merging the Wastewater Drinking Water Program and Stormwater Improvement Programs and modifying the point system for awards; and 3) Creating a new Needs Response fund. After stakeholder input through webinars and the public comment period, OCRA adjusted the programs to respond to community concerns about the proposed modifications, including keeping the wastewater and stormwater programs separate. Following that round of input, and as the effects of the COVID-19 pandemic became clear, OCRA modified its proposed allocation to focus on business and economic recovery needs. Given that community needs related to the pandemic continue to exist, OCRA will not make significant changes to its program allocations during PY21 yet will implement a Pilot Program to re-introduce the owner-occupied rehabilitation and historic preservation programs.

IHCDA values strong performance of organizations that receive these monies. To ensure this occurs, the agency conducts monitors sub-recipients funding for compliance on an annual basis. These reviews inform the performance of sub-grantees and their future funding opportunities. Moreover, IHCDA has mechanism throughout the program year to track and review compliance for performance.

IHCDA efforts include:

- IHCDA continually tracks commitments and expenditures of its, HOME and HTF programs.
- IHCDA routinely updates its project pipeline for both HOME and HTF and tracks how projects are committed in IDIS.
- IHCDA tracked data regarding partner performance on both HOME applications. Information tracked included the distribution of points across scoring categories and the number of clarifications and technical corrections for each partner. This data was used to update and refine IHCDA's existing policies. Changes included, but were not limited to, the revision of program policies to remove burdensome or unclear requirements and the reevaluation of scoring categories and point distributions across both policies. Changes include:
  - To incentive more CHDO-development, IHCDA has raised the total amount CHDOs may request (if certified as a CHDO) with their HOME construction application. IHCDA has also increased the amount of CHDO Operating allowed in a second year of Construction for eligible CHDOs. IHCDA has also implemented a policy expanding the number of eligible project locations by allowing for non-profits certified as CHDOs to request funding for projects located in participating jurisdictions receiving less than \$500,000 of HOME funding within a Program Year.
  - To increase the number of total applicants for the HOME program, IHCDA has developed scoring criteria for new HOME applicants to ensure diversity in applications.

- IHCD is also tracking the number of rental units and units for homeownership awarded each Program Year and those projects closed every year.
- IHCD also updated its Environmental Review Guide and included more guidance and instruction on the required forms to allow for greater ease in the submission of those forms.

Continued evaluation efforts include:

- IHCD will continue to track the number of clarifications and technical corrections issued to each partner during HOME application rounds in order to evaluate partner capacity and the clarity and ease of use of its own program policies.
- IHCD will also continue to assess public comments on their respective policies and continue to make changes, when applicable to the policies.

To end long-term homelessness, ESG funded organizations are required to work in coordination with Balance of State Continuum of Care (CoC) funded organization to reduce the length of time people experiencing homelessness stay in shelters. This manifests itself through the use of IHCD's Coordinated Entry and HMIS systems to ensure clients vulnerability is assessed and the correct program is applied to their needs. These programs are administered within the same IHCD division, Community Services, that partners with the CoC Balance of State board. This allows for continuity across programs policies and procedures, ensuring individuals are tracked throughout their experience in homelessness.

#### 4. Summary of Citizen Participation Process and consultation process

**Stakeholder interviews** – Twenty-two interviews were conducted with local government officials, organizational leaders, housing and social service providers, emergency shelter staff, and affordable housing developers.

**Stakeholder survey** – A statewide survey of residents and stakeholders who work in the fields of housing, homelessness, and community development was conducted between February 28 and April 5, 2021. This survey collected data on current housing and community development needs in Indiana's nonentitlement communities. It also asked stakeholders about the state's allocation of HUD block grant funds among activities and if changes are needed to better address current needs.

**Public comment period** – A 60 day public comment period was held between March 16, 2021 and May 13, 2021. The draft plan was posted on both the OCRA and IHCD website beginning on March 16, 2021.

**Public hearings** – Two public hearings on the Draft 2021 Action Plan were held on March 30, 2021. Notifications of the hearings were posted through RED notices and reached more than 4,000 people.

[One public hearing was held for Amendment One on July 12, 2021.](#)

#### 5. Summary of public comments

Two virtual public meetings were held on March 30 at 10 a.m. and 5 p.m. EST to discuss the proposed fund allocation for PY2021. A total of 20 people attended the hearings. Many attendees offered verbal comments on the plan, which included:

- One commenter asked about the scoring for planning grants and if it would follow the priority areas in the presentation. Eric Ogle confirmed that yes, the priorities are indicated in order of importance for scoring: Economic recovery status, comprehensive nature, broadband readiness, and total water infrastructure.
- One commenter expressed interest in the HOME Innovation program focus on SUDS and mental health housing.
- One commenter asked if the planning grant period could be extended beyond 12 months to account for procurement of consultants after the grant award.
- One commenter asked about blight clearance funding rounds and bonus points for water/wastewater scoring and indicated he would follow up with OCRA on those detailed questions.
- Six commenters expressed disappointment that the public facilities program would not receive funding during PY2021. Several attendees were preparing proposals for grant applications that were put on hold during the pandemic. Some commenters emphasized the importance of volunteer fire departments and other public facilities in helping communities through the pandemic; they are important for resource distribution and are critical for the long term recovery.
- Two additional comments were submitted through email with technical questions for OCRA about infrastructure and planning grants.

Public comments were received during the draft comment period. A total of three comment letters were received. The primary themes of the comments included:

- Feedback for OCRA on the Planning Grant Program—a request to maintain or increase allowable funding and to consider specific stakeholder priorities as well as a request to reevaluate the requirement for master utility studies for all applicants pursuing infrastructure plans.
- Feedback for OCRA on the Public Facilities Program—a request to restore this program at a \$500,000 grant funding level with a required 10 percent local match.
- Feedback for OCRA on the Blight Clearance Program—a request to offer blight clearance within the two regular rounds instead of annually to increase flexibility.
- Feedback for OCRA on the Stellar Communities Program—a request to reevaluate the effectiveness of the Stellar Communities Program and instead maintain as much funding as possible in other programs.
- Feedback for IHCD on the HOME program- concern that requirements for HOME homebuyer projects create an undue burden and make the program difficult to use for this purpose.
- Feedback for OCR and IHCD on other considerations affecting PI Members- a request for point allotments to recognize unique circumstances and reasons why people choose to live in rural communities. Concern about the suspension of the CDBG public facilities program and a request for an articulated process for where urgent need dollars would come from.
- Feedback for IHCD on the HTF program- a request that, with the new HTF allocation, IHCD include an updated HTF policy for the additional funds that reflects best practices from the Nation Low Income Housing Coalition’s NHTF Model Allocation Plan.

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

All comments received were accepted and considered.

## **7. Summary**

Please see above.



## PR-05 Lead & Responsible Agencies - 91.300(b)

### 1. Agency/entity responsible for preparing/administering the Consolidated Plan

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

Agency Role	Name	Department/Agency
Lead Agency	INDIANA	
CDBG Administrator	INDIANA	Indiana Office of Community and Rural Affairs
HOPWA Administrator	INDIANA	Indiana Housing & Community Development Authority
HOME Administrator	INDIANA	Indiana Housing & Community Development Authority
ESG Administrator	INDIANA	Indiana Housing & Community Development Authority
HTF Administrator	INDIANA	Indiana Housing & Community Development Authority

**Table 1 – Responsible Agencies**

### Narrative

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

#### Consolidated Plan Public Contact Information

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## **AP-10 Consultation - 91.110, 91.300(b); 91.315(I)**

### **1. Introduction**

This section describes the consultation efforts undertaken for the 2021 Action Plan.

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

##### **Enhanced Partnerships and Efforts during the Pandemic**

The response to the COVID-19 pandemic during 2020 required enhanced partnerships and coordination among housing, health care, and service providers.

IHCDA, OCRA, in partnership with the several other State Agencies under the Lt. Governor's Family of Business, and in partnership with Ball State University and Purdue University released the Rural Road to Recovery Plan. This plan identified goals and priorities for both units of local government, social services agencies, and non-profits, to identify challenges caused by the COVID Pandemic, and outline a framework to aid in recovery of rural cities and towns throughout Indiana.

IHCDA conducted over 22 sets of either weekly or bi-weekly listening sessions to various partners, advocates, and practitioners on their unique challenges and needs. IHCDA, in partnership with the Purdue Center for Regional Development, reached out to stakeholders with a detailed survey building upon the six themes that emerged from the listening sessions. The items include: homelessness; rental assistance; rental construction; homeownership and foreclosure prevention; serving Hoosier families and partner concerns.

On April 10, 2020, the U.S. Department of Housing and Urban Development (HUD) released a memo providing guidance on statutory suspensions and regulatory waivers meant to enable participating jurisdictions affected by the COVID-19 pandemic to use HOME funds to address immediate housing needs and to help prevent spread of the virus. This guidance increased the amount of CHDO Operating a Participating Jurisdiction may set aside from 5% to 10% of its annual allocation, and waived the \$50,000 CHDO Operating Supplement funding limit and the requirement that CHDO Operating Supplement funds be awarded in conjunction with a HOME project under the 2019 Annual Action Plan.

In alignment with the Rural Road to Recovery Plan, IHCDA held a public hearing on the proposed changes to its HOME Method of Distribution on May 20, 2020 and accepted public comments between May 15, 2020-May 22, 2020. IHCDA amended the 2019 Annual Action Plan HOME Method of Distribution to increase the amount of set-aside funding for CHDO Operating Supplement.

On June 29, 2020, IHCDA began accepting supplemental funding applications for eligible CHDOs to request up to \$50,000 in CHDO Operating Supplement. IHCDA received a total of eleven applications all of which has been approved for awards by IHCDA's Board of Directors.

IHCDA will continue to coordinate with partners on recovery and identify how to streamline policies when appropriate and allowable, collaborate with health organizations and the development community to ensure the pipeline of safe and affordable housing across the housing spectrum, and work with non-profit partners on trainings, and will continue to work on identifying additional support for those non-profits so they can continue to serve their communities.

**Continued partnerships and involvement in state taskforces** with multiple state agencies and key stakeholders include:

- The “Housing as Medicine” taskforce that includes representatives from the state’s health department and Medicaid office.
- The “Social Determinants of Health” task force includes representatives from the state’s health department and Medicaid office. The group is currently reviewing and evaluating a spectrum of state programs and policies for alignment opportunities and to promote healthy outcomes.
- The “Recovery Housing” task force led by the Governor’s Office and the Family and Social Services Agency’s Division of Mental Health and Addiction and is reviewing best practices in recovery housing models to identify gaps and potential legislative proposals needed to better fund and operate recovery housing in the state.
- IHCD is also partnering with the State’s Division of Mental Health and Addiction and the Family and Social Service Agency on providing capital HOME funding to support construction housing targeting persons with a Substance Use Disorder and/ Mental Health Disorder.
- IHCD also manages the CHDO Working Group – of which eight Community Housing Development Organizations meet quarterly to discuss best practices in their implementation of HOME-funded affordable housing projects.

IHCD also offers training and webinars to partner organizations on topics ranging from program application requirements to funds management to weatherization courses. IHCD maintains a Resource Center on its website with detailed manuals that instruct its partners on how to develop and administer programs.

IHCD has also continued to partner with the State Department of Health on Lead based Paint and is partnering with ISDOH on the Lead Hazard Reduction Demonstration Grant. Continuum of Care and ESG recipients are taking Lead Based Paint training to be able to better assist clients with identifying health concerns in units older than 1978.

IHCD has also established a strong relationship with the Family and Social Services Administration (FSSA) to coordinate affordable assisted living rental housing production and housing for persons with intellectual or developmental disabilities, or persons who have a chemical addiction.

IHCD has taken a leadership role among Indiana Public Housing Authorities to promote the development of Permanent Supportive Housing and increase utilization of the VASH program. IHCD has utilized its housing choice voucher program to provide rental assistance in PSH developments around the state. In the VASH program IHCD has developed relationships with PHAs around the state to allow veterans to utilize the VASH program where they would like regardless of if the local PHA has a VASH program.

The Continuum of Care continues its work with entitlement cities that receive ESG funds to provided consultation and review project performance. This is a collaboration between the Cities, State and the HUD CPD office to begin the process of utilizing funding with efficiency and

to meet the most pressing needs statewide. IHCD will continue to sponsor a host of learning opportunities for ESG and HOPWA grantees on the topics of Fair Housing, Rapid ReHousing (RRH), Housing First and other case management trainings to support their work statewide.

Finally, IHCD and OCRA staff participate in unofficial partnerships where key staff meet on a regular basis to train and partner. These include but are not limited to the Department of Education's McKinney Vento liaison coordinators, the Department of Workforce Development Work One centers, the Indiana Commission on Higher Education outreach coordinators, and the Continuum of Care network for the Balance of State and Marion County.

**Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness**

The IN-502 Continuum of Care (CoC) Board serves and acts as the oversight and planning body on preventing and ending homelessness for the CoC General Membership Body. The Board comprises a diverse set of geographically representative stakeholders with the knowledge and expertise to create policy priorities and make funding decisions related to homelessness. The CoC Board or the Executive Committee meets a minimum of 4 times per year. IN-502 covers every county in the state except for Marion County (equivalent to the City of Indianapolis).

