

State of Indiana

2024 ACTION PLAN

PUBLIC HEARING #2

APRIL 15, 2024

PRESENTED BY

Christmas Hudgens, *OCRA*

Stephen Enz, *IHCDA*

Kristin Garvey, *IHCDA*

Heidi Aggeler and Vanessa Bramante, *Root Policy Research*



Public Hearing Agenda



- Introductions
- 2024 Action Plan
- Fair Housing Plan
- 2023 Action Plan Amendment
- Comments and Input

Introductions

To ensure that everyone in attendance has a chance to voice their opinion, thoughts, and comments:

- We will call on all attendees to see if they have any comments after the presentation.
- Please feel free to jump in at anytime—we may speak over one another, when that happens, we'll help facilitate.
- If you have very detailed comments about programs, or more to say, please contact one of us. This will give everyone an equal chance to voice their comments.

2024 Action Plan Public Hearing

Consolidated Plan 5-year Goals

Guides annual funding allocations for PY 2020-2024

- **Goal 1.** Broaden housing choice in Indiana by facilitating the development of affordable rental and ownership housing and preserving existing affordable homes.
- **Goal 2.** Reduce homelessness and increase housing stability for special needs populations.
- **Goal 3.** Equip Indiana's cities and towns with the infrastructure needed to stimulate and maintain thriving economies.
- **Goal 4.** Address gaps in public infrastructure and services that arise as the needs of residents' change.
- **Goal 5.** Build capacity of rural leadership.

Goals & Objectives for PY 2024

Guides funding allocations for 2024

- Goal 1. Improve Community Water, Wastewater, and Stormwater
- Goal 2. Support Community Revitalization
- Goal 3. Provide Planning Grants to Local Governments
- Goal 4. Owner Preservation, Aging in Place, Accessibility (and new affordable home purchases)
- Goal 5. Create and Preserve Affordable Rental Housing
- Goal 6. Build Nonprofit Housing Developer Capacity
- Goal 7. Rapid Re-housing and TBRA to Prevent Homelessness
- Goal 8. Provide Operating Support for Shelters
- Goal 9. Assist HIV/AIDS Residents Remain in Housing – STRMU
- Goal 10. Provide Housing Information and Placement Services
- Goal 11. Support Facilities Serving HIV/AIDS Residents
- Goal 12. Assist HIV/AIDS Residents Remain in Housing – TBRA

The 2024 Action Plan is to be submitted by May 15* with information on specific HUD funding programs:

- Community Development Block Grant Program (CDBG),
- HOME Investment Partnerships Program (HOME),
- Emergency Solutions Grant (ESG) Program,
- Housing Opportunities for Persons with AIDS (HOPWA), and
- Housing Trust Fund (HTF).

Funds Covered

**Submittal may be delayed by federal budget processes*

During PY24, the State of Indiana expects to receive \$59 million in block grant funds. Allocations are based on 2023 funding levels.

- \$30,800,000 in CDBG funds,
- \$16,000,000 in HOME funds,
- \$3,900,000 in ESG funds,
- \$2,200,000 in HOPWA funds,
- \$5,400,000 for the HTF.

What is the State expected to receive in 2024?

Approximately \$59 million in housing & community block grant funds

CDBG

Funds will be prioritized for water and sewer infrastructure investments, public facilities, and clearance of blighted commercial/ industrial sites in rural areas.

- \$12.5 million for Wastewater Drinking Program
- \$4 million for Stellar Pathways Program
- \$3.5 million for Stormwater Improvements
- \$3 million for Owner Occupied Rehabilitation
- \$2.5 million for Public Facilities
- \$2 million for Main Street Revitalization
- \$1.5 million for Blight Clearance Programs
- \$1.5 million for Planning Grants
- \$589,752 for Administration Costs
- \$200,000 for Technical Assistance

CDBG Contingency Plan

Contingency plans adjust allocations if PY24 funding is different than expected.

If funding cuts are *less than 25 percent*:

- CDBG funding amounts for Owner Occupied Rehabilitation (OOR) Program and Stellar Pathways will remain at current proposed percentages (of the total CDBG allocation),
- Admin and Technical Assistance will be adjusted to remain at allowable percentages,
- Remaining percentage reduction(s) will be spread throughout other programs based on current need as determined by OCRA.

