State of Indiana 2017 Annual Action Plan

Housing and Community Development

FINAL REPORT

Final Report

November 8, 2017

State of Indiana 2017 Annual Action Plan for Housing and Community Development, July 1, 2017 – June 30, 2018

Prepared for
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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.

The 2015-2019 five-year Consolidated Plan and 2015 Action Plan was approved by HUD in July 2015. This document, the 2017 Annual Action Plan, is the third action plan in the Consolidated Plan cycle. It describes how OCRA and IHCDA plan to allocate HUD block grant funds during the 2017 program year, which runs from July 1, 2017 through June 30, 2018.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

During the 2015-2019 strategic planning period, top-level goals that will guide funding allocations include: Expand and preserve affordable housing opportunities throughout the housing continuum; Reduce homelessness and increase housing stability for special needs populations; Promote livable communities and community revitalization through addressing unmet community development needs; and promote activities that enhance local economic development efforts.

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

For the 2017 program year, the State proposes to allocate funding to the following activities:

CDBG:

- $2.8 million for owner-occupied rehabilitation (allocated to IHCDA)
- $0 for Stellar Communities Program (funding will come from previous years)
- $1 million for Planning Fund
- $2.5 million for Main Street Revitalization Program
- $12 million for Wastewater/ Drinking Water Improvements Program
- $100,000 for Blight Clearance Program
- $4 million for Public Facilities Program
- $4.5 million for Storm Water Improvements Program
- $0 Workforce Development Program
- $0 Urgent Need Fund
- $280,000 Technical Assistance
- $660,000 Administration

CDBG-DR:

- $5 million multifamily housing
- $5.1 million for owner occupied rehabilitation and lead remediation activities (80% AMI)
- $7.8 million for comprehensive revitalization; and
- $2 million Promise Zone Revolving Loan Fund

HOME:

- $7,552,216 million rental projects
- $1 million homeownership projects
- $450,000 for CHDO operating and predevelopment
- $1,000,000 administrative uses ($590,000 internal and $410,000 organizational capacity building)
- Tenant Based Rental Assistance (TBRA) will be funded with funds remaining from program years (PY 2015)

HTF:

- $3,119,000 rental projects
- $248,317 administration

ESG:

- $2,216902 million emergency shelters with operations and essential services
- $2,216902 rental assistance associated with homeless prevention
- $208,992 for administration

HOPWA:

- $550,995 in TBRA
- $230,000 for housing information activities
- $170,000 short-term rental, utilities and mortgage assistance
- $93,000 support facility operations and supportive services
- $60,000 Permanent Housing Placement.

Both OCRA and IHCDA closely monitor the success of their programs funded with HUD block grants. Throughout the program year and as part of the Consolidated Plan process, OCRA and IHCDA consult with stakeholders to ensure that the programs developed with HUD block grant funds are meeting unmet needs and making the greatest impact.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

Both OCRA and IHCDA closely monitor the success of their programs funded with HUD block grants. Throughout the program year, OCRA and IHCDA consult with stakeholders to ensure that the programs developed with HUD block grant funds are addressing unmet needs and making the greatest impact. For this Action Plan, listening sessions were held during development of the Action Plan.

The State also conducted and used the results of a Best Practices analysis of state use of CDBG and an internal evaluation of the demand for programs. This resulted in a reallocation of CDBG funds into infrastructure projects and placing the Workforce Development program on hold until a more effective approach is developed.

IHCDA has identified beneficiary engagement as one of their top priorities for the upcoming years and wants to increase the mechanisms in which it is done. This was also examined in the listening sessions. The sessions began with presentations of IHCDA's programs to raise awareness of the various programs, followed by a Q&A session.

IHCDA made a strong effort to receive a variety of perspectives through the engagement activities including physically disabled persons, elderly people, homeless people, low-income renters, and individuals who were looking to find homeownership opportunities. The one constant was that beneficiaries sought being involved more in decision making processes no matter who that person was. As such, future beneficiary engagement strategies will mimic this process.

In regards to HOPWA, many beneficiaries stated that case management is the most important aspect of the program because it leads to long-term solutions. Beneficiaries made many positive comments about how program helped with more than just rent assistance and helped individuals with other needs such as life services, connections to therapy, and food pantry connections. Beneficiaries recommended that United Way be used to make more outreach efforts, however they also said that there was not enough availability for the units and priority list was also long. One negative aspect beneficiaries stated about HOPWA is that the landlords tend to hold a negative view of them because of past clients which leads to mistreatment. With ESG, most of the same feedback existed when it came to the provision of case management and supportive services with one caveat. Many beneficiaries of ESG remarked that lack of child care services led to many of the problems with permanent housing solutions. Another idea given by beneficiaries was that ESG stakeholders should have mechanisms in place to be able to track individuals after they leave shelters so that progress can be monitored and explored.

The State also considers leveraging opportunities and works to design its programs to work in concert with other funding streams to advance the State's strategic goals. For example, to end long-term homelessness, ESG funds will be required to work in coordination with Continuum of Care (CoC) funds to reduce the length of time people experiencing homelessness stay in shelters.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The citizen participation and stakeholder consultation process for the 2017 Action Plan was extensive and included the following components:

Listening sessions (in-person) – OCRA staff conducted 350 interviews with Local Government officials, Main Street organizational leaders, and Community Foundations, to elicit feedback on programming offered through the Office, as well as request information on current priorities as listed in the current, and former CDBG Methods of Distribution.

IHCDA also held five listening sessions across the State – Lafayette, Jasper, Jeffersonville, Fishers and Fort Wayne.

IHCDA lastly did beneficiary webinars and interviews with those persons directly impacted by HOME, ESG and HOPWA.

Stakeholder survey – A survey to collect input on the Draft 2017 Action Plan was available to stakeholders from February 16, 2017 through April 1, 2017. The survey also collected information on social service, housing and community development needs in nonentitlement areas to compare with findings from past surveys and inform current and future priorities. A total of 89 persons responded to the survey.

Public comment period – A 45 day public comment period was held between February 16, 2017 and April 1, 2017. This comment period is longer than HUD requires (30 days) and was implemented in response to requests at the public hearings held for the 2015-2019 Consolidated Plan.

The draft plan was posted on both the OCRA and IHCDA website beginning on February 16, 2017.

IHCDA held additional public comment periods for its CDBG OOR, HOME, and HTF MODs to elicit additional feedback on policy. These occurred on:

- HOME Rental Draft Policy—June 12-20, 2017,
- CDBG OOR Draft Policy—April 7-17, 2017
- HTF—August 7-12, 2017.

Public hearing – Public hearings on the Draft 2017 Action Plan were held in late March. The public hearings were broadcast throughout the State using video conferencing capabilities, with additional staff at each location to answer questions and get feedback. Due to technical difficulties with the weather, several participants were unable to hear the presentation (though they had the ability to see the presentation). IHCDA reached out to all participants at all satellite locations to get any comments on the Plan.

Notifications of the hearings occurred three weeks prior to the hearing. The notice was sent out through IHCDA and OCRA's website, as well as their distribution list. These notifications reached more than 4,000 people.

An additional public hearing for the National Housing Trust Fund was held on August 7, 2017.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

Public comments on the Draft 2017 Action Plan were received from February 16, 2017, through April 1, 2017. IHCDA set notice for the solicitation of additional comments for the CDBG OOR, HOME and HTF. The public comments, as well as the input from the community participation process, are summarized in the Public and Stakeholder Consultation section attached to this Action Plan.

All public comments received on the Action Plan are appended to the Plan. In sum, these comments concerned the following:

- More support for housing programs that help persons with disabilities find affordable homes;
- Housing options for migrant farm workers in areas that have increased agricultural production;
- Increased grant limits for CDBG planning and wastewater/drinking program,
- Evaluation of the effectiveness and improvements needed in community and economic development programs.

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

All comments were accepted.

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
HOPWA-C Administrator	INDIANA	

Table 1 – Responsible Agencies

Narrative

Please note that IHCDA administers the Housing Trust Fund (HTF).

Consolidated Plan Public Contact Information

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AP-10 Consultation - 91.110, 91.300(b); 91.315(l)

1. Introduction

This section of the PY2017 Action Plan describes how IHCDA and OCRA worked with stakeholders and public and private partners to develop allocation priorities—and how this consultation and coordination will continue through the planning period. The 2017 Action Plan engaged residents and stakeholders statewide through regional listening sessions, main street events, and webinars about housing and community development programs funded with CDBG, HOME, ESG, and HOPWA.

Attendees represented a wide variety of organizations and interests, as shown below.

Regional Conferences Attendees

Public Utilities Representatives
Regional Planning Organizations
Town Clerk Treasurers
USDA Rural Development
Town Managers
Mayors
Purdue University Extension Agents
Licensed Engineers
Indiana Main Street Organizations
Local Economic Development Organizations
Economic Development Professionals
Urban Planners
Symphony Orchestra Staff
Community Foundation Officers and staff
Indiana State Department of Agriculture
Convention and Visitor Bureaus
Office of US Senator Joe Donnelly
Ball State University
State Wide Organization of Clerk Treasurers
County Commissioners
City / Town Council members
Military Installation representatives
Indiana Housing and Community Development Authority
Indiana University
Local Chambers of Commerce
Planning Consulting Groups
Community Development Directors

Township Trustees
Grant Administrators
Historic Preservation Commission members
City Planners

Attendees and Volunteers for Main Street Events

Architects
Town managers
Mayors
Town / City Council members
Town Clerk-Treasurers
Grant Administrators
County Commissioners
Local Economic Development professionals
Historic Preservation professionals
Business owners
Planning consultants
City Planners
Purdue Extension Agents
IVY Tech staff
Regional Planning organizations
Downtown Development professionals
City Tourism Bureaus
Chambers of Commerce
Farmer Markets organizations

Beneficiary Feedback Sessions

HOME: Four Rivers apartment – 2 people total
ESG: Family Crisis Shelter, Housing Opportunities, Family Services, Koda, Alternative – 6 people total
HOPWA: Advantage, Housing Opportunities – 3 people total

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

OCRA community liaisons, located throughout the state, help OCRA design and direct programs that are consistent with the goals and needs of local communities. Community liaisons facilitate meetings with local officials, state and federal agencies, and nonprofit agencies and service providers.