The CoC Board members represent populations in the homeless community, as well as subpopulations including chronic homeless, seriously mentally ill, chronic substance abuse, families, domestic violence, youth and veterans. There are two representatives from the Regional Planning Councils on Homelessness across the Balance of the State. As the Collaborative Applicant and HMIS lead for the CoC BoS board, IHCD works closely with both CoC's in Indiana. The division assigned to these roles is the Community Services team at IHCD. In that division they oversee the HMIS system as well as funding sources including CoC, ESG, TANF, and HOPWA funds. This structure allows for open communication between the CoC and the ESG sub-recipients. It also allows for continuity across funding sources so performance is measured as equally as possible. Being located in Indianapolis means IHCD is able to easily meet and partner with the Indianapolis CoC for statewide communication and coordination.

The CoC board has committees set up to help reach special populations experiencing homelessness as well as governance of the CoC and its funds. The BoS CoC will begin a strategic plan to bolster their work, including the special population committees. The State ESG program presents their program plans to the CoC Board, in addition to entitlement cities at their meeting annually. Through the strategic plan further collaboration will begin to build a more efficient and performance-based system to end homelessness. Metrics for performance will be considered and as appropriate will become CoC policy.

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

The Resource & Funding Committee oversees local, State, and Federal funding for the CoC and seeks new opportunities for funding to end homelessness, such as Section 811 PRAD, McKinney Vento Competitive Applications. It serves as the liaison between the CoC Board and IHCD in its preparation of the Consolidated State Plan Application for the ESG funding. The Committee advises the Community

Services division of IHCD and assists with developing partnerships with the Indiana Department of Corrections, Family of Social Service Administration, Division of Mental Health and Addictions, Veterans Administration, Department of Education, and the Department of Child Services. The objective is to ensure integration of CoC and ESG under the same performance standards, meeting needs and gaps identified within the CoC.

The Performance & Outcome Committee oversees the Homeless Management Information System (HMIS) grant to provide oversight and help to develop, maintain, and update the statewide HMIS including the development and implementation of data protocols, reporting, policies and problem solving measures, and meeting all HUD benchmarks. All ESG sub-recipients of IHCD are required to submit their information in the HMIS system. This data is then communicated to the CoC board, sub-recipients, and HUD.

Two other committees work to address specialized needs: the Veterans Committee and the Youth and Families Committee. Both committees comprise of individuals who have experienced homelessness and identify under these sub-populations. Both also focus on specific issues that might affect these sub-populations differently than the homeless population as a whole.

**Describe consultation with the Continuum(s) of Care that serves the State in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS**

In determining the ESG Allocation, a request for proposals is distributed to all the Regional Planning Councils on the Homeless throughout the Balance of State, to the current sub-recipients of the ESG program and current permanent supportive housing rental assistance programs who have had experience with rental assistance. The application is also available publicly on the IHCD website and any new partners interested in the funds are sent a reminder once it is public.

Each proposal is reviewed by at least one IHCD Community Services staff person. The reviewer completes a built in scoring tool in the application, assigning points based on the following program design components: outreach system, commitment to the coordinated access intake point, systems coordination, organizational capacity, permanent housing placement strategy, history of administering the rental assistance programs, amount of match provided and coordination with ESG Entitlement City funds (as applicable). Once applications have been scored they are presented to the IHCD board for approval and the CoC Board as a courtesy.

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

**2. Agencies, groups, organizations and others who participated in the process and consultations**

**Table 2 – Agencies, groups, organizations who participated**

1	<b>Agency/Group/Organization</b>	Kosciusko Economic Development Corporation
	<b>Agency/Group/Organization Type</b>	Other: Economic Development Corporation
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Market Analysis, Economic Development
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
2	<b>Agency/Group/Organization</b>	HAND
	<b>Agency/Group/Organization Type</b>	Services- Housing, Services-homeless
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Public Housing Needs, Homelessness Strategy, Market Analysis, Economic Development
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
3	<b>Agency/Group/Organization</b>	Pike County Economic Growth & Development Council
	<b>Agency/Group/Organization Type</b>	Planning organization
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Market Analysis, Economic Development
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
4	<b>Agency/Group/Organization</b>	Indiana Municipal Power Agency
	<b>Agency/Group/Organization Type</b>	Regional Organization, Other: Municipal Power Agency
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Market Analysis, Economic Development
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
5	<b>Agency/Group/Organization</b>	Daviess County Local Economic Development Corporation
	<b>Agency/Group/Organization Type</b>	Other: Economic Development Corporation

	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Market Analysis, Economic Development
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
6	<b>Agency/Group/Organization</b>	Lacasa, Inc
	<b>Agency/Group/Organization Type</b>	Services- Housing, Services- Education
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Public Housing Needs, Homelessness Strategy, Market Analysis, Economic Development, Anti-poverty strategy
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
7	<b>Agency/Group/Organization</b>	Hoosier Uplands Economic Development Corporation
	<b>Agency/Group/Organization Type</b>	Other: Economic Development Corporation
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Market Analysis, Economic Development
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
8	<b>Agency/Group/Organization</b>	Perry County Development Corporation
	<b>Agency/Group/Organization Type</b>	Other: Development Corporation
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Market Analysis, Economic Development
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
9	<b>Agency/Group/Organization</b>	Habitat for Humanity of Indiana
	<b>Agency/Group/Organization Type</b>	Housing, Services- Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Public Housing Needs, Homelessness Strategy, Non-Homeless Special Needs, Market Analysis, Economic Development, Anti-poverty strategy

	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
10	<b>Agency/Group/Organization</b>	CED Services LLC
	<b>Agency/Group/Organization Type</b>	Other- Housing and Community Development Consulting Services
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Market Analysis, Economic Development
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
11	<b>Agency/Group/Organization</b>	Radius Indiana
	<b>Agency/Group/Organization Type</b>	Regional Organization, Other- Economic Development
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Market Analysis, Economic Development
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
12	<b>Agency/Group/Organization</b>	LTHC Homeless Services
	<b>Agency/Group/Organization Type</b>	Services- Housing, Services- Homeless
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Public Housing Needs, Homeless Needs - Chronically homeless, Homeless Needs - Families with children, Homelessness Needs – Veterans, Homelessness Needs - Unaccompanied youth, Homelessness Strategy, Market Analysis, Anti-Poverty Strategy
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
13	<b>Agency/Group/Organization</b>	Prosperity Indiana
	<b>Agency/Group/Organization Type</b>	Regional Organization
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Market Analysis, Economic Development



	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
14	<b>Agency/Group/Organization</b>	Englewood Community Development Corporation
	<b>Agency/Group/Organization Type</b>	Housing, Services- Housing, Other- Community Development Corporation
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Public Housing Needs, Homelessness Strategy, Market Analysis, Economic Development, Anti-Poverty Strategy
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
15	<b>Agency/Group/Organization</b>	Midwestern Engineers
	<b>Agency/Group/Organization Type</b>	Other- Engineering Firm
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Market Analysis, Economic Development
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
16	<b>Agency/Group/Organization</b>	Gratus Development, LLC
	<b>Agency/Group/Organization Type</b>	Housing, Other- Housing Developer
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Homelessness Strategy, Non-Homeless Special Needs, Market Analysis, Economic Development
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
17	<b>Agency/Group/Organization</b>	Community Action Program of Western Indiana
	<b>Agency/Group/Organization Type</b>	Services- Housing, Services- Children, Services- Elderly Persons
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment, Public Housing Needs, Homelessness Strategy, Non-homeless special needs, Market Analysis, Economic Development, Anti-Poverty Strategy

	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
18	<b>Agency/Group/Organization</b>	AIDS Ministries/AIDS Assist
	<b>Agency/Group/Organization Type</b>	Services- Persons with HIV/AIDS
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Public Housing Needs, Homelessness Strategy, Non-Homeless Special Needs, HOPWA Strategy, Market Analysis, Economic Development
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
19	<b>Agency/Group/Organization</b>	Indiana Arts Commission
	<b>Agency/Group/Organization Type</b>	Regional Organization, Other- Arts Commission
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Market Analysis, Economic Development
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
20	<b>Agency/Group/Organization</b>	Indiana 15 Regional Planning Commission
	<b>Agency/Group/Organization Type</b>	Regional Organization, Planning Organization
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Market Analysis, Economic Development, Anti-Poverty Strategy
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
21	<b>Agency/Group/Organization</b>	Blue River Services
	<b>Agency/Group/Organization Type</b>	Services- Housing, Services- Children, Services- Employment, Regional Organization
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Public Housing Needs, Homelessness Strategy, Non-Homeless Special Needs, Market Analysis, Economic Development, Anti-Poverty Strategy

	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.
22	<b>Agency/Group/Organization</b>	Jay County Economic Development Corporation
	<b>Agency/Group/Organization Type</b>	Regional Organization, Other- Economic Development Corporation
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Needs Assessment, Market Analysis, Economic Development
	<b>How was the Agency/Group/Organization consulted and what are the anticipated outcomes of the consultation or areas for improved coordination?</b>	A representative from the organization participated in an in-depth stakeholder interview.

**Table 3 – Agencies, groups, organizations who participated**

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

None; all relevant organizations and agencies were invited to participate in the process. OCRA and IHCDCA utilized email notifications that reach more than 4,000 stakeholders and residents to encourage participation in the survey and public hearings.

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

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	IHCDCA	ESG goals are developed in collaboration with CoC planning.
IHCDCA Strategic Plan	IHCDCA	Both housing and community development goals support self-sufficiency initiative and improve resident quality of life and strengthen communities in rural areas.
2020 Next Level Agenda	State of Indiana Governor’s Office	CDBG goals and priorities support many aspects of the plan including supporting recovery from substance abuse addiction and enhancing educational attainment and broadband access.

**Table 4 - Other local / regional / federal planning efforts**

## **AP-12 Participation - 91.115, 91.300(c)**

### **1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting**

Stakeholder consultation and resident participation for the 2021 Action Plan included an online survey, available February 28-April 5, 2021; and interviews of housing providers, organizations that assist persons at-risk of and experiencing homelessness, advocacy organizations, units of local government, and community and economic development organizations and officials.

In 2021, priorities included:

**Housing priorities.** Respondents participating in the 2021 survey identified homeownership opportunities for low income residents, housing rehabilitation for low income homeowners, rental housing for low income residents, housing for homeless families, and homeownership opportunities for moderate income residents as the top greatest unmet housing needs in Indiana.

**Community Development priorities.** Respondents participating in the 2021 survey were asked to identify the greatest unmet community development needs in Indiana. The top five responses across all categories were related to sidewalks, Internet access, public transportation, job training, and accessibility (ADA) improvements to community amenities (e.g., parks and trails), followed by infrastructure such as water and sewer systems, and community needs assessments.

**Additional priorities.** Other “successful outcomes” stakeholders would like to see in their communities, as a result of targeted block grant funds, included:

- More affordable rental and ownership housing,
- Rehabilitation of existing housing,
- Housing with supportive services for persons who have experienced homelessness,
- Rental assistance for people at risk of homelessness
- Workforce training opportunities,
- Additional and higher quality child care centers,
- Additional opportunities for training and technical assistance for stakeholder organizations

**Citizen Participation Outreach**

A summary of citizen participation and stakeholder consultation appears in the table below.

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Online survey	Stakeholders and Residents	There were 37 responses to the online survey.	See Grantee Unique Appendix for a complete summary. The survey captured residents' and stakeholders' perspectives on a variety of housing and community development needs and priorities, their experiences with State programs, and their suggestions for changes and improvements.	N/A; all survey responses were considered	<a href="https://www.research.net/r/2021_IN_ActionPlan">https://www.research.net/r/2021_IN_ActionPlan</a>

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
2	Stakeholder discussions	Housing providers, organizations that assist persons at-risk of and experiencing homelessness, advocacy organizations, units of local government, and community and economic development organizations and officials.	22 stakeholders participated in in-depth interviews.	See Grantee Unique Appendix for a complete summary.  Stakeholders from throughout the state shared their perspectives on a variety of housing and community development needs and priorities, their experiences with State programs, and their suggestions for changes and improvements.	N/A; all responses were considered	N/A



Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Public hearings	Broad community	20 people in attendance	Comments mostly concerned the public facilities program and a request to commit funding to that program	N/A; all comments were considered	N/A

**Table 5 – Citizen Participation Outreach**

## Expected Resources

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

#### **Introduction**

This section specifies the expected amount of resources for the PY2021 Action Plan, based upon sources of funds. The Expected Amount Available for the Remainder of the ConPlan is based on PY2021 expected funding for one year. Toward the end of the completion of this Plan, IHEDA was notified of the NHTF allocation amount which is much higher than anticipated in the Draft Action Plan. Additional activities for the NHTF will be added in an amended 2021 Action Plan.