If funding cuts are *greater than 25 percent*:

- Stellar Pathways funding amount will remain at current proposed percentage (of the total CDBG allocation),
- Admin and Technical Assistance will be adjusted to remain at allowable percentages,
- Remaining percentage reduction(s) will be spread throughout other programs based on current need as determined by OCRA.

HOME

Funds will prioritize rental construction, innovative developments, TBRA, affordable homeownership development, and CHDOs.

Funds to be used for:

- \$10.4 million for rental construction
- \$2 million for homeownership construction
- \$1.6 million for Administration
- \$1 million for HOME Lease-Purchase Pilot
- \$920,000 for CHDO Operating & Pre-development

Program Income:

- \$1.2 million for tenant-based rental assistance
- Non-CHDO homebuyer and rental projects

Balance of funds and Program Income may be converted for rental, homebuyer, or CHDO operating funds.

ESG

Continue to assist persons and families experiencing homelessness find shelter, transition to permanent housing, and avoid re-entering homelessness.

IHCDA plans to allocate ESG funds to:

- \$2.2 million for emergency shelters with operations, essential services, and outreach
- \$1.5 million in rental assistance for rapid re-housing
- \$251,084 for administrative costs

HOPWA

Continue to assist persons with HIV/AIDS and incomes below 80% AMI with housing placement and rental subsidies.

- \$966,239 for tenant-based rental assistance
- \$572,841 for housing information and housing placement activities
- \$414,103 for short-term rental, utilities, and mortgage assistance
- \$207,051 to support facility operations and supportive services
- \$211,666 for subrecipient and grantee administration

Housing Trust Fund

Supportive housing for extremely low-income households (<30% AMI)

Gap financing for RHTC and HOME-ARP developments.

IHCDA intends to allocate its HTF dollars for affordable rental housing, specifically supportive housing for extremely low-income households and persons experiencing homelessness

- \$5,391,554 for acquisition, rehabilitation, and new construction of supportive housing to serve target populations
- 10% of the HTF allocation will be set aside for administrative costs (including capacity building and training)
- Remaining Admin funds may be used for acquisition, rehabilitation, and construction of supportive housing

OCRA's Proposed Changes for PY 2024

- Revised funding amounts in the Method of Distribution for multiple CDBG programs (PFP, BCP, WDW, and Planning)
- Reinstatement of funding for Stellar Pathways and the Main Street Revitalization Program (including programmatic adjustments for MSRP)
- Revisions to OCRA's Points Reduction Policy to exempt OOR projects
- Revisions to OCRA's Program Income Policy
- Statement that state grant funds are not eligible match for CDBG was removed
- Adjustments to WDW User Rate Benchmarks to address legislative taskforce recommendations and align with other funding sources.

IHCDA's Proposed Changes for PY 2024

- Policy allowing HOME funds to be granted to CHDOs in participating jurisdictions in Anderson, East Chicago, and Terre Haute
- Definitions of “development gap subsidy” and “direct subsidy”
- Application fee for Homebuyer applicants removed
- Buyer subsidy increased to \$60,000 (below 50% AMI) and \$50,000 (above 50% AMI)
- Score categories for life expectancy, post-purchase counseling, and inclusion of units with 4+ bedrooms
- Metrics added to HOME
- Coordinated care added as applicant threshold criteria for HOPWA funds
- RHTC developments required to create an Affirmative Fair Housing Marketing Plan

Engagement Process

- **Resident Survey.** A total of 2,620 Indiana residents responded to the online housing survey for the Action Plan and Fair Housing Plan.
- **Resident Focus Groups.** Two in-person resident focus groups were conducted in June 2023 in Fort Wayne. A virtual focus group with survivors of domestic violence was held in March 2024.
- **Stakeholder Interviews.** 20 interviews completed between February and March 2024 with stakeholders from 16 organizations across the state. Stakeholders included housing/service providers, organizational leaders, advocacy groups, housing authorities, planners, community and economic development professionals, and individuals working directly with special needs populations.
- **Public Hearings.** Two hybrid (virtual/in-person) public hearings on the draft 2024 Action Plan (February 20, 2024, and April 15, 2024).

What *Residents* are Saying

- Individuals with disabilities have limited housing choice due to the lack of affordable and accessible housing near public transit.
- Residents need more fair housing resources. Many communities are unaware of tenants' rights and responsibilities and basic fair housing violations.
- LGBTQ communities face disproportionate barriers accessing housing and services due to a lack of information on available resources and/or limited options for temporary housing.
- Survivors of domestic violence struggle to find landlords that will accept them as tenants, most often because they lack credit history and/or have histories of eviction or felonies (because of the domestic violence).
- Survivors need more employment services including workforce training, job placement assistance, and financial empowerment programs.