Two notable activities were held during the program year and to support development of the 2017 Action Plan:

The regional conferences were an opportunity to host events for communities to learn best practices, new OCRA programming and provide feedback to the agency. Topics included best practices for competitive grant applications, discussion on community vitality indicators, rural health initiatives, overview of the historic renovation grant program, and a listening session.

Northwest—Location: LaPorte on 3/16
Southwest—Location: Westgate on 3/18
Northwest—Location: Columbia City on 4/1
Southeast—Location: Lawrenceburg on 4/7

Attendees represented a wide variety of organizations, as demonstrated by the list in the Introduction section above.

Main Street Exchanges:

The Main Street Community Exchanges are designed to bring Main Street communities from across the state to various locations to learn about best practices, new initiatives, and gain insight into other communities unique approach to implementing Main Street. The exchanges feature learning opportunities, lunches, networking, and tours. Each exchange focused on topics based on one of the National Main Street Four Point Approaches™ - Promotion, Economic Vitality, Design, Organization, and 4 Point Refresh. Each exchange was completed with a listening session on ways to better serve communities.

Knightstown on 7/27
Frankfort on 8/31
Roachdale on 9/28
Greensburg on 10/26
Jeffersonville on 11/30

IHCDA offers training and webinars to partner organizations on topics ranging from program application requirements to funds management to weatherization courses. IHCDA maintains a Resource Center on its website with detailed manuals that instruct its partners on how to develop and administer programs. The Lt. Governor and IHCDA’s My Community, My Vision pilot program encourages high school students to become involved in their communities by collaborating with local government officials and civic leaders to envision community development projects.

In addition to these webinars, the IHCDA research vista conducted constituent listening sessions to better understand the needs of the participants in HOME, ESG, and HOPWA. There were two webinars offered on April 20, 2017 for ESG and two more for HOPWA constituents. Alternatives DV shelter, Family Service Society of Marion Co, Advantage Housing of Kokomo, Family Crisis Shelter in Crawfordsville and CODA of Terre Haute participated in the session and provided feedback. IU Health participated in the HOPWA session.

As is the custom of the state, when funding rounds were open, webinars and regional visits were held to educate potential grantees about the application process.

IHCDA has also continued to partner with the State Department of Heath on Lead based Paint, and is partnering with ISDOH on the Lead Hazard Reduction Demonstration Grant.

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.

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 meets 10 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.

The State ESG program presents their program plans to the CoC Board, in addition to entitlement cities at their annual round table meeting.

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 IHCDA 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 and the Consolidated State Plan Application for the ESG funding. The Committee works with the Interagency Council, 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 all the needs and gaps in 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.

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. Each proposal is reviewed by at least one IHCDA Community Services staff person and by a member of a Committee under the CoC Board. Each reviewer completes 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).

The performance standards for ESG were developed in conjunction with the governing body for the Balance of State CoC Board and 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	**Agency/Group/Organization**	IHCDA
	Agency/Group/Organization Type	Housing Services - Housing Services-Elderly Persons Services-homeless Other government - State
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
2	**Agency/Group/Organization**	Office of Community and Rural Affairs
	Agency/Group/Organization Type	Other government - State Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.

3	**Agency/Group/Organization**	Southwest Indiana Economic Development Coalition
	Agency/Group/Organization Type	Regional organization Planning organization Business Leaders Civic Leaders Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
4	**Agency/Group/Organization**	Administrative Resources association
	Agency/Group/Organization Type	Other government - Local Regional organization Planning organization Civic Leaders

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
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5	**Agency/Group/Organization**	Ball State University
	Agency/Group/Organization Type	Other government - Local Regional organization Planning organization Civic Leaders

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
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6	**Agency/Group/Organization**	Emmaus Mission Center, Inc.
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Education Services-Employment Services - Victims

OMB Control No: 2506-0117 (exp. 06/30/2018)

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
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7	**Agency/Group/Organization**	Halstead Architects
	Agency/Group/Organization Type	Housing Business Leaders

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
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8	**Agency/Group/Organization**	Indiana 15 Regional Planning Commission
	Agency/Group/Organization Type	Regional organization Planning organization

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Anti-poverty Strategy Lead-based Paint Strategy
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9	**Agency/Group/Organization**	Indiana State Department of Agriculture
	Agency/Group/Organization Type	Other government - State

OMB Control No: 2506-0117 (exp. 06/30/2018)

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
10	**Agency/Group/Organization**	LINCOLN HILLS DEVELOPMENT CORP
	Agency/Group/Organization Type	Housing Services - Housing Services-Education Child Welfare Agency Regional organization

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
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11	**Agency/Group/Organization**	PURDUE EXTENSION
	Agency/Group/Organization Type	Higher Education Major Employer

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
12	**Agency/Group/Organization**	Madison Indiana Area Arts Alliance
	Agency/Group/Organization Type	Services-Education Arts

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
14	**Agency/Group/Organization**	Knightstown Chamber of Commerce
	Agency/Group/Organization Type	Other government - Local Business Leaders Civic Leaders

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
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15	**Agency/Group/Organization**	Frankfort Main Street
	Agency/Group/Organization Type	Other government - Local Planning organization Business Leaders Civic Leaders

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
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16	**Agency/Group/Organization**	Roachdale Plan Commission
	Agency/Group/Organization Type	Other government - Local Planning organization Business Leaders Civic Leaders

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
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17	**Agency/Group/Organization**	City of Jeffersonville
	Agency/Group/Organization Type	Planning organization Business Leaders Civic Leaders

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
18	**Agency/Group/Organization**	Indiana Main Street (IMS)
	Agency/Group/Organization Type	Other government - State Other government - Local Regional organization Planning organization Business Leaders Civic Leaders

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
19	**Agency/Group/Organization**	Knightstown Main Street, Inc.
	Agency/Group/Organization Type	Other government - Local Business Leaders Civic Leaders Business and Civic Leaders

OMB Control No: 2506-0117 (exp. 06/30/2018)

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
20	**Agency/Group/Organization**	HENRY COUNTY
	Agency/Group/Organization Type	Other government - County Regional organization Planning organization

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
21	**Agency/Group/Organization**	Cambridge City Main Street
	Agency/Group/Organization Type	Other government - Local Planning organization Business Leaders Civic Leaders

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
22	**Agency/Group/Organization**	Mainstreet Greensburg
	Agency/Group/Organization Type	Other government - Local Business Leaders Civic Leaders

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
23	**Agency/Group/Organization**	JEFFERSONVILLE HOUSING SERVICES COR
	Agency/Group/Organization Type	Housing Services - Housing Other government - Local

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
24	**Agency/Group/Organization**	LAPORTE COUNTY
	Agency/Group/Organization Type	Other government - County

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
25	**Agency/Group/Organization**	COLUMBIA CITY
	Agency/Group/Organization Type	Other government - Local

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
26	**Agency/Group/Organization**	LAWRENCEBURG
	Agency/Group/Organization Type	Other government - Local

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
27	**Agency/Group/Organization**	FOUR RIVERS RESOURCE SERVICES,INC.
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Health Services-Education Services-Employment

OMB Control No: 2506-0117 (exp. 06/30/2018)

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Attended a HOME beneficiary feedback presentation hosted by VISTA. Two people attended and provided feedback on the HOME program initiatives and community needs.
28	**Agency/Group/Organization**	Marion County
	Agency/Group/Organization Type	Other government - County

OMB Control No: 2506-0117 (exp. 06/30/2018)

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
29	**Agency/Group/Organization**	The Julian Center
	Agency/Group/Organization Type	Services-Children Services-Victims of Domestic Violence Services-homeless Services - Victims

OMB Control No: 2506-0117 (exp. 06/30/2018)

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Attended an ESG beneficiary feedback presentation hosted by VISTA. Six people attended and provided feedback on the funding initiatives and community needs.
30	**Agency/Group/Organization**	Marion-Grant Chamber of Commerce
	Agency/Group/Organization Type	Business Leaders Civic Leaders

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
31	**Agency/Group/Organization**	Damien Center
	Agency/Group/Organization Type	Housing Services - Housing Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-homeless Services-Employment Service-Fair Housing

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Attended an HOPWA beneficiary feedback presentation hosted by VISTA. Three people attended and provided feedback on the funding initiatives and community needs.
32	**Agency/Group/Organization**	PathStone Housing Corporation of Indiana
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services - Victims Regional organization

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
33	**Agency/Group/Organization**	Priority Project Resources
	Agency/Group/Organization Type	Service-Fair Housing Grant writing, administration

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
34	**Agency/Group/Organization**	RMA
	Agency/Group/Organization Type	Regional organization Business Leaders Surveyors, Engineers, Consultants

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
35	**Agency/Group/Organization**	STAR DEVELOPMENT, INC.
	Agency/Group/Organization Type	Services - Housing Regional organization Planning organization

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
36	**Agency/Group/Organization**	TIPTON COUNTY
	Agency/Group/Organization Type	Other government - County Business and Civic Leaders

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
37	**Agency/Group/Organization**	DUBOIS-PIKE-WARRICK ECONOMIC OPPORTUNITY COMMITTEE, INC. D/B/A TRI-CAP
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Health Services-Education Services-Employment

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
38	**Agency/Group/Organization**	VISIT MADISON, INC.
	Agency/Group/Organization Type	Business Leaders Civic Leaders

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
39	**Agency/Group/Organization**	Back Home in Indiana Alliance
	Agency/Group/Organization Type	Services - Housing Services-Persons with Disabilities Regional organization Civic Leaders

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs HOPWA Strategy Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.
40	**Agency/Group/Organization**	Indiana Coalition Against Domestic Violence
	Agency/Group/Organization Type	Services-Victims of Domestic Violence Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.