**Anticipated Resources**

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		

CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$31,917,082	0	0	31,917,082	127,668,328	\$8 million for Public Facilities \$4.5 million for the Stellar Regions program \$9 million for Blight Clearance Program \$0 million for Wastewater Improvements Program \$0 million for Stormwater Improvements Program \$3 million for Main Street Revitalization Program \$5 million in Pilot Programs for owner- occupied rehabilitation and historic preservation and economic development activities \$1.58 million for Planning Fund \$200,000 for Technical Assistance \$637,082 for Administration
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab	14,705,184	1,839,027	27,540,622	44,084,833	44,115,552	\$7.35 million rental projects/construction \$1 million homeownership projects/construction

		<p>Multifamily rental new construction</p> <p>Multifamily rental rehab</p> <p>New construction for ownership</p> <p>TBRA</p>						<p>\$1.2 million Tenant Based Rental Assistance (TBRA) (if not utilized, will be converted to rental construction). TBRA may be used in other Participating Jurisdictions.</p> <p>\$850,000 for CHDO operating and predevelopment</p> <p>\$1.3 million administrative uses (\$700,000 internal and \$600,000 organizational capacity)</p> <p>\$3 million for the HOME Innovation Round, for Rental housing construction, targeting persons with substance abuse disorders and/or mental health disorders. If these funds are not utilized, they may convert to HOME rental construction.</p> <p>The balance of funds, and any Program Income collected during PY2021 will be made available for rental, homebuyer or CHDO operating funds (up to</p>
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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
								the allowable cap). Any Program Income collected in PY 2021 can be utilized in PY 2022.
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	1,736,515	0	0	1,736,515	5,209,545	\$700,000 in TBRA \$350,000 for housing information activities \$300,000 short-term rental, utilities and mortgage assistance \$150,000 support facility operations and supportive services \$65,000 Permanent Housing Placement \$170,000 subrecipient and grantee administration

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	3,944,639	0	0	3,944,639	11,833,917	\$2.2 million emergency shelters with operations, essential services, and outreach \$1.5 million rental assistance for rapid re-housing \$250,000 for administration



Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HTF	public - federal	Acquisition Admin and Planning Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership	TBD	TBD	TBD	TBD	TBD	Toward the end of the completion of this Plan, IHEDA was notified of the NHTF allocation amount which is much higher than anticipated in the Draft Action Plan. Additional activities for the NHTF will be added in an amended 2021 Action Plan.

Table 6 - Expected Resources – Priority Table

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

Anticipated matches for PY2021 include:

- \$7.5 million from local government contributions on all CDBG projects,
- In in-kind services match for ESG shelter operations projects,
- \$1 million in in-kind services match for ESG RRH projects,
- \$1.5 million in cash matches from ESG subrecipients,
- \$22,000 cash match from subrecipients in assisting clients (in-kind).

On April 10th, 2020 the U.S. Department of Housing and Urban Development (HUD) released a memo providing guidance on statutory suspensions and regulatory waivers meant to enable HOME Investment Partnerships Program (HOME) participating jurisdictions affected by the COVID-19 pandemic to use HOME funds to address immediate housing needs and to help prevent spread of the virus. As part of this guidance, IHCD made the following change to its HOME Rental and Homebuyer programs for the 2020 and 2021 funding rounds:

- The match requirements for the 2020 and 2021 HOME Rental round are waived. During these funding rounds applicants may still submit eligible sources of match for purposes of accruing banked match.
- The match requirements for HOME Homebuyer applications submitted to IHCD from the effective date of this notice are waived. Applicants may still submit eligible sources of match for purposes of accruing banked match.
- The match requirement for projects requesting HOME funding in the 2021 Rental Housing Tax Credit round is waived. During this funding round applicants may still submit eligible sources of match for purposes of accruing banked match.

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

IHCD match. Recent influxes of program funding from the Federal government, along with several new initiatives that expand IHCD's vision and overall mission into more comprehensive developments, sometimes pose an issue with obtaining the required level of match/leveraging funds. IHCD continues to use the match pool, which is a collection of resources taken from closed HOME-funded projects that documented match in excess of the required 25 percent. These eligible sources of match are kept on record and may be used as match for future IHCD-funded projects. The pool allows applicants that,

after exploring all possible avenues of meeting the requirement, are left with a shortfall to still proceed with an award application.

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

HOPWA Leveraging. HOPWA Project Sponsors provide leveraging totaling \$5,383,995. The primary sources of funding comes from the Ryan White Grants and public funding from the Indiana State Department of Health and HIV Care Coordination.

HOME match. The HOME program requires a 25 percent match, which is a Federal requirement. Please note match requirements are suspended for PY 2020-2021. Applicants must demonstrate eligible matching funds equal to 25 percent of the amount of HOME funds requested, environmental review and CHDO operating costs. If the applicant is proposing to utilize banked match for the activity:

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

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

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

N/A; the State does not have publicly owned land or properties that will be used to address housing and community development needs during the five-year planning period. If publicly owned and donated land is used for match, that will be listed in the CAPER Match section.

**Prior year resources.** Prior Year funds will be used for eligible HOME projects, including rental and homebuyer. Prior Year AD funds can be used for additional admin (up to the allowable cap, and for training contracts).

## Annual Goals and Objectives

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

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b)

The table below provides an estimate for the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b).

One Year Goals for the Number of Households Supported Through
ELI: Rental Assistance = 75
ELI and LI: The Production of New Units = 200
LI: Rehab of Existing Units = 20
Total = 295

### AP-25 Allocation Priorities – 91.320(d)

The State of Indiana does not prioritize the allocation of CDBG, HOME or ESG geographically. For CDBG awards, OCRA allocate funds to the areas of greatest need, based on stakeholder and resident consultation and the needs assessment and market analysis. This information is used to guide the funding priorities for each program year. Due to the COVID-19 pandemic OOR was temporarily paused for FY2020. This pause gave the State the ability to reallocate the funds help in the response to COVID-19 as well as to reassess the impact of OOR. OCRA is currently piloting an OOR program with a Stellar Finalist community and that pilot will be expanded during the 2021 program year.

Exact criteria vary by program, yet all programs prioritize assisting low income households. Most of IHCD's housing programs prioritize 50 percent AMI households; ESG and HOPWA generally reach to lower income levels due to the nature of the populations they serve.

ESG allocates emergency shelter and rapid re-housing, homeless prevention and outreach activities statewide.

The HOPWA grant does rely on a geographic allocation, determined through the Continuum of Care regions. Because IHCD allocates HOPWA to all ISDH-established care coordination regions except Region 7, it was determined that IHCD will fund one HOPWA project sponsor per every care coordination region. This will remain true for all care coordination regions. If a distinct eligible population with specific needs exists in a region, IHCD will work with the regional sponsor to tailor services to meet the needs of the population.

IHCD launched a "Project Development Track" as part of its HOME Innovation Round. Three non-profit

development teams were selected to go through an intensive multi-month training regimen led by a HUD-approved technical assistance provider. Upon completion, these teams will be eligible to apply for HOME Homebuyer and Rental funds. The teams were required to identify an unmet need in their community and propose an innovative method of addressing this need through an affordable housing project utilizing HOME funds. IHCDCA will be continuing this track in partnership with OCRA and DMHA to produce rental housing for persons with substance abuse disorders and/or mental health disorders. IHCDCA will be providing training to selected non-profits and their respective teams on the HOME program and how to produce and manage units.

IHCDCA will also continue its competitive rental round, to be held 1-2 times a year (pending on the availability of funds); IHCDCA will allow for non-profit partners who are proposing HOME rental projects in PJs who receive less than \$500,000 to apply for IHCDCA HOME fund through the competitive stand-alone HOME round. IHCDCA will also allow for the use of HOME funding as supplemental gap financing for tax-credit projects.

IHCDCA will also continue to hold \$1million of HOME Funding aside for Homebuyer Construction activities.

The Indiana Supportive Housing Institute is an important element of the Indiana Permanent Supportive Housing Initiative (IPSHI), which was launched by IHCDCA and the Corporation for Supportive Housing (CSH) in 2008 to further the strategy to end long-term and recurring homelessness. The focus is on funding lasting solutions instead of stop-gap programs. The 2021 Institute will address issues of homelessness with a focus on serving people with high needs who are on the Coordinated Entry System and eligible for Section 811 Project Rental Assistance, as defined in this RFP. The Institute will help supportive housing partners learn how to navigate the complex process of developing housing with supportive services to prevent and end homelessness. Development teams that successfully complete the Institute will be eligible to apply for Rental Housing Tax Credits through IHCDCA's competitive application process. Development teams will also be eligible to request additional capital funds from IHCDCA through the National Housing Trust Fund program.

Toward the end of the completion of this Plan, IHCDCA was notified of the NHTF allocation amount which is much higher than anticipated in the Draft Action Plan. Additional activities for the NHTF will be added in an amended 2021 Action Plan.

### **How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?**

IHCDCA's method of distribution continues to target the various housing and homelessness priorities identified in the Consolidated Plan. IHCDCA targets low and very low income persons through its HOME Rental Program and TBRA Program; IHCDCA will continue to target this population through the second Innovation Round. IHCDCA also has higher subsidy limitations on HOME rental projects for units which target households at or below 50% AMI; IHCDCA also awards competitive points through this policy for projects which have 20% of the units targeting 30 or 40% AMI households. IHCDCA will continue to hold funding for HOME Tenant Based Rental Assistance, targeting persons who had been formerly incarcerated.

IHCDCA will also continue to set-aside funding for the Homeownership Program and will continue to

provide technical assistance to those organizations interesting in participating. IHCDAs have continued to streamline the application process for those who wish to apply under this program. IHCDAs will also continue to work with the State Habitat for Humanity Office to provide technical assistance on the program. IHCDAs, through its work on the Anchor Employer Workforce Housing Demonstration Program, will also work on promoting this program to supplement those projects when applicable, and will continue on the first HOME Innovation round cohort on their projects throughout PY 2021.

To meet the priority need of supporting comprehensive community development, IHCDAs will maintain its training schedule, and will work alongside OCRA on both the re-launch of the Stellar Program, as well as the Rural Opportunity Zone Initiative (ROZI).

The distribution of housing funds addresses the critical, and growing, need for affordable rental housing. IHCDAs, through its HOME and HTF programs assesses market need, developer financial capacity, the experience of the developer, the financial capacity of the project through the period of affordability. IHCDAs also scores these applications on the past performance of the applicant, if the location of the proposed project is near areas of opportunity through its “Opportunity Index” (i.e. in counties with low unemployment), if the location of the project promotes positive health outcomes through its “Health Needs Index” (i.e. proximity to pharmacies) and if the project will provide a high level of broadband access.

CDBG funds are prioritized for basic health and safety improvements—specifically water and sewer infrastructure investments and emergency and public health and safety needs—in rural areas that do not have the financial capacity or resources to make such critical improvements. Half of the distribution of CDBG allocates these priority needs. The balance address priority needs of economic growth and revitalization of rural communities.

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

### Introduction:

This section summarizes the Methods of Distribution (MOD) for CDBG, HOME, HTF, ESG, and HOPWA for PY2021. Full MODs are appended to this Action Plan.

Toward the end of the completion of this Plan, IHCD was notified of the NHTF allocation amount which is much higher than anticipated in the Draft Action Plan. Additional activities for the NHTF will be added in an amended 2021 Action Plan.

### Distribution Methods

<b>1</b>	<b>State Program Name:</b>	Emergency Solutions Grant (ESG)
	<b>Funding Sources:</b>	ESG
	<b>Describe the state program addressed by the Method of Distribution.</b>	<p>The ESG application and more information can be found at:  <a href="https://www.in.gov/myihcda/ESG.htm">https://www.in.gov/myihcda/ESG.htm</a>.</p> <p>ESG uses different applications for each activity type (street outreach, shelter, rapid re-housing).</p> <p>Funding through the Emergency Solutions Program assists persons and families who are homeless find shelter, avoid homelessness and transition into permanent housing.</p>

<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>IHCDA plans to allocate funding to approximately 10-12 agencies to administer the ESG Rapid Rehousing and Homeless Prevention Components of the ESG program for line items: Housing Relocation &amp; Services (financial and services), Rental assistance and administration.</p> <p>There will be approximately 60 agencies that will apply for emergency shelter component that includes operations, essentials, and financial assistance and approximately one-two agencies that may apply for an outreach component. No more than the maximum allowed 60 percent of ESG funds will be allocated to operations, essentials and street outreach. A request for proposals will be distributed to all the Regional Planning Councils on the Homeless throughout the State, to the current subrecipients of the ESG program, current permanent supportive housing rental assistance programs (mental health centers, housing agencies, community action agencies, non-profits) who have had experience with rental assistance and will be published on the IHCDA and Balance of State CoC website.</p> <p>Each proposal will be reviewed by at least one IHCDA Community Services staff person. The reviewer will complete a built in scoring tool in the application, assigning points based on the following program design components: outreach system, commitment to the coordinated access intake point, systems coordination, organizational capacity, permanent housing placement strategy, history of administering the rental assistance programs, amount of match provided and coordination with ESG Entitlement City funds (as applicable). Each subrecipient will be awarded based upon the average of their proposal score and the amount of funding that will be available.</p>
<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>N/A</p>



<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>IHCDA plans to allocate funding to approximately 12-14 agencies to administer the ESG Rapid Rehousing and Homeless Prevention Components of the ESG program for line items: Housing Relocation &amp; Services (financial and services), Rental assistance and administration.</p> <p>There will be approximately 60 agencies that will apply for emergency shelter component that includes operations, essentials, and financial assistance and approximately one-two agencies that may apply for an outreach component. No more than the maximum allowed 60 percent of ESG funds will be allocated to operations, essentials and street outreach. A request for proposals will be distributed to all the Regional Planning Councils on the Homeless throughout the State, to the current subrecipients of the ESG program, current permanent supportive housing rental assistance programs (mental health centers, housing agencies, community action agencies, non-profits) who have had experience with rental assistance.</p> <p>Each proposal will be reviewed by at least one IHCDA Community Services staff person. . The reviewer will complete a built in scoring tool in the application, assigning points based on the following program design components: outreach system, commitment to the coordinated access intake point, systems coordination, organizational capacity, permanent housing placement strategy, history of administering the rental assistance programs, amount of match provided and coordination with ESG Entitlement City funds (as applicable). Each subrecipient will be awarded based upon the average of their proposal score and the amount of funding that will be available.</p>
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>N/A</p>
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>No more than the maximum allowed of 60 percent of ESG funds will be allocated to operations, TBRA, and/or STRMU.</p>
<p><b>Describe threshold factors and grant size limits.</b></p>	<p>The amount of each award could be between \$50,000 - \$350,000</p>