What *Stakeholders* are Saying

- More affordable housing is needed everywhere in the state. Low inventory is exacerbated by stagnant wages and high barriers to rental housing.
- Rental/ownership rehabilitation and homeless prevention programs are priority needs for many households.
- Rural communities and small cities/counties often have limited funding opportunities due to a lack of communication and information on funds.
- State and federal funds for supportive services have not kept pace with residents' housing and service needs.
- Policies that regulate landlord-tenant relations are a matter of concern for many stakeholders.

Public Comment Period: *Now to May 8, 2024*

- Access the draft Action Plan online at:
https://www.in.gov/ocra/cdbg/files/State-of-Indiana-2024-Action-Plan_Draft.pdf
and/or <https://www.in.gov/ihcda/newsroom/action-plans/>.
- You may also vanessa@rootpolicy.com to request a copy of the plan
- You may email comments to:
Senz@ihcda.IN.gov or Chudgens@ocra.IN.gov or vanessa@rootpolicy.com
- Send a letter to:

Indiana Office of Community and Rural Affairs
One North Capital Avenue, Suite 600
Indianapolis, IN 46204-22288

Attn: 2024 Action Plan Comments

2024 Fair Housing Plan

Fair Housing 2023 Proposed Rule

- Analysis of Impediments to Fair Housing Choice (AI) was last updated in 2016
- An updated process for completing fair housing studies was included in rule proposed by HUD in January 2023
- A finalized rule from HUD may be released in April 2024.
- An updated 2016 Fair Housing Plan will be submitted to HUD with the 2024 Action Plan.

Elements of the 2024 Fair Housing Plan

- Demographics, Segregation, and Integration
- Access to Community Assets
- Disproportionate Housing Needs
- Fair Housing Enforcement and Capacity
- State Policies and Practices Impacting Fair Housing
- Fair Housing Issues, Goals, and Action Plan
- Community Engagement Appendix

Fair Housing Barriers

- Ownership gaps are very high for Black/White households; only 38% of Black households in Indiana own their homes.
- Housing choice for individuals with a disability is restricted by the lack of accessible housing, especially in non-entitlement areas, where multifamily housing built with accessibility features is lacking.
- Residents with a disability have high poverty rates and low labor participation rates.
- Domestic violence survivors face barriers associated with incomes inadequate to support families, lack of childcare, and perpetrators' violations of lease terms.
- Indiana's school choice system does not provide equitable access to all students and has diverted resources to privately schooled suburban non-Hispanic White students.
- There is a lack of awareness and knowledge of state and local fair housing laws among housing providers and the general public.

- Fund free or low cost homeownership counseling to increase financial literacy
- Explore incentive programs similar to HB 1559 (2023)
- Fund new construction of accessible and deeply affordable rental and homeownership housing (e.g., land trusts, acquisition)
- Provide consistent block grant funding for housing accessibility improvements
- Invest in education/outreach programs to inform housing providers about their obligations under VAWA and how to support families fleeing domestic violence
- Implement a geographic admission percentage requirement for future applicants and transparency in the admissions process among private schools
- Fund fair housing trainings for the public, housing providers, advocates, community organizations, and populations impacted by housing discrimination

Strategies to Address Housing Barriers

- What do you like the most?
- What concerns you about the Action Plan?
- What would you change?
- What comments do you have today?

Your Input on the Action Plan



Contact Information

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Contact Christmas about CDBG

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Contact Stephen about HOME and HTF

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Contact Kristin about ESG and HOPWA

2023 Action Plan Public Hearing

OCRA's Proposed Changes

- Revised funding amounts in the Method of Distribution for multiple CDBG programs (Programs include: PFP, BCP, WDW, and Planning)
- Revisions to OCRA's Points Reduction Policy to exempt OOR projects
- Revisions to OCRA's Program Income Policy
- Statement that state grant funds are not eligible match for CDBG was removed
- Addition of projected program income that OCRA expects to receive during the period covered by the 2023 Plan—\$1.6 million must be transferred to regular CDBG in accordance with HUD guidance.

- What do you like the most?
- What concerns you about the 2023 Amendment?
- What would you change?
- What comments do you have today?

Your Input on the Action Plan



Contact Information

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