41	**Agency/Group/Organization**	Indiana Statewide Independent Living Council
	Agency/Group/Organization Type	Services - Housing Services-Persons with Disabilities Regional organization Planning organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Participated in Listening Session. Attendees identified and prioritized housing and community development needs. This consultation served as the basis for development of the 2017 Action Plan strategy.

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

None; all agency types had the opportunity to participate in development of the 2017 Annual Action Plan and Method of Distributions through listening sessions, the 30-day public comment period and public hearing.

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	State CofC Board; Regional planning councils	The goal of reducing homelessness and increasing housing stability for special needs populations supports the goals of the Continuum of Care.

Table 3 - Other local / regional / federal planning efforts

Narrative

In addition to the standard public process, two notable activities were held during the program year and to support development of the 2017 Action Plan:

The regional conferences were an opportunity to host events for communities to learn best practices, new OCRA programming and provide feedback to the agency. Topics included best practices for competitive grant applications, discussion on community vitality indicators, rural health initiatives, overview of the historic renovation grant program, and a listening session.

Northwest—Location: LaPorte on 3/16
Southwest—Location: Westgate on 3/18
Northwest—Location: Columbia City on 4/1
Southeast—Location: Lawrenceburg on 4/7

Main Street Exchanges:

The Main Street Community Exchanges are designed to bring Main Street communities from across the state to various locations to learn about best practices, new initiatives, and gain insight into other communities unique approach to implementing Main Street.   The exchanges feature learning opportunities, lunches, networking, and tours. Each exchange focused on topics based on one of the National Main Street Four Point Approaches™ - Promotion, Economic Vitality, Design, Organization, and 4 Point Refresh. Each exchange was completed with a listening session on ways to better serve communities.

Knightstown on 7/27
Frankfort on 8/31
Roachdale on 9/28
Greensburg on 10/26
Jeffersonville on 11/30

The IHCDA research vista conducted constituent listening sessions to better understand the needs of the participants in HOME, ESG, and HOPWA. There were two webinars offered on April 20, 2017 for ESG and two more for HOPWA constituents. Alternatives DV shelter, Family Service Society of Marion Co, Advantage Housing of Kokomo, Family Crisis Shelter in Crawfordsville and CODA of Terre Haute participated in the session and provided feedback. IU Health participated in the HOPWA session.

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

The core component of the citizen participation process was listening sessions, held by OCRA and IHCDA throughout the state.

The listening sessions were promoted to all governments, relevant nonprofits, and faith-based organizations, local and regional civic organizations, planning organizations, private sector housing providers and developers through flyers and emails and listserv notices.

Each listening session began with introductory remarks about the Consolidated Plan and the Annual Plan process. As a group, participants discussed housing, infrastructure, economic development and quality of place needs. After discussion, the group created a list of priority needs or activities for each topic area and were directed to "vote" for their highest priorities by allocating six dots across the four categories. This voting exercise reflected each group's priorities for investment. The online survey replicated the voting process. Findings were consistent across communities and between the in-person priorities and those obtained online.

Housing priorities. In the in-person listening session, migrant farmer or seasonal farm worker housing and owner-occupied housing rehabilitation were the top housing priorities identified, followed by demolition of blighted housing, upper-story housing and market rate housing. With the exception of migrant farmworker housing, the housing priorities identified by online survey participants were strikingly similar—owner-occupied housing rehabilitation, affordable housing, demolition of blighted housing and upper-story housing. Among online survey participants, migrant farmworker housing was among the two lowest priorities. This reflects the regional and market-specific nature of many housing needs that may not be among the top priorities when viewed purely from a statewide priority perspective.

Infrastructure priorities. In both the listening sessions and the online survey, the top ranked infrastructure priority of stakeholders was sidewalk improvements. Road improvements, storm and wastewater improvements were among the top priorities for both groups of stakeholders. Bridges were the third highest priority for online survey stakeholders, an issue not found in the top priorities of in-person participants.

Economic development priorities. Workforce development and training, business attraction, brownfield redevelopment and broadband internet were identified as the top economic development priorities by both in-person and online participants.

Quality of life priorities. Top priorities for quality of life improvements were also remarkably similar between the in-person and online survey participants. These include: downtown revitalization, trails/connectivity of trails, façade improvements and parks.

The needs and priorities identified by stakeholders shaped the priorities developed for the annual action plan.

Citizen Participation Outreach

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	Listening Session - Laporte	Housing & social service providers, community leaders, and government officials	Total of 58 in-person attendees representing more than 30 organizations and agencies; 135 online participants (from all listening sessions combined)	Identified housing, infrastructure, economic development and quality of life needs and priorities/See narrative above for details.	All comments were accepted.	
2	Listening Session - Westgate	Housing & social service providers, community leaders, and government officials	Total of 58 in-person attendees representing more than 30 organizations and agencies; 135 online participants (from all listening sessions combined)	Identified housing, infrastructure, economic development and quality of life needs and priorities/See narrative above for details.	All comments were accepted.	

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	Listening Session - Columbia City	Housing & social service providers, community leaders, and government officials	Total of 58 in-person attendees representing more than 30 organizations and agencies; 135 online participants (from all listening sessions combined)	Identified housing, infrastructure, economic development and quality of life needs and priorities/See narrative above for details.	All comments were accepted.	
4	Listening Session - Lawrenceburg	Housing & social service providers, community leaders, and government officials	Total of 58 in-person attendees representing more than 30 organizations and agencies; 135 online participants (from all listening sessions combined)	Identified housing, infrastructure, economic development and quality of life needs and priorities/See narrative above for details.	All comments were accepted.	

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)
5	Public Hearing	Minorities Non-English Speaking - Specify other language: Spanish Non-targeted/broad community	62 attendees	There is a need for migrant/seasonal farmworker housing; questions about OOR prioritization; questions about ESG funding	Response to comments are detailed in the uploaded appendix: Section III Public and Stakeholder Consultation.	
6	Notifications via social media, State agency websites, emails/listservs and in local newspapers	Minorities Non-English Speaking - Specify other language: Spanish Non-targeted/broad community	N/A	N/A	N/A	www.in.gov/ihcda; www.in.gov/ocra

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)
7	Knightstown Main Street Community Exchange	Indiana Main Street organizations, community leaders and planners, downtown groups and economic deve	Part of a series of community exchanges aimed at bringing together Indiana Main Street organizations, community leaders and planners, downtown groups and economic development professionals.	To discuss issues they face, ways others have resolved some of those issues and innovative steps communities are taking to address the needs of their organization, community and downtowns.	All comments were accepted.	
8	Frankfort Main Street Community Exchange	Indiana Main Street organizations, community leaders and planners, downtown groups and economic deve	Part of a series of community exchanges aimed at bringing together Indiana Main Street organizations, community leaders and planners, downtown groups and economic development professionals.	To discuss issues they face, ways others have resolved some of those issues and innovative steps communities are taking to address the needs of their organization, community and downtowns.	All comments were accepted.	

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)
9	Roachdale Main Street Community Exchange	Indiana Main Street organizations, community leaders and planners, downtown groups and economic deve	Part of a series of community exchanges aimed at bringing together Indiana Main Street organizations, community leaders and planners, downtown groups and economic development professionals.	To discuss issues they face, ways others have resolved some of those issues and innovative steps communities are taking to address the needs of their organization, community and downtowns.	All comments were accepted.	
10	Greensburg Main Street Community Exchange	Indiana Main Street organizations, community leaders and planners, downtown groups and economic deve	Part of a series of community exchanges aimed at bringing together Indiana Main Street organizations, community leaders and planners, downtown groups and economic development professionals.	To discuss issues they face, ways others have resolved some of those issues and innovative steps communities are taking to address the needs of their organization, community and downtowns.	All comments were accepted.	

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)
11	Jeffersonville Main Street Community Exchange	Indiana Main Street organizations, community leaders and planners, downtown groups and economic deve	Part of a series of community exchanges aimed at bringing together Indiana Main Street organizations, community leaders and planners, downtown groups and economic development professionals.	To discuss issues they face, ways others have resolved some of those issues and innovative steps communities are taking to address the needs of their organization, community and downtowns.	All comments were accepted.	

Table 4 – 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 PY2017 Action Plan, based upon sources of funds. CDBG expected amount below includes $2.8 million in CDBG:OOR for owner occupied rehabilitation (OOR); $9.6 million in CDBG-D1 funds for multi-family and RLF (Midwest floods recovery); and $14.7 million in CDBG-D2 funds for multi-family and OOR rehabilitation, and comprehensive redevelopment of areas affected by Hurricane Ike.

Not listed in the priority table below is Housing Trust Fund (HTF) expected resources. In PY2017, the State expects $3,367,317 million in funding to run shelter operations, provide rapid rehousing, and to provide homelessness prevention services. The expected amount of HTF dollars available remainder of Con Plan is $6 million.

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	27,891,732	0	12,182,882	40,074,614	52,979,885	Expected Amt PY2017 includes: $2.8 million CDBG:OOR; $7.9 million CDBG-D1; $4.9 million CDBG-D2; $2.5 million MSRP; $12 million WDW; $4 million PFP; $4.5 million SIP

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1 Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $	Expected Amount Available Remainder of ConPlan $	Narrative Description
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	10,002,216	1,000,000	9,549,334	20,551,550	20,133,333	
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	1,103,995	0	0	1,103,995	1,943,000	

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	4,642,725	0	0	4,642,725	9,000,000	

Table 5 - 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

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.

IHCDA match. Recent influxes of program funding from the federal government, along with several new initiatives that expand IHCDA's vision and overall mission into more comprehensive developments, sometimes pose an issue with obtaining the required level of match/leveraging funds. IHCDA will thus create a 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 IHCDA-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.