	<b>What are the outcome measures expected as a result of the method of distribution?</b>	The goal of ESG is to prevent homelessness and assist families and individuals experiencing homelessness to find housing as quickly as possible. Please see the ESG MOD for the performance standards expected of ESG subrecipients.
2	<b>State Program Name:</b>	HOME
	<b>Funding Sources:</b>	HOME
	<b>Describe the state program addressed by the Method of Distribution.</b>	<p>The HOME applications and information can be found at:  <a href="https://www.in.gov/ihcda/4084.htm">https://www.in.gov/ihcda/4084.htm</a></p> <p>Tenant based rental assistance programs funded with HOME have a separate application, found here: <a href="https://www.in.gov/ihcda/4102.htm">https://www.in.gov/ihcda/4102.htm</a></p> <p>HOME Partnerships Investment Program, which is used to fund affordable rental unit construction and rehabilitation, develop affordable owner-occupied housing, assist special needs and homeless residents with housing needs (including through TBRA) and support the work of CHDOs.</p>

<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>Scoring appears in the HOME MODs for rental and homeownership programs. Those going through the Indiana Permanent Supportive Housing Institute or the Rental Housing Tax Credit Program must meet the requirements of those applications to be eligible as well as HOME regulations.</p> <p>HOME rental applications are evaluated based on: Project characteristics (33 points), Development Features (33 points), Readiness (8 points), Capacity (21 points), Leveraging Other Sources (6 points), Unique Features/Bonus (9 points). The scoring incorporates points for accessibility and visitability features in housing developments.</p> <p>HOME homebuyer applications will be accepted on a rolling basis. If there are not eligible homebuyer applications, these funds may revert to rental. The scoring incorporates points for accessibility and visitability features, as well as units with 3+bedrooms in housing developments.</p> <p>IHCDA will sponsor a second HOME Innovation Round. A select number of nonprofit teams will be able to respond to a competitive RFQ, targeting affordable housing for persons with substance use disorders or mental health disorders. Those chosen will be required to go through an intensive four-five month project development training, through a HUD TA provider. Upon successful graduation, those teams may be eligible for additional HOME funding on a rolling basis.</p> <p>CHDO Pre-Development Funds are also available to eligible CHDOs on a rolling basis until funds are exhausted.</p> <p>CHDO Operating Fund are also available to eligible CHDOs if they are funded for a CHDO Reserve project.</p>
<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>N/A</p>

<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>N/A</p>
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>N/A</p>

<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>For the 2021 program year, the \$14,705,184 (2021 Allocation) expected HOME funding will be allocated among the following programs:</p> <ul style="list-style-type: none"> <li>\$7,355,184 rental construction projects</li> <li>\$1 million homebuyer construction projects</li> <li>\$1.2 Tenant Based Rental Assistance (TBRA) (if not utilized, will be converted to rental construction). TBRA may be used in other Participating Jurisdictions</li> <li>\$850,000 CHDO Operating and CHDO Pre-Development loans</li> <li>\$1.3 administrative uses - \$600,000 organizational capacity, \$700,000 admin</li> <li>\$3 million for the HOME Innovation Program, Rental housing construction, targeting persons with a SUD and/or Mental Health Disorder. If these funds are not utilized, they may convert to HOME rental construction.</li> </ul> <p>The balance of funds, and program income, will be used for rental and homeownership construction.</p> <p>If IHCD does not receive eligible homebuyer applications or TBRA applications, that set-aside may revert to rental construction after two years.</p>
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<p><b>Describe threshold factors and grant size limits.</b></p>	<p>The maximum request amount per application is \$1,000,000 for Rental (non-CHDO or CHDO in an eligible PJ), \$1,500,000 (CHDO) \$500,000 for homebuyer projects and \$3,000,000 for the Project Development track.</p> <p>HOME funds used for acquisition, rehabilitation, new construction, soft costs, relocation, rent-up reserve, and developer’s fee combined cannot exceed the following for units designated 50% AMI or higher on rental units : \$72,000 for a studio, \$84,000 for a 1 bedroom unit, \$96,000 for a 2 bedroom unit, \$117,000 for a 3 bedroom unit and \$128,000 for a 4+ bedroom unit; or the following for units designated 40% or lower: \$90,000 for a studio, \$105,000 for a 1 bedroom unit, \$120,000 for a 2 bedroom unit, \$145,000 for a 3 bedroom unit and \$160,000 for a 4+ bedroom unit</p> <p>The minimum amount of HOME funds to be used for rehabilitation or new construction is \$1,001 per unit.</p> <p>HOME funds cannot be used for reserve accounts for replacement or operating costs, but may be used as a Rent-Up Reserve.</p> <p>Lead hazard and homebuyer counseling are limited to \$1,000 per homeowner/buyer.</p> <p>Tenant Based Rental Assistance will be made available to Partners through a Request for Qualifications. TBRA may pay for rent, security deposits and utility deposits. Eligible participants under this program are households in which at least one household member was formerly incarcerated. TBRA is available statewide. Information on the TBRA Administration Plan and the RFQ may be accessed here: <a href="https://www.in.gov/ihcda/4102.htm">https://www.in.gov/ihcda/4102.htm</a></p>
<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>Actual outcomes will depend on the types of applications received. All programs have the same goal of improving the quality of existing housing stock in Indiana.</p>
<p><b>3 State Program Name:</b></p>	<p>Housing Opportunities for Persons with HIV/AIDS</p>
<p><b>Funding Sources:</b></p>	<p>HOPWA</p>
<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>The HOPWA award manual and request for qualifications for applicants can be found at: <a href="https://www.in.gov/myihcda/hopwa.htm">https://www.in.gov/myihcda/hopwa.htm</a></p> <p>Housing Opportunities for Persons with HIV/AIDS assists persons with HIV and/or AIDS and who also have an income below 80% of AMI with housing placement and rental subsidies.</p>

<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>IHCDA will facilitate a request for qualifications (RFQ), advertised through the CoC network and posted online, for HIV/AIDS service providers. The RFQ will gather information on the number of persons/households they plan to serve, housing plans, housing services, organizational capacity, performance goals, supportive services, and their proposed budget. The RFQ applicants need to meet the following thresholds:</p> <ul style="list-style-type: none"> <li>• Required to be a non-profit organization</li> <li>• Required to be a current Indiana State Department of Health Care Coordination Site.</li> <li>• Previous experience providing HOPWA assistance.</li> <li>• Actively attending the local Regional Planning Council/Committees/Leadership roles within their Region</li> </ul>
<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>N/A</p>
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>N/A</p>

<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>IHCDA will facilitate a request for qualifications (RFQ), advertised through the CoC network and posted online, for HIV/AIDS service providers. The RFQ will gather information on the number of persons/households they plan to serve, housing plans, housing services, organizational capacity, performance goals, supportive services, and their proposed budget. The RFQ applicants need to meet the following thresholds:</p> <ul style="list-style-type: none"> <li>• Required to be a non-profit organization</li> <li>• Required to be a current Indiana State Department of Health Care Coordination Site.</li> <li>• Previous experience providing HOPWA assistance.</li> <li>• Actively attending the local Regional Planning Council/Committees/Leadership roles within their Region. By having all subrecipients to be current Indiana State Department of Health - Care Coordination Site, we are providing a one stop shop for persons to access level of care that is needed. Persons will be able to receive testing, diagnosis, medical information, supportive services and housing if needed.</li> </ul>
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>Funds will be made available in the following percentages of the total awards made to project sponsors:</p> <ul style="list-style-type: none"> <li>• At least 60 percent to direct housing assistance: long-term rental assistance, short term rental assistance, and facility based operations;</li> <li>• No more than 7 percent to subrecipient administration and 3 percent to grantee/recipient administration;</li> <li>• No more than 35 percent to housing information and permanent housing placement activities;</li> <li>• No more than 35 percent to supportive services that positively affect recipients' housing stability.</li> </ul> <p>Once the Federal budget is determined, IHCDA will make adjustments proportionally to increase or decrease the above HOPWA allocation MOD.</p>



<p><b>Describe threshold factors and grant size limits.</b></p>	<p>Because IHCDCA allocates HOPWA to all ISDH-established care coordination regions except Region 7 and parts of Region 11, it was determined that IHCDCA will fund one HOPWA project sponsor per every care coordination region. This will remain true for all care coordination regions. If a distinct eligible population with specific needs exists in a region, IHCDCA will work with the regional subrecipient to tailor services to meet the needs of the population.</p>
<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>For HOPWA, IHCDCA will use the following indicators to measure subrecipient's ability to achieve the desired outcomes:</p> <ul style="list-style-type: none"> <li>• Rental Assistance households/units</li> <li>• Short-term rent, mortgage and utility assistance households/units</li> <li>• Facility based housing operations support units</li> <li>• Housing information services households</li> <li>• Permanent housing placement services households</li> <li>• Supportive services households</li> </ul>
<p><b>4 State Program Name:</b></p>	<p>National Housing Trust Fund</p>
<p><b>Funding Sources:</b></p>	<p>HTF</p>
<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>National Housing Trust Fund</p>
<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>Toward the end of the completion of this Plan, IHCDCA was notified of the NHTF allocation amount which is much higher than anticipated in the Draft Action Plan. Additional activities for the NHTF will be added in an amended 2021 Action Plan.</p>

<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>N/A</p>
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>N/A</p>
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>N/A</p>
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>TBD</p>
<p><b>Describe threshold factors and grant size limits.</b></p>	<p>Toward the end of the completion of this Plan, IHCDA was notified of the NHTF allocation amount which is much higher than anticipated in the Draft Action Plan. Additional activities for the NHTF will be added in an amended 2021 Action Plan.</p>

	<b>What are the outcome measures expected as a result of the method of distribution?</b>	TBD
5	<b>State Program Name:</b>	State Allocation of CDBG
	<b>Funding Sources:</b>	CDBG
	<b>Describe the state program addressed by the Method of Distribution.</b>	<p>The CDBG MOD discusses the allocation of funds to subrecipients within the State programs of:</p> <ul style="list-style-type: none"> <li>• Stellar Regions Program,</li> <li>• Blight Clearance Program,</li> <li>• Wastewater Drinking Program,</li> <li>• Stormwater Improvements Program,</li> <li>• Main Street Revitalization Program (Downtown Renewal),</li> <li>• Public Facilities,</li> <li>• Pilot Programs,</li> <li>• Planning Fund,</li> <li>• Technical Assistance, and</li> <li>• Administration</li> </ul>
	<b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b>	<p>Program criteria vary. In general, applications are accepted, and awards are made on a competitive basis throughout the program year. Criteria to select applications are located in attachments to the CDBG MOD.</p>

<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>Please see the MOD attached to this Action Plan.</p>
<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>N/A</p>
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>N/A</p>

<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>For the 2021 program year, the \$31.9 million expected CDBG funding will be allocated among the following programs:</p> <ul style="list-style-type: none"> <li>• Stellar Regions Program, \$4.5 million</li> <li>• Blight Clearance Program, \$9 million</li> <li>• Wastewater Drinking Program, \$0 million</li> <li>• Stormwater Improvements Program, \$0 million</li> <li>• Main Street Revitalization Program, \$3 million</li> <li>• Public Facilities Program, \$8 million</li> <li>• Pilot Programs, \$5 million</li> <li>• Planning Fund, \$1.58 million</li> </ul> <p>An additional \$200,000 will be used for technical assistance and \$637,000 will be allocated to cover administrative costs associated with the programs.</p> <p>CDBG-CV funding received through the CARES Act are allocated through a 2019 Action Plan Amendment.</p> <p>Contingency Plan for CDBG:</p> <p>If cuts are less than 25%:</p> <ul style="list-style-type: none"> <li>• IHEDA CDBG OOR remains at 10% of the total CDBG allocation</li> <li>• Admin and Technical Assistance remain at allowable percentages</li> <li>• Spread remaining percentage reduction throughout all remaining programs</li> </ul> <p>If cuts are greater than 25%: Housing program will not be funded, admin and Technical Assistance remain at allowable percentages, a substantial amendment is issued to reprogram other funds.</p>
<p><b>Describe threshold factors and grant size limits.</b></p>	<p>Please see the program specific grant limits and factors located in the CDBG MOD.</p>

<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>The expected outcomes vary by program; full details are contained in the CDBG MOD. For example, the Stellar Communities Program will make grants available to communities for comprehensive revitalization strategies. In these revitalization strategies, communities will identify areas of interest and types of projects, produce a schedule to complete the projects, produce cost estimates, identify local match amounts, sources, and additional funding, indicate the level of community impact and describe the significance each project will have on the overall revitalization of the region. From these revitalization strategies, regions will produce a three-year regional development plan which will identify capital and quality of life projects to be completed during that period.</p>
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**Table 7 - Distribution Methods by State Program**

## AP-35 Projects

For the 2021 program year, the State proposes to allocate funding to the following activities:

### CDBG funds:

- \$4.5 million for the Stellar Regions program
- \$9 million for Blight Clearance Program
- \$0 million for Wastewater Improvements Program
- \$0 million for Stormwater Improvements Program
- \$3 million for Main Street Revitalization Program
- \$8 million for Public Facilities program
- \$5 million in Pilot Programs for owner-occupied rehabilitation and historic preservation and economic development activities
- \$1.58 million for Planning Fund
- \$200,000 for Technical Assistance
- \$637,082 for Administration

### HOME funds:

- \$7.35 million rental projects/construction
- \$1 million homeownership projects/construction
- \$1.2 million Tenant Based Rental Assistance (TBRA) (if not utilized, will be converted to rental construction). TBRA may be used in other Participating Jurisdictions.
- \$850,000 for CHDO operating and predevelopment
- \$1.3 million administrative uses (\$700,000 internal and \$600,000 organizational capacity)
- \$3 million for the HOME Innovation Round, for Rental housing construction, targeting persons with substance abuse disorders and/or mental health disorders. If these funds are not utilized, they may convert to HOME rental construction.
- The balance of funds, and any Program Income collected during PY2021 will be made available for rental, homebuyer or CHDO operating funds (up to the allowable cap). Any Program Income collected in PY 2021 can be utilized in PY 2022.