CDBG housing leverage. The State of Indiana requires 10 percent leverage for most CDBG funds. IHCDA recipients have used a variety of funding sources to meet this requirement, including Federal Home Loan Bank grants, Rural Development grants, contractor contributions, cash contributions and cash from local government general funds.

HOME match. The HOME program requires a 25 percent match, which is a federal requirement. Applicants must demonstrate eligible matching funds equal to 25 percent of the amount of HOME funds requested, less administration, 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 IHCDA for the match to be eligible as of the application due date. Only HOME-eligible match generated on IHCDA 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.

Only banked match from awards made in 1999 or later that have fully met their match liability are eligible to donate to another applicant. The award must be closed before the agreement to donate match is executed. Match cannot be sold or purchased and is provided purely at the discretion of the recipient that granted it.

Banked leverage generated on a CDBG award cannot be used as match on a future HOME award. Only banked match generated on a HOME award can be used on a future HOME award.

The HOME regulations outline the very specific types of HOME-eligible matching funds, and IHCDA must document expenditures of matching funds by individual sites. HOME recipients often use Federal Home Loan Bank grants, savings from below-market interest rate loans, and donations of property, as match for their HOME awards. Additionally, IHCDA documents the MRB financing used in the First Home program as a match.

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

N/A

Discussion

Please see above.

Annual Goals and Objectives

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

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Improve Community Water and Wastewater Systems	2015	2019	Non-Housing Community Development		Community Development Priority Needs	CDBG: $12,000,000	Other: 70 Other
2	Support Community Revitalization	2015	2019	Non-Housing Community Development		Community Development Priority Needs	CDBG: $2,600,000	Other: 27 Other
3	Improve and Construct Public Facilities	2015	2019	Non-Housing Community Development		Community Development Priority Needs	CDBG: $4,000,000	Other: 35 Other
4	Improve Stormwater Systems	2015	2019	Non-Housing Community Development		Community Development Priority Needs	CDBG: $4,500,000	Other: 35 Other
5	Support Workforce Development	2015	2019	Non-Housing Community Development		Community Development Priority Needs	CDBG: $0	Other: 0 Other
6	Provide Planning Grants to Local Government/CHDOs	2015	2019	Non-Housing Community Development		Community Development Priority Needs	CDBG: $1,000,000	Other: 200 Other
7	Support Community Development Activities	2015	2019	Non-Housing Community Development		Community Development Priority Needs	CDBG: $940,000	Other: 1 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
8	Create and Preserve Affordable Rental Housing	2015	2019	Affordable Housing		Housing Priority Needs	HOME: $7,500,000	Rental units constructed: 250 Household Housing Unit Rental units rehabilitated: 250 Household Housing Unit
9	Create/Preserve Affordable Owner Occupied Housing	2015	2019	Affordable Housing		Housing Priority Needs	HOME: $1,000,000	Homeowner Housing Added: 125 Household Housing Unit
10	Preserve Affordable Owner Occupied Housing	2015	2019	Affordable Housing		Housing Priority Needs	CDBG: $2,800,000	Homeowner Housing Rehabilitated: 1100 Household Housing Unit
11	Build Nonprofit Housing Developer Capacity	2015	2019	Affordable Housing		Housing Priority Needs	HOME: $450,000	Other: 35 Other
12	Create Permanent Supportive Housing Opportunities	2015	2019	Homeless Non-Homeless Special Needs		Homeless and Special Needs	HOME: $1	Housing for Homeless added: 1000 Household Housing Unit
13	Provide Tenant-Based Rental Assistance	2015	2019	Homeless Non-Homeless Special Needs		Homeless and Special Needs	CDBG: $0 HOME: $0	Tenant-based rental assistance / Rapid Rehousing: 1000 Households Assisted
14	Support Housing Activities	2015	2019	Internal Support		Housing Priority Needs	HOME: $550,000	Other: 1 Other
15	Provide Operating Support for Shelters	2015	2019	Homeless Non-Homeless Special Needs		Homeless and Special Needs	ESG: $1,000,000	Homeless Person Overnight Shelter: 50000 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
16	Provide Rapid Re-Housing	2015	2019	Non-Homeless Special Needs Non-Housing Community Development		Homeless and Special Needs	ESG: $1,000,000	Tenant-based rental assistance / Rapid Rehousing: 8000 Households Assisted
17	Provide Outreach to Persons who are Homeless	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	ESG: $123,942	Other: 1200 Other
18	Prevent Homelessness	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	ESG: $232,000	Other: 500 Other
19	Support Homeless Activities	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	ESG: $160,000	Other: 1 Other
20	Assist HIV/AIDS Residents Remain in Housing - TBRA	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	HOPWA: $550,995	Tenant-based rental assistance / Rapid Rehousing: 580 Households Assisted
21	Assist HIV/AIDS Residents with Housing - STRUM	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	HOPWA: $170,000	HIV/AIDS Housing Operations: 1200 Household Housing Unit
22	Provide Housing Information and Placement Services	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	HOPWA: $230,000	Other: 900 Other
23	Support Facilities Serving HIV/AIDS Residents	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	HOPWA: $93,000	Other: 2000 Other
24	Provide Services to HIV/AIDS Residents	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	HOPWA: $0	Other: 1400 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
25	Support Program Delivery--TBRA	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	HOPWA: $0	Other: 0 Other
26	Support Program Delivery--STRUM	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	HOPWA: $0	Other: 0 Other
27	Permanent Housing Placement	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	HOPWA: $60,000	Other: 1 Other
28	Address Disaster Affected Community Needs	2015	2019	Affordable Housing Non-Homeless Special Needs Non-Housing Community Development		Community Development Priority Needs	CDBG: $21,525,000	Other: 1 Other

Table 6 – Goals Summary

Goal Descriptions

1	**Goal Name**	Improve Community Water and Wastewater Systems
	Goal Description	Create livable and revitalized communities through 35 wastewater and 35 drinking water projects.
2	**Goal Name**	Support Community Revitalization
	Goal Description	PY2017 funds will be used for 2 brownfield projects and 10 Downtown Revitalization projects. No PY2017 CDBG funds will be used for the 15 Stellar Communities projects. Previous CDBG funds will be utilized. $100,000 in CDBG funds will be used for blight clearance and $2.5 million will be used for Main Street revitalization.
3	**Goal Name**	Improve and Construct Public Facilities
	Goal Description	
4	**Goal Name**	Improve Stormwater Systems
	Goal Description	

5	**Goal Name**	Support Workforce Development
	Goal Description	This goal is not bein funded in the PY2017 Action Plan.
6	**Goal Name**	Provide Planning Grants to Local Government/CHDOs
	Goal Description	
7	**Goal Name**	Support Community Development Activities
	Goal Description	CDBG funds will be used as follows; • $660,000 for administration; • $280,000 technical assistance
8	**Goal Name**	Create and Preserve Affordable Rental Housing
	Goal Description	HOME funds will be utilized to provide affordable housing opportunities through new construction and rehabilitation of rental units. Rental opportunities will include competitive HOME rounds, Stellar Communities, Housing First and RHTC combinations.
9	**Goal Name**	Create/Preserve Affordable Owner Occupied Housing
	Goal Description	HOME funds will be used to provide affordable housing opportunities through the addition of 125 new housing units.
10	**Goal Name**	Preserve Affordable Owner Occupied Housing
	Goal Description	CDBG funds will be uitilized for owner-occupied housing rehabilitation to preserve affordable owner-occupied housing, to improve Aging-in-Place and Visitable and Accessible housing.
11	**Goal Name**	Build Nonprofit Housing Developer Capacity
	Goal Description	
12	**Goal Name**	Create Permanent Supportive Housing Opportunities
	Goal Description	HOME and $3 million in HTF funds will be used to add housing for 1,000 homeless household housing units.
13	**Goal Name**	Provide Tenant-Based Rental Assistance
	Goal Description	This PY2017 Action Plan goal will not be funded with 2015-2019 funds. Carryover funds from PY2013 and PY2014 will be funding the goal.
14	**Goal Name**	Support Housing Activities
	Goal Description	HOME funds of $550,000 will be utilized for HOME program administration.

15	**Goal Name**	Provide Operating Support for Shelters
	Goal Description	
16	**Goal Name**	Provide Rapid Re-Housing
	Goal Description	
17	**Goal Name**	Provide Outreach to Persons who are Homeless
	Goal Description	ESG Funds will be used to provide outreach to 1,200 adults and children who are homeless.
18	**Goal Name**	Prevent Homelessness
	Goal Description	
19	**Goal Name**	Support Homeless Activities
	Goal Description	
20	**Goal Name**	Assist HIV/AIDS Residents Remain in Housing - TBRA
	Goal Description	
21	**Goal Name**	Assist HIV/AIDS Residents with Housing - STRUM
	Goal Description	STRUM: Rental, mortgage, utilities assistance
22	**Goal Name**	Provide Housing Information and Placement Services
	Goal Description	900 households to be assisted
23	**Goal Name**	Support Facilities Serving HIV/AIDS Residents
	Goal Description	2,000 households to be assisted
24	**Goal Name**	Provide Services to HIV/AIDS Residents
	Goal Description	1,400 households to be assisted
25	**Goal Name**	Support Program Delivery--TBRA
	Goal Description	

26	**Goal Name**	Support Program Delivery--STRUM
	Goal Description	
27	**Goal Name**	Permanent Housing Placement
	Goal Description	
28	**Goal Name**	Address Disaster Affected Community Needs
	Goal Description	At the end of PY2017 (June), the State of Indiana had two CDBG disaster relief funds (CDBG-DR) outstanding. DR-1 had $6.654 million in remaining funds. These funds were set aside for: $4.65 for gap financing for the Indianapolis Integrated Supportive Housing Bond Initiative $1 million for the Indianapolis Promise Zone Revolving Fund $1 million in gap financing for affordable rental housing developments $4,246 not earmarked DR-2 had $14.87 million in remaining funds. These funds were set aside for: $5 million for owner occupied rehabilitation (OOR). Of these, $2.85 million are dedicated to lead hazard programs, $1.25 for OOR through the Stellar Communities program, $526,000 for general OOR, and $575,000 for Ramp Up Indiana (accessibility improvements program). $9 million for the Comprehensive Revitalization Fund, which will support a variety of community revitalization and housing preservation initiatives. More on these funds and disaster recovery efforts can be found here: http://www.in.gov/ocra/disasterrecovery.htm

AP-25 Allocation Priorities – 91.320(d)

Introduction:

This section summarizes the estimated allocation of funds among activities for PY2017.