**ESG funds:**

- \$2.2 million emergency shelters with operations, essential services, and outreach
- \$1.5 million rental assistance for rapid re-housing
- \$250,000 for administration

**HOPWA funds:**

- \$700,000 in TBRA
- \$350,000 for housing information activities
- \$300,000 short-term rental, utilities and mortgage assistance
- \$150,000 support facility operations and supportive services
- \$65,000 Permanent Housing Placement
- \$170,000 subrecipient and grantee administration

**HTF:**

TBD; Toward the end of the completion of this Plan, IHCD was notified of the NHTF allocation amount which is much higher than anticipated in the Draft Action Plan. Additional activities for the NHTF will be added in an amended 2021 Action Plan.

**Describe the reasons for allocation priorities and any obstacles to addressing underserved needs**

PY2021 allocations prioritize housing needs of the most under-resourced residents, including persons with disabilities, experiencing or at-risk of homelessness, with substance abuse disorders, and/or with mental illness challenges. These Indiana residents have been most impacted by the pandemic and rising housing costs. For CDBG, investments prioritize infrastructure improvements and economic revitalization to assist nonentitlement areas in their continued recovery from the pandemic and jump start private investment.



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

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

No; the state's Section 108 program has been suspended due to lack of interest in the program.

**Available Grant Amounts**

N/A

**Acceptance process of applications**

N/A

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

**Will the state allow units of general local government to carry out community revitalization strategies?**

No.

**State's Process and Criteria for approving local government revitalization strategies**

N/A

## **AP-50 Geographic Distribution – 91.320(f)**

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

The State of Indiana does not prioritize the allocation of CDBG, HOME or ESG geographically. Instead, OCRA and IHCDCA allocate funds to the areas of greatest need, based on stakeholder and resident consultation and the needs assessment and market analysis. This information is used to guide the funding priorities for each program year.

Exact criteria vary by program, yet all programs prioritize assisting low income households. Most of IHCDCA's housing programs prioritize 50 percent AMI households; ESG and HOPWA generally reach to lower income levels due to the nature of the populations they serve.

For IHCDCA's HOME program, applications for rental and homeownership projects located within non-participating jurisdictions and those Participating Jurisdictions which receive less than \$500,000 of HOME funding directly from HUD will be considered for funding.

Several IHCDCA programs are available for projects statewide. This includes IHCDCA's HOME Tenant Based Rental Assistance Program, and projects selected through its Supportive Housing Institute, which utilize HOME and HTF. Toward the end of the completion of this Plan, IHCDCA was notified of the NHTF allocation amount which is much higher than anticipated in the Draft Action Plan. Additional activities for the NHTF will be added in an amended 2021 Action Plan.

The HOPWA grant does rely on a geographic allocation, determined through the Continuum of Care regions because IHCDCA allocates HOPWA to all ISDH-established care coordination regions except Washington, Harrison, Floyd, Scott and Clark counties. These four counties are served by KY. It was determined that IHCDCA will fund one HOPWA project sponsor per every care coordination region. This will remain true for all care coordination regions. If a distinct eligible population with specific needs exists in a region (for example, homeless men in Lake County), IHCDCA will work with the regional subrecipient to tailor services to meet the needs of the population.

### **Geographic Distribution**

<b>Target Area</b>	<b>Percentage of Funds</b>
N/A	N/A

**Table 8 - Geographic Distribution**

### **Rationale for the priorities for allocating investments geographically**

The State agencies that receive funds determine geographic allocation based on grants that are awarded each year. Both OCRA and IHCDCA monitor geographic distribution of funds to ensure that application criteria do not have the effect of disproportionately allocating funds into specific geographic areas.

## Affordable Housing

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

#### Introduction:

This section lists the one year goals for numbers of households supported through HOME funding. These numbers are based on prior year accomplishments (reported in the CAPER) and projected project costs.

<b>One Year Goals for the Number of Households to be Supported</b>
Homeless = 20
Non-Homeless = 255
Special-Needs = 20
Total = 295

**Table 9 - One Year Goals for Affordable Housing by Support Requirement**

<b>One Year Goals for the Number of Households Supported Through</b>
Rental Assistance = 75
The Production of New Units = 200
Rehab of Existing Units = 20
Acquisition of Existing Units = 0
Total = 295

**Table 10 - One Year Goals for Affordable Housing by Support Type**

#### Discussion:

The precise number of households to be supported through production of new units, rehab of existing units and acquisition of existing units is not yet known. It will be based upon the number of applications received.

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

### **Introduction:**

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

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

Since January of 2019, IHCD has approved several Rental Assistance Demonstration projects, preserving 416 units across the State of Indiana.

Ten percent (10%) of available annual Rental Housing Tax Credits will be set aside for Developments involving the substantial rehabilitation of existing federally assisted affordable housing and/or the demolition and decentralization of federally assisted affordable housing units utilizing the same site (over 50% of the units must be replaced in the Development/Application).

This includes:

- Developments that propose the preservation of HUD or USDA affordable housing; or
- RHTC Developments with Compliance Periods that have expired or are expiring in the current year and the extended use agreement is still in place; or
- Federally assisted developments which entail demolition and decentralization of units with replacement of units on the same site as described above.

To be eligible for the set-aside, a Development must meet the following requirements:

- If a Development contains multiple building and construction types, at least 50% of the units must qualify as preservation units; and
- Rehabilitation hard costs must be in excess of \$30,000 per unit excluding the costs of furniture, construction of community buildings and common area amenities. However, USDA Rural Development Section 515 properties may include the cost of construction for community buildings and common area amenities in the minimum per unit amount. Note: for Developments competing in all other set-asides, rehabilitation hard costs must be in excess of \$20,000 per unit.

In addition, IHCD also offers points to Rental Housing Tax Credit Applications who propose the preservation of HUD or USDA affordable housing (including, but not limited to Project Based Section 8, Public Housing or RD 515 Properties).

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

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

### **If the PHA is designated as troubled, describe the manner in which financial assistance will be**

**provided or other assistance**

IHCDA is a High Performing Section 8-only PHA.

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

### **Introduction**

For the 2021 Action Plan, the State considered feedback from service providers and shelters about the growing challenges of assisting residents experiencing homelessness. Stakeholders continued to express concerns about the limited housing and services to assist persons recovery from addiction, especially those leaving the criminal justice system. Housing with an integrated care model is imperative for these residents, and needed for persons with disabilities and seniors.

### **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including**

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

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

- Require all HUD McKinney Vento Funded programs to utilize HMIS for all shelter or transitional housing or permanent supportive housing programs serving homeless individuals and families.
- Require all HUD McKinney Vento Funded programs to participate in the annual, statewide homeless Point-in-Time Count in late January and timely submission of this data to IHCD.
- Require all HUD McKinney Vento Funded programs subrecipients actively participate in their Regional Planning Council on the Homeless meetings regularly.
- Require all HUD McKinney Vento Funded programs to participate in the Coordinated Entry in their Region.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

In addition to the allocation of ESG to meet the needs of persons who are homeless (see AP-25), emergency shelter and transitional housing needs are addressed through the ESG's participation in their local Regional Planning Council on Homeless in their Region but also through each Committee under the CoC Board. The Committees have been updated by the new CoC Board. They are: Executive Committee, Resources and Funding Committee, Strategic Planning Committee, Performance and Outcomes Committee and Ad Hoc Committees as needed. The State ESG program is part of the work of each committee in some way or another.

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

Rapid re-housing activities include housing relocation and stabilization services and financial assistance with rent, utilities, arrears, and deposits. The function of these funds is to provide short-term assistance

to individuals and families. The State offers shelters a version of RRH that did not include rental assistance, and instead covers one time assistance to support a direct connection from shelter to permanent housing including housing relocation and stabilization services, utilities, arrears, and deposits.

Sub-recipients that receive RRH funds are required to create a Memorandum of Understanding (MOU) with shelters in their region to further strengthen the connection from emergency housing to permanent options including rentals with short/medium term subsidy.

A persistent barrier to the transition to permanent housing is lack of employment. This remains especially difficult in rural areas. Emergency shelters also reported that clients face challenges in moving from the shelter into permanent or transitional housing within the 40-day timeframe, which was the objective. Lack of affordable housing availability continues to be a key factor in extended lengths of stay in shelter while the housing search is in process.

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

The Indiana Supportive Housing Institute is an important element of the Indiana Permanent Supportive Housing Initiative (IPSHI), which was launched by IHEDA and the Corporation for Supportive Housing (CSH) in 2008 to further the strategy to end long-term and recurring homelessness. The focus is on funding lasting solutions instead of stop-gap programs. The 2021 Institute will address issues of homelessness with a focus on serving people with high needs who are on the Coordinated Entry System and eligible for Section 811 Project Rental Assistance – Section 811 funds will support units for extremely low income households where at least one person must be an individual with a disability, 18 years of age or older, and less than 62 years of age at a time of admission to the property. The person with the disability must be eligible for community-based, long-term services as provided through Medicaid waivers, Medicaid state plan options, state funded services or other appropriate services as allowed under the Section 811 program. Supportive housing developed through the Institute must use the local CE system for tenant selection. CE is a process in which households experiencing homelessness are assessed using a common tool to determine vulnerability and placed on a dynamic list for referral housing resources.

The Institute will help supportive housing partners learn how to navigate the complex process of developing housing with supportive services to prevent and end homelessness. The Institute process is expected to reduce the time it takes to obtain funding for supportive housing by improving the planning and development process.

Consideration will be given to both integrated supportive housing and 100 percent supportive housing developments.

The 2021 Institute will provide targeted training, technical assistance, and the opportunity to apply for



predevelopment financing for both new and experienced development teams. Teams will receive over 80 hours of training including individualized technical assistance and resources to assist in completing their project. In addition, industry experts, including staff from the Indiana Housing and Community Development Authority (IHCDA), will provide insight on property management, financing, and building design.

**AP-70 HOPWA Goals – 91.320(k)(4)**

<b>One year goals for the number of households to be provided housing through the use of HOPWA for:</b>	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	225
Tenant-based rental assistance	125
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	25
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
<b>Total</b>	<b>375</b>

## **AP-75 Barriers to affordable housing – 91.320(i)**

### **Introduction:**

In 2016, the State of Indiana updated its Analysis of Impediments to Fair Housing Choice (AI) to incorporate the new Assessment of Fair Housing framework for identifying barriers to housing choice—as well as access to economic opportunity.

The following fair housing issues were identified in the 2016 AI, which included quantitative analysis, input from stakeholders in two rounds of surveys, focus groups and interviews, and a statistically significant resident survey with oversampling of persons with disabilities and non-White residents.

IHCDA is currently conducting a State-wide Housing Study, which should identify housing gaps across the housing spectrum and additional barriers. IHCDA anticipates the housing study to be completed by 2022.

### **Housing Issues**

- Poor condition of affordable housing stock according to residents and stakeholders. Inability of residents to make needed improvements due to low incomes.
- Disproportionately high levels of cost burden and lower levels of homeownership for minority populations other than Asian residents.
- Cost burden gaps are greatest for minority residents earning between 30 and 50 percent of the area median income—those just over the poverty level (lower middle class).
- Minority residents and residents with disabilities are most likely to express challenges with home buying associated with down payments and mortgage loan qualifications.
- High mortgage loan denial rates for non-White residents, even when adjusting for income level.
- Higher use of publicly-supported housing by African American residents, suggesting challenges obtaining private market housing.
- Housing choice for residents with disabilities restricted by the lack of available, affordable, accessible housing. Nearly one-fourth of residents say the home they live in does not meet their family's disability needs and nearly two-thirds cannot afford to make improvements. The most needed improvement is ramps and handrails.
- Landlords not accepting service animals and charging higher rents or deposits for persons with disabilities requesting reasonable accommodations.
- Lack of rental housing for families with children: on average 72 percent of Housing Choice Voucher wait lists are families with children. PHAs surveyed for the AI consistently rated families with children as the demographic group with the most trouble finding rental housing—even more so than residents with criminal backgrounds.

### **Economic Opportunity Issues**

- Gaps in educational attainment for Hispanic residents.
- Residents with disabilities face challenges finding employment and those who are employed earn less than those without a disability.
- Economic differences contributing to segregation, mostly in urban areas. In some areas,

systemic steering, lack of opportunity and lack of available housing perpetuate racially homogenous neighborhoods.

- Limitations (property tax caps) on State and local tax revenue generation.
- Severe lack of services and trained staff to deliver mental health and supportive services.

The factors contributing to these issues are:

- Economic weaknesses in some nonentitlement areas preventing residents from making needed repairs.
- Lack of accessible housing stock.
- Historically lower incomes of non-White and Hispanic residents and, for Hispanic residents, lower rates of educational attainment.
- Residents with disabilities facing lower employment opportunities and discrimination in housing markets.
- Families with children and non-White and Hispanic residents experiencing discrimination in rental market transactions.
- Landlords not complying with and/or not understanding fair housing laws, particularly reasonable accommodations.
- Insufficient resources to fund ADA improvements to public buildings and infrastructure, particularly in rural areas.

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

Since the 2016 AI was developed, OCRA and IHCD have worked closely with the Fair Housing Center of Central Indiana (FHCCI) and the Indiana Civil Rights Division (ICRC) to address the identified barriers. These partnerships will continue during the 2021 Program Year and will focus on: Fair housing testing; Fair housing training and education and outreach; and Inspecting and testing IHCD funded properties for fair housing compliance.

Land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations and policies affecting the return on residential development and largely determined at the local level and are outside of the State's purview.

## **AP-85 Other Actions – 91.320(j)**

### **Introduction:**

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

### **Actions planned to address obstacles to meeting underserved needs**

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

As an example, the IHCD HOME Rental Policy contains an Opportunity Index scoring section. The purpose of this category is to incentivize developments in areas of opportunity. The Opportunity Index awards points for locating projects in areas close to public transportation and fresh produce as well as in areas with low unemployment rates, high job growth, and high median household incomes.

Together, these categories enable IHCD to ensure projects are being funded in areas of opportunity and in areas where there is a high need for assistance.

IHCD will also allow for CHDOs to apply for HOME funding if their project is located within a PJ who receives less than \$500,000 of HOME if the PJ also commits HOME funding to the project; this policy can assist with financing HOME projects which otherwise may have significant financial gaps in markets in which a larger LIHTC project may not be feasible, or in which there is not a market.

IHCD has also worked on providing and supporting capacity building of non-profits and CHDOs, offering a myriad of trainings including, but not limited to: National Development Council Rental Housing Development Certification, CHDO and Non-Profit Executive Course, HOME Fundamentals Training, Project Development Training, Green Building Certification, Lead and RRP Training and Certification, Aging in Place Certification, Universal Design Certification, Fair Housing Training, and training on Environmental Reviews and Section 106. Though this training, IHCD hopes to continue to provide quality training on how to use its federal funding and to ensure the highest quality of affordable housing. IHCD will continue to sponsor and/or offer these trainings throughout PY 2021.

IHCD has also increased the amount of funding for its Tenant Based Rental Assistance. IHCD has designed its TBRA program to improve the range of housing options for income qualified formerly incarcerated individuals. Under IHCD's TBRA Program, IHCD may provide security deposits, utility deposit assistance, or rental assistance. IHCD also elected to use several waivers as allowed by HUD in response to the COVID-19 pandemic. The waivers, which include rent reasonableness, eligible TBRA costs and maximum TBRA subsidy, term of rental assistance contract, tenant protects -lease, housing quality standards and the annual Inspection of units occupied by Recipients of HOME TBRA will all be

applicable through the HUD eligible timeframe to allow for great ease of use under the program.

### **Actions planned to foster and maintain affordable housing**

The primary activities to foster and maintain affordable housing are the state's CDBG, HOME and HTF funded activities that include the production of new units, homeownership opportunities, home rehabilitation and capacity support for affordable housing developers. IHEDA uses each of its programs to target a variety of needs and populations including, though not limited to: seniors, persons who are homeless, persons with physical or developmental disabilities, persons with mental impairments, persons with chemical addictions, single parents, victims of domestic violence, abused children families with children six and under veterans, and the re-entry population. IHEDA has supported numerous trainings on different facets on developing and maintaining affordable housing, and supporting fair housing and access to safe, quality housing across the state.

IHEDA's HOME program is focused on the following goals:

1. Demonstrate they are meeting the needs of their specific community;
2. Reach low and very low-income levels of area median income;
3. Link the project to the revitalization of existing neighborhoods, preferably through a comprehensive approach (i.e. as part of a published and approved community revitalization plan);
4. Advance projects that promote aging-in-place strategies for seniors, persons with disabilities, and families with seniors or persons with disabilities;
5. Propose projects that are energy-efficient and are of the highest quality attainable within a reasonable cost structure.

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

- Pre-development and seed financing – limited to eligible nonprofits
- Permanent Supportive Housing – Applicants must participate in the Indiana Supportive Housing Institute to be considered for an IHEDA investment.
- Rental assistance
- Acquisition, rehabilitation, guarantees, refinance, or (re)construction of rental housing
- Homeownership counseling and down payment assistance (not available using HOME funding)
- Acquisition, rehabilitation, guarantees, refinance, or (re)construction of homebuyer housing

Additionally, the State utilizes other programs (summarized earlier in this section) to help foster and

maintain affordable housing and include:

- Affordable Housing and Community Development Fund;
- Indiana Foreclosure Prevention Network;
- Low Income Housing Tax Credits (LIHTC); and
- Section 8 voucher program.

IHCDA has also updated its housing counseling requirements for its HOME Homebuyer applicants.

The HOME regulations at 92.254(a)(3) require all homebuyers who receive HOME assistance or purchase units development with HOME funds must receive housing counseling. In a final rule published by HUD's Office of Housing Counseling, HUD established housing counseling certification requirements provided in connection with a HUD program. All adult household members who will hold title and be a party to the senior loan are required to complete homebuyer counseling.

Under the rule, all homebuyers assisted under the HOME program must receiving housing counseling that is performed by a certified housing counselor who has passed the HUD certification examination **and** is employed by a HUD-approved housing counseling agency.

The Housing Counseling must be independent, expert advice customized to the need of the consumer to address the consumer's housing barriers and to help achieve their housing goals and must, at a minimum include the following process:

- Intake
- Financial and housing affordability analysis
- An Action Plan
- Reasonable effort to have following up communication with the client when possible.

The content and process of housing counseling must meet the standards outlined in 24 CFR part 214. The counseling **must be individualized** to the specific potential homebuyer. The counseling must address all homeownership topics relevant to the client, including:

- The decision to purchase a home;
- The selection and purchase of a home;
- Issues arising during and affecting the period of ownership of a home (including financial, refinancing, default, and foreclosure and other financial decisions);
- The sale or other disposition of a home.

In addition, the counselor must communicate on the importance of obtaining an independent home inspection using the materials available. All homebuyers must be given the two HUD brochures referenced below about the importance of home inspections. The recipient must ensure that each homebuyer signs a receipt acknowledging they were given these items. Both items may be accessed here: <https://www.hudexchange.info/resource/4747/for-your-protection-get-a-home-inspection/>

Eligible housing counseling is not services that provide only housing information, placement or referral services, routine administrative activities (such as intake), case management that provides housing series as incidental to a larger case management and does not fund housing counseling, fair housing advice and advocacy (such as filing claims), or group education without individualized services.

IHCDA will pre-purchase and post-purchase counseling as eligible under this policy. The delivery method may be flexible (in-person, phone or the internet), but the counseling must be specific to the homebuyer. The counselor at a minimum must provide eight (8) hours of training; at least six hours must be pre-purchase. The certificate is valid for one year after completion of the training. The applicant, prior to entering into the sales contract, must submit documentation of the training to IHCDA for approval. If the pre-purchase training was not conducted, or approved by IHCDA at time of the signed sales contract, the grantee will be required to repay HOME funds to IHCDA.

The recipient may not charge servicing, origination, processing, inspection, or other fees for the costs of providing homeownership program assistance.

### **Actions planned to reduce lead-based paint hazards**

Lead-based paint hazards will primary be addressed through HOME funded rehabilitation activities. IHCDA has developed new lead forms, and done multiple trainings on how to address lead based paint through both these programs in partnership with HUD. IHCDA will continue workshop on the Lead Safe Housing Rule and the HUD Lead regulations to administrators and contractors. IHCDA will also be addressing the dearth of eligible risk assessors, inspectors and licensed contractors by working with the Indiana Builders Association to advertise trainings. IHCDA has also developed a program to allow for reimbursement for contractors to receive their appropriate lead licenses.

In addition, IHCDA has been awarded the Lead Hazard Reduction Demonstration Grant through HUD; this award has been extended for an additional year. In partnership with the Indiana State Department of Health, IHCDA is using these funds will for the identification of lead hazards in units occupied by children who have been lead poisoned or are at-risk of becoming lead poisoned; the remediation of the lead hazards through appropriate control or abatement procedures; and ancillary activities such as training, outreach, and casework. Healthy Homes funding will promote and develop coordination of the lead hazard control activities with other healthy homes steps. These and other activities include providing smoke detectors, providing carbon monoxide detectors, installing anti-scald devices on bathtubs and installing and/or checking handrails. IHCDA is in their third year of executing this vital grant.

IHCDA will also be keeping a database of lead-free housing for rental units which undergo lead hazard control through the LHRD grant program.

IHCDA also developed a Lead Advocacy Team, consisting of IHCDA staff, State Department of Health, and the Indiana Community Action Association (INCAA) to discuss lead-based paint hazards across the state.

Lastly, IHCDA in partnership with the Indiana State Department of Healthy has created the Lead Protection Program, which offers multiple resources to qualified residents. IHCDA keeps a website of all state-lead programming, a Lead Paint Safety guide, applications in both English and Spanish for interested families on this website: <https://www.in.gov/myihcda/2675.htm>.

### **Actions planned to reduce the number of poverty-level families**

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.

The Governor's 2020 Next Level plan focuses on expanding educational and skill development opportunities in rural areas; attracting Defense Department-related jobs, and investing in broadband statewide.

In recent years, IHCD has made several program adjustments to more directly target funds to benefit poverty-level families. IHCD has added an Opportunity Index to incentive the construction of HOME projects in areas with public transit, low unemployment, high job growth, proximity to employers, low poverty rate, and higher household income at the county and census tract level. IHCD also added a new scoring category on Health and Quality of Life Factors to incentive HOME developments near primary care physicians, fresh produce, and proximity to positive land uses.

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

### **Actions planned to develop institutional structure**

OCRA and IHCD will continue to build capacity, leadership, and institutional structure in rural areas through:

- Regional Capacity Building workshops;
- Webinars and regional meetings to discuss funding opportunities and answer questions from grantees;
- Participation in state conferences to market programs;
- The Indiana Permanent Supportive Housing Institute;
- CHDO working group – a group of eight CHDO across the State of Indiana to discuss successes and challenges with the HOME Program, and to provide peer-to-peer support on non-profit capacity building.
- Trainings on Fair Housing and Reasonable Accommodations, Lead Based Paint, Certified Green Professional Certification, Certified Aging in Place Training and Universal Design; and
- Affordable housing development training.

IHCD has moved many of these trainings to an online format due to COVID concerns and has made many of the trainings lower-cost or free for participants.

### **Actions planned to enhance coordination between public and private housing and social**

## service agencies

The State has an active network of community development corporations, many of which have become increasingly focused on housing and community development issues. These organizations are engaged in a variety of projects to meet their communities' needs, from small-scale rehabilitation programs to main street revitalization. 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. Prosperity Indiana provides policy coordination, as well as training and technical assistance, to support nonprofit housing and community development activities. The Back Home in Indiana Alliance is composed of Indiana leaders in several affordable-housing and disability-related organizations and help people with disabilities become homeowners in several Indiana communities.

Through provision of training and technical assistance (discussed above), OCRA and IHEDA support coordination and help to build partnerships with and among these organizations. Examples from prior program years, which will be continued in PY2021, include:

IHEDA's and OCRA's executive leadership and staff speak at public and private housing and community development events. IHEDA staff have spoken at a variety of conferences for Accelerate Indiana Municipalities (AIM); the Indiana Association of Regional Councils (IARC); Indiana Housing Conference; and the Indiana Township Trustees Association, among others.

OCRA holds regular "listening sessions" in nonentitlement areas throughout the state to gather information on economic development and housing challenges. Those sessions provide an opportunity for various housing, service, and community development interests to explore solutions to their needs and foster working relationships.

OCRA's community liaisons (OCRA's can be found at <https://www.in.gov/ocra/2330.htm>) partner with local units of government, the private sector, and nonprofits to locate and proactively work to locate funding and other resources for community and economic development projects, as well as facilitate the meeting of local officials, state, and federal agencies. They also provide technical assistance on all OCRA programs.

IHEDA's two Real Estate Production Analysts each cover a region of the state (North, and, South) and provide frequent outreach and technical assistance. Outreach is provided by email, over the phone, and in-person when requested. Production Analysts also attend ribbon cutting, groundbreaking, and other promotional events.