Funding Allocation Priorities

	Improve Community Water and Wastewater Systems (%)	Support Community Revitalization (%)	Improve and Construct Public Facilities (%)	Improve Stormwater Systems (%)	Support Workforce Development (%)	Provide Planning Grants to Local Government/CHDOs (%)	Support Community Development Activities (%)	Create and Preserve Affordable Rental Housing (%)	Create/Preserve Affordable Owner Occupied Housing (%)	Preserve Affordable Owner Occupied Housing (%)	Build Nonprofit Housing Developer Capacity (%)	Create Permanent Supportive Housing Opportunities (%)	Provide Tenant-Based Rental Assistance (%)	Support Housing Activities (%)	Provide Operating Support for Shelters (%)	Provide Rapid Re-Housing (%)	Provide Outreach to Persons who are Homeless (%)	Prevent Homelessness (%)	Support Homeless Activities (%)	Assist HIV/AIDS Residents Remain in Housing - TBRA (%)	Assist HIV/AIDS Residents with Housing - STRUM (%)	Provide Housing Information and Placement Services (%)	Support Facilities Serving HIV/AIDS Residents (%)	Provide Services to HIV/AIDS Residents (%)	Support Program Delivery--TBRA (%)	Support Program Delivery--STRUM (%)	Permanent Housing Placement (%)	Address Disaster Affected Community Needs (%)	Total (%)
CDBG	43	9	14	17	0	4	3	0	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**100**
HOME	0	0	0	0	0	0	0	75	10	0	5	0	0	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**100**
HOPWA	0	0	0	0	0	0	0	0	0	0	0	0	50	0	0	0	0	0	0	0	15	21	0	0	9	0	5	0	**100**
ESG	0	0	0	0	0	0	0	0	0	0	0	0	0	0	50	50	0	0	0	0	0	0	0	0	0	0	0	0	**100**

Table 7 – Funding Allocation Priorities

Reason for Allocation Priorities

The State of Indiana does not prioritize the allocation of CDBG, HOME or ESG geographically. Instead, the State identifies the greatest needs for the State and nonentitlement areas overall and this information is used to guide the funding priorities for each program year. For local needs, the State relies on the information presented in block grant program funding applications.

OCRA does include a component of scoring in their CDBG applications where the low and moderate income percentage is a weighted score; a higher percentage of low and moderate income will yield a higher score. IHCDA includes a preference for application that attempts to reach low- and very low-income levels of area median income.

ESG allocates emergency shelter and rapid re-housing activities statewide; homeless prevention and outreach activities are more targeted geographically.

The HOPWA grant does rely on a geographic allocation, determined through the Continuum of Care regions because IHCDA allocates HOPWA to all ISDH-established care coordination regions except Region 7 and some counties of Region 11. It was determined that IHCDA 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), IHCDA will work with the regional subrecipient to tailor services to meet the needs of the population. In instances where the subrecipient cannot meet these needs, the subrecipient will have the ability to sub-grant a portion of its HOPWA award to another service provider.

HTF for rental development will be allocated statewide, to projects that meet the underwriting standards as defined under 24 CFR 93.

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

The distribution of housing funds address the critical need for affordable rental housing. CDBG funds are prioritized for basic health and safety improvements--specifically water and sewer infrastructure investments--in rural areas that do not have the financial capacity or resources to make such critical improvements. Workforce development is another priority which will be addressed through best practices research and a review of the effectiveness of past programming, in an effort to better address the needs of businesses and workers in future action plans.

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

Introduction:

This section summarizes the Methods of Distribution for CBBG, HOME, ESG, and HOPWA for PY2017. Full MODs are appended to this Action Plan.

Distribution Methods

Table 8 - Distribution Methods by State Program

1	**State Program Name:**	CDBG-OOR
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	This program consists of CDBG funding that is allocated to IHCDA for administration of an owner occupied rehabilitation program (OOR).
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Scoring is located in the final portion of the OOR MOD (attached). In sum, each application is evaluated based on: Population served (13 points), Needs Analysis (15 points), Readiness (8 points) Capacity (17 points), Financing (6 points), Unique Features (5 points) and Completeness Bonus (5 points). The scoring incorporates points for projects that serve below 50% AMI households, persons with disabilities, seniors and families with children.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Please see the attached MOD for the CDBG-OOR program. IHCDA offers training and webinars to partner organizations on topics ranging from program application requirements to funds management to weatherization courses. IHCDA maintains a Resource Center on its website with detailed manuals that instruct its partners on how to develop and administer programs. The Lt. Governor and IHCDA's My Community, My Vision pilot program encourages high school students to become involved in their communities by collaborating with local government officials and civic leaders to envision community development projects.

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	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)	N/A
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
	Describe how resources will be allocated among funding categories.	$2.8 million on CDBG is allocated to IHCDA to use for owner occupied rehabilitation of units occupied by low and very low income households. See above MOD for description of the contingency plan.
	Describe threshold factors and grant size limits.	The maximum request amount per application is $350,000. Funds must not exceed $25,000 per unit. All subsidies are secured through an affordability period. Detailed subsidy limitations and eligible activity costs are located on page 10 of the CDBG OOR MOD.
	What are the outcome measures expected as a result of the method of distribution?	The OOR program is designed to improve the quality of existing housing stock in Indiana through owner occupied rehabilitation of properties occupied by low and very low income households. Secondary benefits will include neighborhood revitalization, enabling seniors to age in place, providing accessible, quality housing for persons with disabilities, promoting healthy families and improving energy efficiency in housing.
2	**State Program Name:**	Emergency Solutions Grant (ESG)
	Funding Sources:	ESG
	Describe the state program addressed by the Method of Distribution.	Funding through the Emergency Solutions Program assists persons and families who are homeless find shelter, avoid homelessness and transition into permanent housing.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Please see attached MoD. 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 & 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 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. 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.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Please see the MOD attached to this Action Plan. In addition, during the program year, OCRA held regional conferences throughout the state. Regional conferences were an opportunity to host events for communities to learn best practices, new OCRA programming and provide feedback to the agency. Topics included best practices for competitive grant applications, discussion on community vitality indicators, rural health initiatives, overview of the historic renovation grant program, and a listening session.

	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)	Please see attached MoD. 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 & 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 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. 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.

	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	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: • 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. 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.
	Describe how resources will be allocated among funding categories.	No more than the maximum allowed of 60 percent of ESG funds will be allocated to operations, essentials and street outreach.
	Describe threshold factors and grant size limits.	The amount of each award could be between \$50,000 - \$350,000
	What are the outcome measures expected as a result of the method of distribution?	The ultimate 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.
3	**State Program Name:**	HOME
	Funding Sources:	HOME

	Describe the state program addressed by the Method of Distribution.	HOME Partnership Investments 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.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Scoring appears in the HOME MODs for rental and homeownership programs – scoring is not required for Stellar Designees, though they must pass threshold. 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. HOME rental applications are evaluated based on: Project characteristics (28 points), Development features (34 points), Readiness (8 points) Capacity (23 points), Capacity (23 points), Leveraging Other Sources (6 points), Unique Features/Bonus (10 points). The scoring incorporates points for accessibility and visitability features in housing developments. 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.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	N/A

	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)	N/A
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
	Describe how resources will be allocated among funding categories.	For the 2017 program year, the $10,002,216 expected HOME funding will be allocated among the following programs: • $7,552,216 million rental construction projects • $1 million homebuyer construction projects • $450,000 CHDO Operating and CHDO Pre-Development loans • $1 million administrative ($590,000 internal) and $410,000 organizational capacity building. If IHCDA does not receive eligible homebuyer applications, that set-aside will revert to rental construction. If the final HOME allocation is either increased or decreased from the above proposed amount, the set aside for rental will increase or decreased. If the HOME allocation decreases to where the set-aside for the administrative set-aside is above the allowable 10%, IHCDA will decrease the amount for administration to equal the 10% allowable.

	Describe threshold factors and grant size limits.	The maximum request amount per application is $1,000,000 for Rental, $500,000 for homebuyer projects and $850,000 for Stellar Designees. 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: $66,000 for a studio, $75,000 for a 1 bedroom unit, $92,000 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: $69,000 for a studio, $79,000 for a 1 bedroom unit, $96,000 for a 2 bedroom unit, $122,000 for a 3 bedroom unit and $134,000 for a 4+ bedroom unit The minimum amount of HOME funds to be used for rehabilitation or new construction is $1,001per unit. HOME funds cannot be used for reserve accounts for replacement or operating costs, but may be used as a Rent-Up Reserve. Lead hazard and homebuyer counseling are limited to $1,000 per homeowner/buyer.
	What are the outcome measures expected as a result of the method of distribution?	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.
4	**State Program Name:**	HOPWA
	Funding Sources:	HOPWA
	Describe the state program addressed by the Method of Distribution.	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.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	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: • 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.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	N/A
	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)	N/A

	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	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: • 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 RegionBy 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.
	Describe how resources will be allocated among funding categories.	Funds will be made available in the following percentages of the total awards made to project sponsors: • At least 60 percent to direct housing assistance: long-term rental assistance, short term rental assistance, and facility based operations; • No more than 7 percent to subrecipient administration and 3 percent to grantee/recipient administration; • No more than 35 percent to housing information and permanent housing placement activities; • No more than 35 percent to supportive services that positively affect recipients' housing stability. Once the federal budget is determined, IHCDA will made adjustments proportionally increased or decreased to the above HOPWA allocation MOD.

	Describe threshold factors and grant size limits.	Because IHCDA allocates HOPWA to all ISDH-established care coordination regions except Region 7 and parts of Region 11, it was determined that IHCDA 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), IHCDA will work with the regional subrecipient to tailor services to meet the needs of the population. In instances where the subrecipient cannot meet these needs, the subrecipient will have the ability to sub-grant a portion of its HOPWA award to another service provider.
	What are the outcome measures expected as a result of the method of distribution?	For HOPWA, IHCDA will use the following indicators to measure subrecipient's ability to achieve the desired outcomes: • Rental Assistance households/units • Short-term rent, mortgage and utility assistance households/units • Facility based housing operations support units • Housing information services households • Permanent housing placement services households Supportive services - households
5	**State Program Name:**	Housing Trust Fund (HTF)
	Funding Sources:	
	Describe the state program addressed by the Method of Distribution.	National Housing Trust Fund

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	HTF will be offered exclusively to developments that are accepted into the Indiana Permanent Supportive Housing Institute and complete the Institute. IHCDA will have two MODs. The first will be open to successful graduates of the 2017 Permanent Supportive Housing Institute. These Applicants will apply for a set-aside of HTF and HOME funding and must meet threshold and minimum scoring requirements to be eligible for the HTF. Graduates of either the 2015 or 2016 Insitute, who have not received an allocation of either RHTC or HTF may be eligible for HTF. IHCDA will not entertain stand-alone applications.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	N/A
	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)	N/A
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
	Describe how resources will be allocated among funding categories.	$3,119,000 million of HTF will be used for projects that successfully complete the Indiana Permanent Supportive Housing Institute. $248,317 will be used for program administration.

	Describe threshold factors and grant size limits.	For projects requesting RHTC and HTF, the maximum request amount per application is $400,000. For 2017 Institute projects, the maximum request amount of HTF per application is $587,500. HTF funds for acquisition/rehab, acquisition/new construction, rehabilitation, or new construction cannot exceed: $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. Each application must address only one development. See the attached policy for threshold and scoring criteria.
	What are the outcome measures expected as a result of the method of distribution?	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 and developing rental housing for extremely low-income persons.
6	**State Program Name:**	State Allocation of CDBG
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	The CDBG MOD discusses the allocation of funds to subrecipients within the State programs of: • Housing Owner-Occupied Rehab (also in IHCDA MOD), • Stellar Communities, • Planning Fund, • Main Street Revitalization, • Wastewater/Drinking Water Improvements Program, • Blight Clearance, • Public Facilities Program, • Storm Water Systems Program, and • Workforce Development

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	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	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.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Please see the attached MOD. OCRA community liaisons, located throughout the state, help OCRA design and direct programs that are consistent with the goals and needs of local communities. Community liaisons facilitate meetings with local officials, state and federal agencies, and nonprofit agencies and service providers. Regional conferences were held in 2017 to support development of the 2017 Action Plan. The regional conferences were an opportunity to host events for communities to learn best practices, new OCRA programming and provide feedback to the agency. Topics included best practices for competitive grant applications, discussion on community vitality indicators, rural health initiatives, overview of the historic renovation grant program, and a listening session
	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)	N/A
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A

	Describe how resources will be allocated among funding categories.	For the 2017 program year, the $28.3 million expected CDBG funding will be allocated among the following programs: Stellar Communities Program* $0 Planning Fund $1 million Main Street Revitalization Program $2.8 million Wastewater/Drinking Water Improvements Program $12 million Blight Clearance Program $100,000 Public Facilities Program $4 million Storm Water Improvements Program $4.5 million Workforce Development Program $0 Urgent Need Fund $0 An additional $280,000 will be used for technical assistance and $660,000 will be allocated to cover administrative costs associated with the programs. *Stellar has been zeroed out in this Action Plan in an effort to increase our timeliness with HUD. OCRA will included funding in the Action Plan year that the designees are most likely to begin drawing funds. We are also currently reviewing the positive impacts of Stellar and investigating a potential regional program, similar to Stellar. Contingency Plan for CDBG (Workforce Development is implemented during this program year pending program evaluation): If cuts are less than 25%: • Reduce Workforce Development Program to $0 while reevaluating program • IHCDA CDBG OOR remains at 10% of the total CDBG allocation • Admin and Technical Assistance remain at allowable percentages • Spread remaining percentage reduction throughout all remaining programs • If cuts are greater than 25%: IHCDA remains at 10%, admin and Technical Assistance remain at allowable percentages, a substantial amendment is issued to reprogram other funds.

	Describe threshold factors and grant size limits.	Please see the program specific grant limits and factors located in the CDBG MOD.
	What are the outcome measures expected as a result of the method of distribution?	The expected outcomes vary by program; full details are contained in the CDBG MOD. For example, the Stellar Communities Program will make grants to communities for comprehensive revitalization strategies. In these 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 and additional funding, indicate the level of community impact and describe the significance each project will have on the overall revitalization of the town/city. These strategies will be used to produce a three-year community investment plan to identify capital and quality of life projects to be completed.

Discussion:

Please see above.

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AP-35 Projects – (Optional)

Introduction:

This section is not required for States. Please see below for a summary of planned projects.

CDBG funds:

- $2.8 million for owner-occupied rehabilitation (allocated to IHCDA)
- $0 for Stellar Communities Program (funding will come from previous years)*
- $1 million for Planning Fund
- $2.5 million for Main Street Revitalization Program
- $12 million for Wastewater/ Drinking Water Improvements Program
- $100,000 for Blight Clearance Program
- $4 million for Public Facilities Program
- $4.5 million for Storm Water Improvements Program
- $0 Workforce Development Program*
- $0 Urgent Need Fund
- $280,000 Technical Assistance
- $660,000 Administration

*These programs will be under review during PY2017 to see if they are duplicated in the market and/or should be modified.

CDBG-DR funds:

- $5 million multifamily housing
- $5.1 million for owner occupied rehabilitation and lead remediation activities (80% AMI)
- $7.8 million for comprehensive revitalization
- $2 million Promise Zone Revolving Loan Fund

HOME funds:

- $7,552,216 million rental projects
- $1 million homeownership projects
- $450,000 for CHDO operating and predevelopment
- $1,000,000 administrative uses ($590,000 internal and $410,000 organizational capacity building)
- Tenant Based Rental Assistance (TBRA) will be funded with funds remaining from program years (PY 2015)

ESG funds:

- $2,216,902 million emergency shelters with operations and essential services
- $2,216,902 rental assistance associated with homeless prevention
- $208,992 for administration

HOPWA funds:

- $550,995 in TBRA
- $230,000 for housing information activities
- $170,000 short-term rental, utilities and mortgage assistance
- $93,000 support facility operations and supportive services
- $60,000 Permanent Housing Placement

HTF funds:

- $3,119,000 rental projects
- $248,317 administration

#	Project Name

Table 9 – Project Information

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

The core component of the citizen participation process was listening sessions, held by OCRA and IHCDA throughout the state. The listening sessions provided a "feedback loop" on program and policy effectiveness, helping not only to prioritize funding allocations, but also to inform future program changes.

Each listening session began with introductory remarks about the Consolidated Plan and the Annual Plan process. As a group, participants discussed housing, infrastructure, economic development and quality of place needs. After discussion, the group created a list of priority needs or activities for each topic area and were directed to “vote” for their highest priorities. The results of these exercises informed the PY2017 funding allocation.

Housing priorities. Owner-occupied housing rehabilitation, housing for special needs (e.g., accessibility improvements), demolition of blighted housing, market rate housing.

Infrastructure priorities. Sidewalk improvements, road improvements, storm and wastewater improvements.

Economic development priorities. Workforce development and training, business attraction, brownfield redevelopment and broadband internet.

Quality of life priorities. Downtown revitalization, trails/connectivity of trails, façade improvements and parks.

The State also considered two recent studies that evaluated Indiana's water utility needs. A November 2016 study commissioned by the Indiana State Legislature found immediate infrastructure costs to improve the state's water system to be $2.3 billion. After the initial infrastructure upgrade to address the most critical needs, an additional $815 million is needed annually to maintain the utilities into the future.

The Indiana Advisory Commission on Intergovernmental Relations (IACIR) estimates total statewide capital needs for water and wastewater infrastructure in Indiana will range between $15.6 and $17.5 billion for the next 20 years. This study found a need in all counties in the state and concluded that the current level of state and local government investment is insufficient to meet these infrastructure needs, leaving the state with at least an $8.5 billion gap over the next 20 years.

These studies demonstrate that the most significant gap in addressing needs is funding. This is also true for service provision. The state's rapidly aging rural areas have growing needs for service provision, including public transportation. To provide social services and transportation in a cost effective manner, some level of density is required--a challenge in rural Indiana. The current solution is to fund housing preservation initiatives (including OOR), build capacity for CHDOs to deliver housing and supportive service needs, and continue to support and bolster existing, community based support networks.

AP-38 Project Summary

Project Summary Information

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

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?

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

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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, the State identifies the greatest needs for the State and nonentitlement areas overall and this information is used to guide the funding priorities for each program year. For local needs, the State relies on the information presented in block grant program funding applications.

OCRA does include a component of scoring in their CDBG applications where the low and moderate income percentage is a weighted score; a higher percentage of low and moderate income will yield a higher score. IHCDA includes a preference for application that attempts to reach low- and very low-income levels of area median income.

ESG allocates emergency shelter and rapid re-housing activities statewide; homeless prevention and outreach activities are more targeted geographically.

The HOPWA grant does rely on a geographic allocation, determined through the Continuum of Care regions because IHCDA allocates HOPWA to all ISDH-established care coordination regions except Region 7 (Terre Haute) and Washington, Harrison, Floyd, Scott and Clark counties. These five counties are served by KY. It was determined that IHCDA 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), IHCDA will work with the regional subrecipient to tailor services to meet the needs of the population. In instances where the subrecipient cannot meet these needs, the subrecipient will have the ability to sub-grant a portion of its HOPWA award to another service provider.