IHEDA conducts regional outreach meetings every year. These meetings are held three to five times a year and are each located in a different area of the state in order to ensure that partners in all areas of the state are able to easily attend. The information provided at these meetings is also tailored to address the specific needs of the region in which the meetings is being held. Local projects are highlighted as well. Production Analysts and other IHEDA staff utilize their existing contacts to invite current and potential partners to these meetings. Outreach meetings provide an opportunity for partners to meet their analysts as well as ask questions and provide input on IHEDA policy. Due to

COVID precautions, these meetings have been held virtually and can continue to be conducted as webinars if necessary.

IHCDA held weekly and bi-weekly listening sessions with HOME and CDBG partners to address difficulties resulting from the COVID-19 pandemic. Partners were able to directly communicate concerns and complications to IHCDA during these sessions. They were also able to discuss best practices with other partners participating in the sessions. The information gathered during these sessions was utilized in updating IHCDA policies and procedures.

IHCDA also sponsors, in partnership with the Indiana Affordable Housing Conference, the Indiana Housing Conference. The Indiana Housing Conference is an annual conference for affordable housing professionals in which industry news and best practices are discussed. The conference also provides an opportunity for networking between affordable housing professionals from across the state and country.

The 2021 Supportive Housing Institute will address issues of homelessness with a focus on serving people with high needs who are on the Coordinated Entry System and eligible for Section 811 Project Rental Assistance – Section 811 funds will support units for extremely low income households where at least one person must be an individual with a disability, 18 years of age or older, and less than 62 years of age at a time of admission to the property. The person with the disability must be eligible for community-based, long-term services as provided through Medicaid waivers, Medicaid state plan options, state funded services or other appropriate services as allowed under the Section 811 program. Supportive housing developed through the Institute must use the local CE system for tenant section. CE is a process in which households experiencing homelessness are assessed using a common tool to determine vulnerability and placed on a dynamic list for referral housing resources.

IHCDA and OCRA will also partner on the re-launch of Stellar and will work with DMHA on the HOME Innovation Program to target housing for persons with SUDs and mental health disorders.

IHCDA has also continued to partner with the State Department of Health on Lead based Paint and is partnering with ISDOH on the Lead Hazard Reduction Demonstration Grant. IHCDA has started a Lead Advocacy Group who meets monthly to discuss lead-based paint issues throughout the state. The group consists of IHCDA, ISDH, and the Indiana Community Action Agency.

IHCDA has also established a strong relationship with the Family and Social Services Administration (FSSA) to coordinate affordable assisted living rental housing production and housing for persons with intellectual or developmental disabilities, or persons who have a chemical addiction.

Finally, when funding rounds are open, OCRA and IHCDA both hold webinars and regional visits were held to educate potential grantees about the application process.

## Program Specific Requirements

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

#### Introduction:

This section outlines the program specific requirements for all funding sources.

Please note that toward the end of the completion of this Plan, IHEDA was notified that the NHTF allocation amount had not yet been determined. Activities for the NHTF will be added in an amended 2021 Action Plan.

### Community Development Block Grant Program (CDBG)

#### Reference 24 CFR 91.320(k)(1)

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

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan.	0
5. The amount of income from float-funded activities	0
Total Program Income	0

#### Other CDBG Requirements

1. The amount of urgent need activities	\$0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income	80.00%

### HOME Investment Partnership Program (HOME)

#### Reference 24 CFR 91.320(k)(2)

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

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

The recipient must implement recapture restrictions for any homebuyer property purchased, in whole or in part, by a homebuyer that received a direct buyer subsidy from the recipient in an

amount greater than or equal to One Thousand and 01/100 Dollars (\$1,001) from HOME funds. A homebuyer subsidy consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidizes the purchase (e.g., down-payment or closing cost assistance, subordinate financing). Developers, other than CHDO's, are not allowed to provide down-payment or closing cost assistance; however, a developer may provide a direct subsidy by reducing the purchase price from fair market value to an affordable price.

There are two different consequences that may be associated with a recapture provision: (1) the recapture provision can be triggered (as described just below) or (2) an event of non-compliance can occur (as described further below). The recapture provisions are triggered if any of the following occur during the Affordability Period:

1. The homebuyer transfers or conveys the property by deed, land contract, or otherwise;
2. Foreclosure proceedings are commenced against the property;
3. The property is transferred by an instrument in lieu of foreclosure; or,
4. The title to the property is transferred from the homebuyer through any other involuntary means.

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

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

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

If there is both a development subsidy and a direct homebuyer subsidy or just a direct homebuyer subsidy, a recapture provision must be implemented. In cases where a direct homebuyer subsidy was not provided and there is only a development subsidy, resale restrictions must be executed on the property. Under recapture guidelines the Affordability Period is based upon the total amount of the direct homebuyer subsidy that the homebuyer received in HOME funds. A direct homebuyer subsidy consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidizes the purchase (e.g., down-payment or closing

cost assistance, subordinate financing).

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

Please see the Grantee Unique Appendices for the guidelines. IHCD does use the home affordable homeownership limits published by HUD.

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

N/A

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

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

Please see the Grantee Unique Appendices for the guidelines.

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

The Coordinated Assessment Committee of the Balance of State Continuum of Care Board is working with the State ESG program to develop and coordinate regional centralized intake and triage centers to ensure access to assistance is driven by the needs of persons experiencing homelessness. IHCD is the collaborative applicant within the CoC and IHCD was awarded the Coordinated Access Grant. With the assistance of the CoC Board, IHCD has will developed and improves upon the coordinated access system.

**Access:** The Coordinated Assessment will be in the HMIS system and utilized by the Coordinated Access agency within the Region within the Balance of State CoC whether they are an ESG subrecipient or other programs funded by McKinney Vento. Each Region will determine if their Coordinated Access will be a centralized or decentralized system.

**Assessment:** Each homeless person will be assessed and triaged based on their needs in order to prioritize the most vulnerable and those with the highest barriers for first assistance. This priority would include the chronic homeless population.

**Assign:** Once assessed the person/family then will be assigned to the right type of housing that best suits their needs whether it is permanent supportive housing, rapid rehousing or VASH voucher and whether it is available in that area or Region.

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

IHCDA plans to allocate funding to a maximum of 15 agencies to administer the ESG Rapid Rehousing and Homeless Prevention Activities of the ESG program for line items such as: housing relocation and services (financial and services), rental assistance and administration.

There will be approximately 60 agencies that will apply for emergency shelter component that includes operations, essentials, and financial assistance and approximately two - six agencies that may apply for the Annual Action Plan street outreach activity. No more than 60% of ESG funds will be allocated to operations, essentials and street outreach. A request for proposals will be distributed to all the Regional Planning Councils on the Homeless throughout the Balance of State, to the current subrecipients of the ESG program, current permanent supportive housing rental assistance programs (mental health centers, housing agencies, community action agencies, non-profits) who have had experience with rental assistance. Each proposal will be reviewed by at least one IHCDA Community Services staff person and by a member of a Committee under the CoC Board. Each reviewer will complete a scoring tool, assigning points based on the following program design components: outreach system, commitment to the coordinated access intake point, systems coordination, organizational capacity, permanent housing placement strategy, history of administering the rental assistance programs, amount of match provided and coordination with ESG Entitlement City funds (as applicable). Each subrecipient will be awarded based upon the average of their proposal score and the amount of funding that will be available. The amount of each award could be between \$60,000 and \$250,000 each.

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

The State ESG recipient – IHCDA - has a member of the Resource & Funding Committee and the Balance of State CoC Board who has been formerly homeless and currently lives in a permanent home after recently leaving permanent supportive housing. The committee provides guidance to our CoC Programs and their policies and procedures. The State of Indiana recognizes the invaluable perspective of individuals who are currently homeless and formerly homeless in developing an effective person-centered program and system.

The State program strongly encourages subrecipients of the ESG program to incorporate this participation, to the maximum extent practicable, in a policy-making function of both the organization and the respective regional Planning Council on the Homeless. The State ESG program application requires subrecipients to demonstrate how participation and input of people experiencing homelessness is utilized at both an organizational level and within their regional Planning Councils on Homelessness. This will be a threshold item and will require the subrecipient to provide documentation around their policies for verification. This issue is also reviewed during program monitoring visits.

5. Describe performance standards for evaluating ESG.

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

Baseline performance measurements will be reports generated by the HMIS system and mainly from the ESG CAPER reports for the current grant prior year. Two of the standards are specific to the subrecipient's program performance and the remaining two are specific to system outcomes.

ESG subrecipients will be able to set their own goals for the next years on areas such as: discharging persons to permanent housing, increasing employment income and increasing overall income by persons who exit the emergency housing.

Below are goals that IHEDA would like to reach on an annual basis:

ESG RR -rental assistance program subrecipients: At discharge from program, 82 percent of persons assisted will still be permanently housed, and 65 percent will increase their income.

ESG program subrecipients that are Emergency shelters that have activities such as operations, essential services and financial assistance: 50 percent of persons will discharge to permanent housing, and 25 percent will increase their income.

ESG program subrecipients that have outreach component: 50 percent of identified caseload will be permanently housed.

ESG program subrecipients that have outreach component: 50 percent identified caseload will increase their income.

The average length of stay of participants in ESG funded and other CoC programs should decrease by at least 10 percent.

**Housing Trust Fund (HTF)**  
**Reference 24 CFR 91.320(k)(5)**

1. How will the grantee distribute its HTF funds? Select all that apply:

Applications submitted by eligible recipients

2. If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter "N/A".

N/A



3. If distributing HTF funds by selecting applications submitted by eligible recipients,  
a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2).  
If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Eligible applicants include CHDOs, non- and for-profit affordable housing developers, and joint venture partnerships.

1. Whether the development demonstrates a need for HTF in order to make a greater number of units affordable to extremely low and very low households;
2. Whether the development meets State and Federal requirements of all programs for which the applicant is applying, including the threshold requirements;
3. Successful completion of the Permanent Supportive Housing Institute;
4. If the development ranking is sufficient for it to be awarded RHTC pursuant to the RHTC process as outlined in the current QAP; and,
5. The availability of HTF funds.

b. Describe the grantee’s application requirements for eligible recipients to apply for HTF funds.  
If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Application requirements are described in Parts V, VI, and VIII in the HTF Policy, which is part of Appendix A (Methods of Distribution) in the Grantee Unique Appendices.

c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

The Selection Criteria to select eligible recipients is described in Parts V and VI of the HTF Policy, which is part of Appendix A.

d. Describe the grantee’s required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Eligible developments can be located in any city, town or county located in Indiana. There is no geographic preference to the use of the HTF.

e. Describe the grantee’s required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Timely Undertaking – moderate priority: As stated under the Threshold Items Section 6.3 (d) of the HTF Policy, the applicant is required to demonstrate their ability to undertake the activities set forth in its application upon receipt of the HTF award, to begin construction within 12 months of receipt of the award, and to complete the development within a 24 month period.

6.3(d): The applicant must demonstrate experience and capacity to conduct an eligible HTF activity as

evidenced by its ability to:

Own, construct, or rehabilitate, and manage and operate an affordable multifamily rental housing development; or

1. Design, construct, or rehabilitate, and market affordable housing for homeownership.
2. That the applicant has the capacity to undertake the activities set forth in its application upon receipt of the HTF award and begin construction within 12 months of receipt of the award and complete the development within a 24-month period.

f. Describe the grantee's required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Project-Based Rental Assistance – high priority: As stated under Threshold Items Section 6.3 (c) and 6.3 (e), in order to be eligible for the supportive housing set-aside of the QAP and for HTF funding, the applicant must demonstrate how units will be made affordable to the targeted population of persons experiencing homelessness. All developments are required to identify a source of project-based rental assistance for the supportive housing units, generally through Project-Based Section 8 vouchers or CoC funding. Developments that have not identified an operating subsidy source do not meet threshold and will not be considered for funding. As stated under Section 7.1 Rents Charged, Applicants may be eligible for 28 point for rent targeting.

6.3(c): The Applicant must identify all subsidy sources. Funding commitments must be provided with the RHTC application. If the funding has not yet been committed, application must provide proof of application, a narrative describing the selection process, and a narrative plan on how the development will move forward if the application is denied. HTF cannot be committed until all other sources have been committed.

6.3 (e): The Development must serve populations that are extremely low income and experiencing homelessness. The target population served by the development must be the target population that was identified based on community need and relevant data through the Supportive Housing Institute process and align with the goals of the Consolidated Plan.

g. Describe the grantee's required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Affordability Period – low priority: As stated under the Threshold Criteria Section 6.3 (a), applicants must meet the minimum 30-year period of affordability to be eligible for funding.

h. Describe the grantee's required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development

features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Priority Housing Needs of Indiana – high priority: Through the 2020-2024 Consolidated Plan, the State of Indiana includes extremely low income households and permanent supportive housing/integrated supporting housing as “housing priority needs.”

To be eligible for the supportive housing set-aside in the QAP and for HTF, the applicant must further the creation of community-based housing that targets the extremely low income (less than 30% AMI) with intensive service programs that have a direct impact on reducing homelessness through the Housing First model, to meet the State’s priority housing needs of serving extremely low income households. Applicants who have not successfully completed the Supportive Housing Institute and/or who do not meet the set-aside criteria as identified in both the QAP and in Sections 2.1 and 6.3 (e) of this Allocation Plan will not be eligible for funding.