HTF for rental development will be allocated statewide, to projects that meet the underwriting standards as defined under 24 CFR 93.

Geographic Distribution

Target Area	Percentage of Funds

Table 10 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

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

Discussion

Please see above.

Affordable Housing

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

Introduction:

This section lists the one year goals for numbers of households supported.

One Year Goals for the Number of Households to be Supported	
Homeless	11,000
Non-Homeless	1,800
Special-Needs	650
Total	13,450

Table 11 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	1,800
The Production of New Units	0
Rehab of Existing Units	0
Acquisition of Existing Units	0
Total	1,800

Table 12 - One Year Goals for Affordable Housing by Support Type

Discussion:

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

It is important to note that CDBG disaster relief funds (CDBG-DR) are also allocated to housing preservation, rehabilitation and creation. As of the end of this Action Plan year:

DR-1 had $6.654 million in remaining funds. These funds were set aside for:

$4.65 for gap financing for the Indianapolis Integrated Supportive Housing Bond Initiative
$1 million for the Indianapolis Promise Zone Revolving Fund
$1 million in gap financing for affordable rental housing developments
$4,246 not earmarked

DR-2 had $14.87 million in remaining funds. These funds were set aside for:

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$5 million for owner occupied rehabilitation (OOR). Of these, $2.85 million are dedicated to lead hazard programs, $1.25 for OOR through the Stellar Communities program, $526,000 for general OOR, and $575,000 for Ramp Up Indiana (accessibility improvements program).

$9 million for the Comprehensive Revitalization Fund, which will support a variety of community revitalization and housing preservation initiatives.

More on these funds and disaster recovery efforts can be found here: http://www.in.gov/ocra/disasterrecovery.htm

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

Introduction:

This section describes IHCDA'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

IHCDA will be implementing outreach to individuals throughout Indiana with English as a second language during the summer of 2017. IHCDA will also improve upon their current efforts in accessing landlords in providing affordable housing opportunities to Indiana families. These projects are taking further steps to assist and create marketing material for individuals and families that have a primary language besides English seeking housing in Indiana, and improving the outreach process used by IHCDA to identify and inform potential landlords willing to assist low-income Hoosiers in need of affordable housing. By improving the outreach efforts IHCDA hopes to fully meet the housing needs of all low-income families throughout Indiana.

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.

Discussion:

Please see above.

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

Introduction

This section discusses 2017 program year activities that will benefit persons who are homeless and special needs populations.

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 IHCDA.
- Require all HUD McKinney Vento Funded programs subrecipients actively participate in their Regional Planning Council on the Homeless meetings regularly (minimum 75% attendance).
- Require all HUD McKinney Vento Funded programs to participate in the Coordinated Access in their Region as it is implemented in their area.

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-20), 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.

The strategic objectives of the CoC Board are:

- Decrease shelter stays by increasing rapid rehousing to stable housing.
- Reduce recidivism of households experiencing homelessness.
- Decrease the number of Veterans experiencing homelessness.
- Decrease the number of persons experiencing Chronic Homelessness.
- Create new permanent supportive housing beds for chronically homeless persons.
- Increase the percentage of participants remaining in CoC funded permanent housing projects for at least six months to 86 percent or more.

- Decrease the number of homeless households with children.
- Increase the number of rental assistance programs and services.
- Increase the percentage of participants in ESG-funded rental assistance programs that move into permanent housing to 82 percent or more.
- Increase the percentage of participants in all CoC funded transitional housing that move into permanent housing to 70 percent or more.
- Increase the percentage of participants in CoC funded projects that are employed at exit to 38 percent or higher.
- Increase persons experiencing homelessness access to mainstream resources.
- Collaborate with local education agencies to assist in the identification of homeless families and inform them of their eligibility for McKinney-Vento education services.
- Improve homeless outreach and coordinated access to housing and services.
- Improve HMIS data quality and coverage, and use data to develop strategies and policies to end homelessness.

Develop effective discharge plans and programs for individuals leaving State Operated Facilities at risk of homelessness.

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

Please see above.

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

Please see above.

Discussion

Please see above.

AP-70 HOPWA Goals – 91.320(k)(4)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	240
Tenant-based rental assistance	120
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	8
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	13
Total	381

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

Introduction:

The State of Indiana recently 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 opportunity.

The following fair housing issues were identified through the 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.

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

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 homebuying associated with downpayments 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.

Discussion:

The State is currently finalizing action steps to address the fair housing issues. The full AI and the goals, metrics, and timeframe for action steps, as well as the fair housing issues and contributing factors addressed, are appended to this Action Plan. In sum, the State will take actions to:

1. **Improve the condition and accessibility of affordable housing in nonentitlement areas.**
2. **Increase affordable rental housing for families.**
3. **Increase fair housing knowledge among landlords and community leaders in rural areas.**
4. **Improve homeownership among minorities and persons with disabilities.**
5. **Improve employment outcomes for persons with disabilities.**
6. **Dedicate additional federal support to increasing accessibility in non-entitlement areas, contingent on expansion of federal infrastructure investments.**

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 faces a number of obstacles in meeting the needs outlined in the five-year Consolidated Plan:

- Housing and community needs are difficult to measure and quantify on a statewide level. The Consolidated Plan uses both qualitative and quantitative data to assess statewide needs. However, it is difficult to reach all areas of the State in one year, and the most recent data in some cases are a few years old. Although the State makes a concerted effort to receive as much input and retrieve the best data as possible, it is also difficult to quantify local needs. Therefore, the State must rely on the number and types of funding applications as a measure of housing and community needs.
- The ability of certain program dollars to reach citizens is limited by the requirement that applications for funding must come from units of local government or nonprofit entities. If these entities do not perceive a significant need in their communities, they may not apply for funding.
- Finally, limitations on financial resources and internal capacities at all levels can make it difficult for the State to fulfill the housing and community development needs of its many and varied communities.

To mitigate these obstacles 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.

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. Through the CDBG Program, IHCDA seeks to improve the quality of existing housing stock in Indiana. This program is designed to give preference in allocating Community Development Block Grant Owner- Occupied Repair (CDBG OOR) funding among selected developments that meet IHCDA’s goals:

1. Demonstrate they are meeting the needs of their specific community.
2. Attempt to reach low and very low-income levels of area median income.
3. Are ready to proceed with the activity upon receipt of the award.

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4. Revitalize existing neighborhoods, preferably with a comprehensive approach as part of a published community revitalization plan.
5. Propose projects that promote aging in place strategies for seniors, families with seniors, and persons with disabilities.
6. Propose projects that promote healthy family strategies for families with children under the age of 18.
7. Propose projects that are energy-efficient and are of the highest quality attainable within a reasonable cost structure.

Applicants of IHCDA'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
- Operating capacity grants – limited to eligible nonprofits
- Permanent Supportive Housing – Applicants must participate in the Indiana Permanent Supportive Housing Institute to be considered for an IHCDA investment.
- Rental assistance
- Acquisition, rehabilitation, guarantees, refinance, or (re)construction of rental housing
- Homeownership counseling and down payment assistance
- Acquisition, rehabilitation, guarantees, refinance, or (re)construction of homebuyer housing
- Rehabilitation, modification, and energy improvements to owner-occupied 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.

Actions planned to reduce lead-based paint hazards

Lead-based paint hazards will primary be addressed through CDBG and HOME funded rehabilitation activities. In addition, IHCDA has been awarded the Lead Hazard Reduction Demonstration Grant through HUD. In partnership with the Indiana State Department of Health, IHCDA will use the 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 actives 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.

Actions planned to reduce the number of poverty-level families

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

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

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

Education and skill development are an important aspect of reducing poverty. Investment in workforce development programs and facilities is an essential step to break the cycle of poverty. Finally, there continue to be social and cultural barriers that keep people in poverty. Efforts to eliminate discrimination in all settings are important. In some cases, subsidized housing programs are vital to ensure that citizens have a safe and secure place to live.

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 IHCDA, 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/IHCDA'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

During PY2017, the state intends to continue current practices of providing planning grants, technical assistance and training, regional workshops and access to community liaisons and regional representatives.

Actions planned to enhance coordination between public and private housing and social service agencies

Please see above.

Discussion:

Please see above.

OMB Control No: 2506-0117 (exp. 06/30/2018)

Program Specific Requirements

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

Introduction:

Please see below and the attached MODs for program specific requirements.

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.Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	80.00%

OMB Control No: 2506-0117 (exp. 06/30/2018)

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:

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

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. IHCDA 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 attachment.

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

   Please see attachment.

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).

   Please see attachment.

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.

   N/A

5. Describe performance standards for evaluating ESG.

   Please see attachment.

For HOPWA:

IHCDA 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 go 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 specificially, 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 IHCDA.

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, HIV testing and prevention programs.

The RFQ will be evaluated through a tool that will verify that each applicant meet the threshold requirements and also 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.

APPENDIX A.

Updated Citizen Participation Plan and Notices

ihcda
Indiana Housing & Community Development Authority

To: Real Estate Department Partners **Notice: RED-17-06**
From: Real Estate Department
Date: February 17, 2017
Re: State of Indiana Annual Action Plan Draft

Pursuant to 24 CFR part 91.115(a)(2), the State of Indiana wishes to encourage citizens to participate in the development of the State of Indiana Annual Action Plan for 2017. In accordance with this regulation, the State is providing the opportunity for citizens to comment on the 2017 Annual Action Plan draft report, which will be submitted to the US Department of Housing and Urban Development (HUD) on or before May 15, 2017.