In addition, IHCD may award additional scoring of 93 points under Sections 7.1 Rents Charged; 7.2 Development Characteristics; and 7.3 Sustainable Development to prioritize projects which best serve.

i. Describe the grantee’s required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Extent of Non-Federal Funding – moderate priority: As stated under the Threshold Items Section 6.3 (c), the applicant must demonstrate all subsidy sources. IHCD may also award up to 11 points for projects that meet the criteria as outlined in Sections 7.2 (l) Tax Credit Per Unit; 7.2 (m) Tax Credit per Bedroom; 7.4 (a) Leveraging Capital Resources; and 7.4 (c) Previous Funding in a Local Government.

4. Does the grantee’s application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select “N/A”.

Yes

5. Does the grantee’s application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select “N/A”.

Yes

**6. Performance Goals and Benchmarks.** The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee’s goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

Yes

### **7. Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds.**

Enter or attach the grantee's maximum per-unit development subsidy limits for housing assisted with HTF funds.

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME's maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

See Part 4.1 Subsidy and Budget Limitations of the HTF Policy for the per unit subsidy limits. A description of how the limits were determined by be found in the same section.

**8. Rehabilitation Standards.** The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; and Capital Needs Assessments (if applicable).

All HTF funded projects must meet the property standards outlined in 93.301. The rehabilitation standards are set in a separate appendix.

- Developments must use Uniform Physical Condition Standards (UPCS). A listing of those standards can be found in the Multi-Family Checklist. Beyond the UPCS standards, projects must also comply with IHCD Rehabilitation Standards (see Exhibit A); and the stricter of the local rehabilitation standards or the Indiana State Building Code.
- The development must meet the accessibility requirements at 24 CFR Part I, which implements Section 504 of the Rehabilitation Act of 1973.
- Covered multi-family units, as defined at 24 CFR 100.201, must meet the design and construction requirements at 24 CFR 100.205, which implements the Federal Fair Housing Act Amendments of 1988.
- Any units utilizing gas appliances must provide carbon monoxide detectors in addition to standard smoke detectors.
- Newly constructed units must meet additional energy efficiency standards for new construction pursuant to section 109 of the Cranston-Gonzalez National Affordable Housing Act.
- Where relevant, the housing must be constructed to mitigate the impacts of potential disaster, in accordance with State and local codes, ordinances, or other State and local requirements, or such other requirements as HUD may establish.

**9. Resale or Recapture Guidelines.** Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

N/A

**10. HTF Affordable Homeownership Limits.** If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

The grantee has determined its own affordable homeownership limits using the methodology described in § 93.305(a)(2) and the limits are attached.

N/A

**11. Grantee Limited Beneficiaries or Preferences.** Describe how the grantee will limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population to serve unmet needs identified in its consolidated plan or annual action plan. If the grantee will not limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population, enter "N/A."

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3) only if such limitation or preference is described in the action plan.

The purpose of this Housing Trust Fund (HTF) application is to provide subsidies in the form of grants to selected applicants for the acquisition, rehabilitation and/or new construction of supportive housing for persons with extremely low income (at or below 30% of area median income). For this funding cycle, a portion of the HTF funds will be offered exclusively to Rental Housing Tax Credit developments that (1) apply for funding under the Qualified Allocation Plan (QAP) for the Rental Housing Tax Credit Program (RHTC) and (2) successfully completed the Indiana Supportive Housing Institute.

Eligible applicants for tax credits and HTF funds must have successfully fulfilled all requirements and demonstrated meaningful and successful participation in the Indiana Supportive Housing Institute for the specific development for which they are applying. The Indiana Supportive Housing Institute provides training and support to organizations that plan to create supportive housing. Tenant outreach, selection, property management and service plans must be approved as part of the Institute process and prior to submission of a RHTC application. Participation in the Institute is based on a competitive RFP selection process.

**12. Refinancing of Existing Debt.** Enter or attach the grantee's refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee's refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a

required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter "N/A."

N/A; refinancing of existing permanent debt is not eligible under IHCD's HTF program.

**Discussion:**

Toward the end of the completion of this Plan, IHCD was notified of the NHTF allocation amount which is much higher than anticipated in the Draft Action Plan. Additional activities for the NHTF will be added in an amended 2021 Action Plan.

For HOPWA: IHCD will facilitate a request for qualifications (RFQ), advertised through the CoC network, posted online, and provided to current HIV/AIDS service providers. The RFQ is available to all agencies who meet the threshold requirements. Many of the programs that apply through the RFQ started off as grassroots agencies years ago by starting a non-profit program based upon the growing HIV/AIDS epidemic and the need in their community. There was a growing need of resources that were not readily available for this population. The non-profits utilized their partners in the community to build their board membership and collaborated with local hospitals, clinics, and housing agencies to assist in providing education, testing, supportive services, financial assistance, and housing. Nonprofit community organizations that apply are usually mental health centers, HIV/AIDS programs specifically, or local hospital.

The RFQ will gather information on the number of persons/households they plan to serve, housing plans, housing services, organizational capacity, performance goals, supportive services, and their proposed budget. The RFQ applicants need to meet the following thresholds:

- Required to be a non-profit organization
- Required to be a current Indiana State Department of Health Care Coordination Site.
- Previous experience providing HOPWA assistance.
- Actively attending the local Regional Planning Council/Committees/Leadership roles within their Region.
- No current outstanding findings with HUD or IHCD.

By having the threshold that all applicants must be current Indiana State Department of Health Care Coordination Site, we are providing a one stop shop for persons to access level of care that is needed. Persons will be able to receive testing, diagnosis, medical information, supportive services and housing if needed. Care Coordination is a specialized form of HIV case management. Its mission is to assist those living with HIV disease with the coordination of a wide variety of health and social services. Case Management services are available statewide. It provides an individualized plan of care that includes medical, psychosocial, financial, and other supportive services as needed. It is offered free of charge to the person. The primary goals of the program are to ensure the continuity of care, to promote self-sufficiency, and to enhance the quality of life for individuals living with HIV. The trained professionals provide assistance such as: access to health insurance, housing programs, emergency funds, medications, utility assistance, mental health and substance abuse programs, and HIV testing and prevention programs.

The RFQ will be evaluated through a tool that will verify that each applicant meets the threshold requirements and have financial capacity by meeting accounting and financial standards. It will be

verified that each subrecipient are certified to be a care coordination site by requiring they attach the certificate or agreement showing they meet the standard.

## SECTION III.

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### PUBLIC NOTICE AND COMMENTS





**NOTICE OF FILING  
OF  
2021 Annual Action Plan for Housing and Community Development—Amendment One**

Notice is hereby given that the Indiana Office of Community & Rural Affairs and the Indiana Housing and Community Development Authority plans to amend their 2021 Annual Action Plan for Housing and Community Development (“2021 Action Plan”) with the U.S. Department of Housing & Urban Development.

This document concerns programs that are funded through the U.S. Department of Housing & Urban Development (HUD) under Title I of the Housing & Community Development Act of 1974 as amended. Annually, the state receives about \$35 million for housing and community development funds. This document governs the allocation of those funds among housing and community development activities (e.g., economic development initiatives, infrastructure improvements, and homeownership and rental programs).

The 2021 Action Plan provides information on the housing and community development needs priorities and one year spending plan for the Community Development Block Grant Program, the Home Investment Partnership Program, the National Housing Trust Fund, the Emergency Solutions Grant Program, and the Housing Opportunities for Persons With Aids Program. Amendment One to the 2021 Action Plan reallocates program funding from the Wastewater Drinking Water and Stormwater Improvements programs into Blight Clearance, Public Facilities, and Pilot Programs.

The Office of Community and Rural Affairs will have the 2021 Action Plan Amendment One available for public inspection prior to its submission. Members of the public are invited to review the 2021 Action Plan Amendment One during the hours of 8:30 a.m. to 5:00 p.m. at the Indiana Office of Community and Rural Affairs, One North Capitol, Suite 600, Indianapolis, Indiana 46204. The Action Plan will be available online at: [www.in.gov/ocra/2369.htm](http://www.in.gov/ocra/2369.htm).

Information regarding the 2021 Action Plan Amendment One can be obtained by writing to: Office of Community and Rural Affairs, c/o 2021 Action Plan Amendment One, One North Capitol, Suite 600, Indianapolis, Indiana 46204-2027. Additional information may also be obtained via e-mail at [eogle1@ocra.IN.gov](mailto:eogle1@ocra.IN.gov) or visit [www.in.gov/ocra/2369.htm](http://www.in.gov/ocra/2369.htm).

One public hearing will be held to discuss and provide comments on the draft 2021 Action Plan Amendment One at **2:00 PM ET, July 12, 2021**. The hearing will be held via Microsoft Teams and can be accessed by [clicking here](#). You can also provide public comments via email to: [hello@rootpolicy.com](mailto:hello@rootpolicy.com) or [eogle1@ocra.in.gov](mailto:eogle1@ocra.in.gov), or via mail to: Office of Community and Rural Affairs, c/o 2021 Action Plan Amendment One, One North Capitol, Suite 600, Indianapolis,



Indiana 46204-2027. If you prefer to provide comments verbally or need assistance, please call 970-880-1415 x102.

## AVISO DE REGISTRO DEL INFORME 2021 ANNUAL ACTION PLAN

Para ver una versión en español de este anuncio de Aviso de Registro del Informe **2021 Annual Action Plan for Housing and Community Development** visite el sitio web [www.in.gov/ocra](http://www.in.gov/ocra). Para traducciones al español de los documentos mencionados en este anuncio, escribir al Indiana Office of Community and Rural Affairs, One North Capitol, Suite 600, Indianapolis, Indiana 46204 o E-mail [eogle1@ocra.in.gov](mailto:eogle1@ocra.in.gov) or [www.in.gov/ocra/2369.htm](http://www.in.gov/ocra/2369.htm).

### AVISO DE PRESENTACIÓN DE

Plan de acción anual de 2021 para el desarrollo de la vivienda y la comunidad—Enmienda uno

Por la presente se notifica que la Oficina de Asuntos Comunitarios y Rurales de Indiana y la Autoridad de Desarrollo Comunitario y de Vivienda de Indiana planean enmendar su Plan de Acción Anual 2021 para el Desarrollo de la Vivienda y la Comunidad ("Plan de Acción 2021") con el Departamento de Vivienda y Desarrollo Urbano de los Estados Unidos.

Este documento se refiere a programas financiados a través del Departamento de Vivienda y Desarrollo Urbano (HUD). En virtud del Título I de la Ley de Vivienda y Desarrollo Comunitario de 1974, según enmendada. Anualmente, el estado recibe alrededor de \$35 millones para fondos de vivienda y desarrollo comunitario. Este documento gobierna la asignación de los fondos entre las actividades de vivienda y desarrollo comunitario (por ejemplo, las iniciativas de desarrollo económico, mejoras en la infraestructura, y la propiedad de vivienda y programas de alquiler).

El Plan de Acción 2021 proporciona información sobre las prioridades de las necesidades de vivienda y desarrollo comunitario y el plan de gastos de un año para el Programa de subsidio en bloque para el desarrollo comunitario (Community Development Block Grant Program), el Programa de asociación de inversión en viviendas (Home Investment Partnership Program), el Fondo fiduciario nacional para la vivienda (National Housing Trust Fund), el Programa de subvenciones para soluciones de emergencia (Emergency Solutions Grant Program) y el Programa de Oportunidades de vivienda para Personas con Sida (Housing Opportunities for Persons With Aids Program). La Enmienda Uno al Plan de Acción 2021 reasigna los fondos de los programas de Mejoras de Agua Potable de Aguas Residuales y Aguas Pluviales a los programas de Eliminación de Decadencia Urbana, Instalaciones Públicas y Programas Piloto.

La Oficina de Asuntos Comunitarios y Rurales tendrá la Enmienda Uno del Plan de Acción 2021 disponible para inspección pública antes de su presentación. Se invita a los miembros del público



a revisar la Enmienda Uno del Plan de Acción de 2021 durante el horario de 8:30 am a 5:00 en la Oficina de Asuntos Comunitarios y Rurales de Indiana, One North Capitol, Suite 600, Indianapolis, Indiana 46204. La Acción El plan estará disponible en línea en: [www.in.gov/ocra/2369.htm](http://www.in.gov/ocra/2369.htm).

Información sobre la Enmienda Uno del Plan de Acción 2021 se puede obtener escribiendo a: Oficina de Asuntos Comunitarios y Rurales, c / o Enmienda Uno del Plan de Acción 2021, One North Capitol, Suite 600, Indianapolis, Indiana 46204-2027. También se puede obtener información adicional por correo electrónico en [eogle1@ocra.IN.gov](mailto:eogle1@ocra.IN.gov) o visite [www.in.gov/ocra/2369.htm](http://www.in.gov/ocra/2369.htm).

Se llevarán a cabo dos audiencias públicas para discutir y proporcionar comentarios sobre el borrador de la Enmienda Uno del Plan de Acción 2021: 1:00 AM hora del este, del 23 de junio de 2021 y 2:00 PM hora del este, del 12 de julio de 2021. Las reuniones se llevarán a cabo a través de Microsoft Teams y se puede acceder haciendo clic [aquí](#). También puede enviar comentarios públicos por correo electrónico a: [hello@rootpolicy.com](mailto:hello@rootpolicy.com) o [eogle1@ocra.in.gov](mailto:eogle1@ocra.in.gov), o por correo a: Office of Community and Rural Affairs, c / o 2021 Action Plan Enmienda Uno, One North Capitol, Suite 600, Indianapolis, Indiana 46204-2027. Si prefiere hacer comentarios verbalmente o necesita ayuda, llame al 970-880-1415 x102.