The Action Plan defines the funding sources for the State of Indiana's five (5) major HUD-funded programs and provides communities a framework for defining comprehensive development planning. The FY 2017 Action Plan will set forth the method of distribution of funding for the following HUD-funded programs:

- State Community Development Block Grant (CDBG) Program
- Home Investment Partnership Program (HOME)
- Emergency Solutions Grant (ESG) Program
- Housing Opportunities for Persons with AIDS (HOPWA) Program

All members of the public are invited to review the draft Plan prior to submission February 16, 2017 through April 1, 2017 during normal business hours of 8:30am to 5:00pm, Monday-Friday, at the Indiana Office of Community and Rural Affairs. A draft Plan will also be available on the IHCDA website (www.in.gov/ihcda) and the OCRA website (www.in.gov/ocra).

Written comments are invited from February 16, 2017 through April 1, 2017, at the following address:

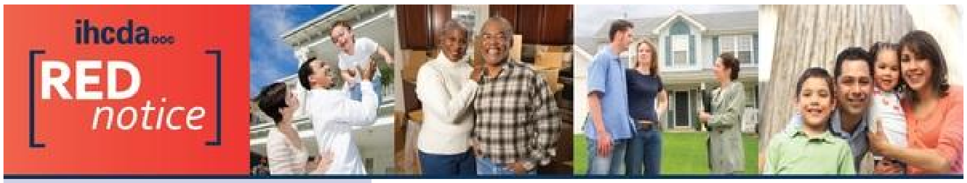
2017 Annual Action Plan
Indiana Office of Community and Rural Affairs
One North Capitol – Suite 600
Indianapolis, IN 46204-2027

Drafts of the CDBG OOR and HOME Rental and Homebuyer Policies for the 2017 Action Plan may also be found on the programs respective webpages embedded above. Comments regarding these RED policy can be forwarded to Samantha Spergel, Director of Real Estate Production at sspergel@ihcda.in.gov.

Persons with disabilities will be provided with assistance respective to the contents of the Consolidated Plan. Interested citizens and parties who wish to receive a free copy of the Executive Summary of the FY 2017 Action Plan or have any other questions may contact the Indiana Office of Community and Rural Affairs at its toll free number 800.824.2476, or 317.233.3762, during normal business hours or via electronic mail at coscott@ocra.in.gov.

Heidi Aggeler

From: Indiana Housing & Community Development Authority <ihcda@subscriptions.in.gov>
Sent: Tuesday, June 13, 2017 8:19 AM
To: Heidi Aggeler
Subject: RED Notice 17-31: HOME Rental Policy Draft



RED Notices

RED 17-31: HOME Rental Policy Draft

RED 17-30: Environmental Review and Section 106 Updates

RED 17-29: Environmental Review and Section 106 Updates

RED 17-28: RED Regional Meetings

RED 17-27: 2018-2019 QAP First Draft

RED 17-26: CDBG OOR Round open

RED 17-25: 2017 Tax Credit General Set-Aside - Moving Forward 3.0 & Lake County

RED 17-24: QAP Drafts & Public Hearings

RED 17-23: Clarifications to RED 17-09

Click here to view the RED Notices webpage.

If your agency has a new staff member who wishes to receive this newsletter, e-mail communications@ihcda.in.gov

Real Estate Department (RED) Notice 17-31

IHCDA is releasing a second draft of the HOME Investment Partnerships Program Rental Policy. The second draft, and a summary of changes to the Policy may be found on IHCDA's HOME Partners website.

IHCDA will be accepting additional public comments on the draft until June 20, 2017. Comments may be sent to Samantha Spergel, Director of Real Estate Production at sspergel@ihcda.in.gov.

A tentative set of dates for the 2017 HOME Rental Round round may be found below.

June 26, 2017	Application available/Round begins
July 2017 TBD	Applicant webinar
August 28, 2017	Application Due Date
October 26.2017	Award Announcements

Indiana Housing & Community Development Authority • www.ihcda.in.gov • (317) 232-7777

Indiana Housing & Community Development Authority

To: Real Estate Department Partners	**Notice: RED-17-16**
From: Real Estate Department	
Date: April 7, 2017	
Re: CDBG OOR Draft Policy	

IHCDA is releasing a second draft of the Community Development Block Grant – Owner Occupied Rehabilitation Policy. The second draft, and a summary of changes to the Policy may be found on IHCDA's CDBG-OOR Partner webpage.

IHCDA will be accepting additional public comment on the draft until April 17, 2017. Comments may be sent to Samantha Spergel, Director of Real Estate Production at sspergel@ihcda.in.gov.

A tentative set of dates for the 2017 CDBG OOR round may be found below. Please note that the round and dates are dependent upon passage of the federal budget.

May 8, 2017	Application available/Round begins
June 2017 TBD	CDBG OOR webinar
July 7, 2017	Application Due Date
TBD	Award Announcements

To: Real Estate Department Partners **Notice: RED-17-31**
From: Real Estate Department
Date: June 12, 2017
Re: HOME Rental Policy Draft

IHCDA is releasing a second draft of the HOME Investment Partnerships Program Rental Policy. The second draft, and a summary of changes to the Policy may be found on IHCDA's HOME Partners website.

IHCDA will be accepting additional public comments on the draft until June 20, 2017. Comments may be sent to Samantha Spergel, Director of Real Estate Production at sspergel@ihcda.in.gov.

A tentative set of dates for the 2017 HOME Rental Round round may be found below.

June 26, 2017	Application available/Round begins
July 2017 TBD	Applicant webinar
August 28, 2017	Application Due Date
October 26.2017	Award Announcements

RED NOTICES

RED Notices - 2017

- 17-41: Revised - 2017 Federal Programs and HTF Limits (/myihcda/files/RED-17-41%202017%20REVISED%202017%20Federal%20Programs%20HTF%20Limits.pdf)
- 17-40: Indianapolis Integrated Supportive Housing Initiative (/myihcda/files/RED-17-40%20Indianapolis%20Integrated%20Supportive%20Housing%20Initiative.pdf)
- 17-39: 2017 Housing Trust Fund plans Open for Public Comment (/myihcda/files/RED-17-39_2017%20Housing%20Trust%20Fund%20plans%20Open%20for%20Public%20Comment.pdf) (Updated July 31, 2017)
- 17-38: CDBG, HOME, and HTF Manual Available (/myihcda/files/RED%2017-38%20CDBG,%20HOME,%20HTF%20Manual%20Available.pdf)
- 17-37: 2017 HOME Rental Policy and Application Release (/myihcda/files/RED%2017-37%20HOME%20Round%20Open.pdf)
- 17-36: 2017-2018 My Community, My Vision Program (/myihcda/files/RED%2017-36%202017-18%20My%20Community%20My%20Vision%20Program.pdf)
- 17-35: Market Study Recertifications (/myihcda/files/RED%2017-35_Market%20Recertifications_Updated%207.25.2017.pdf) (Updated July 25, 2017)
- 17-34: 2017 Federal Programs & HTF Rent and Income Limits - please see RED Notice 17-41
- 17-33 Deadline Extension Requests (/myihcda/files/RED%20Notice%2017-33%20Deadline%20Extension%20Request.pdf)

- 17-32: 2018-2019 QAP 2nd Draft (/myihcda/files/RED%2017-32%202018-2019%20QAP%202nd%20Draft.pdf)
- 17-31: HOME Public Comments (/myihcda/files/RED%2017-31%20HOME%20Public%20Comments.pdf)
- 17-30: CDBG OOR Webinar (/myihcda/files/RED%2017-30%202017%20CDBG%20OOR%20Webinar.pdf)
- 17-29: Environmental Review and Section 106 Updates (/myihcda/files/RED%2017-29%20Environmental%20Review%20and%20Section%20106%20Updates.pdf)
- 17-28: RED Regional Meetings (/myihcda/files/RED%2017-28-RED%20Regional%20Meetings.pdf)
- 17-27: 2018-2019 QAP First Draft (/myihcda/files/RED%2017-27%202018-2019%20QAP%201st%20Draft.pdf)
- 17-26: CDBG OOR Round open (/myihcda/files/RED%2017-26%202017%20CDBG%20OOR%20Round%20open.pdf)
- 17-25: 2018 Tax Credit General Set Aside - Moving Forward 3.0 & Lake County (/myihcda/files/RED%2017-25%202018%20Tax%20Credit%20General%20Set-Aside_Revised%206-1-17.pdf) (Updated June 1, 2017)
- 17-24: QAP Drafts & Public Hearings (/myihcda/files/RED%2017-24%20QAP%20Drafts%20and%20Public%20Hearings.pdf)
- 17-23: Clarifications to RED-17-09 (/myihcda/files/RED%2017-23%20Clarifications%20to%20RED-17-09.pdf)
- 17-22: Availability of CDBG-DR1 Funding for Bond Deals (/myihcda/files/RED%2017-22%20Availability%20of%20CDBG-DR1%20Funding%20for%20Bond%20Deals.pdf)
- 17-21: RED Compliance - RHTC Multi-Layer Training (/myihcda/files/RED%2017-21%20RHTC%20Multi-Layer%20FundingTraining.pdf)
- 17-20: RHTC Rent and Income Limits (/myihcda/files/RED%2017-20%20%202017%20Tax%20Credit%20Rent%20and%20Income%20Limits.pdf) (updated June 1, 2017)

- 17-19: CDBG-DR Substantial Amendment (/myihcda/files/RED%2017-19%20CDBG-DR%20Substantial%20Amendment.pdf)
- 17-18: RHTC Property Manager Training (/myihcda/files/RED%2017-18%20RHTC%20Property%20Manager%20Training.pdf)
- 17-17: Market Study Recertification (/myihcda/files/RED%20Notice%2017-17~Market%20Study%20Recertification.pdf) (updated April 19, 2017)
- 17-16: CDBG OOR Draft Policy (/myihcda/files/RED%2017-16%20CDBG%20OOR%20Draft%20Policy.pdf)
- 17-15: Ramp Up - Match (/myihcda/files/RED%2017-15%20Ramp%20Up%20-%20Match.pdf)
- 17-14: Development Fund Application Forms & Instructions - Equity Uncertainty (/myihcda/files/RED%2017-14%20Application%20Forms%20and%20%20Instructions%20-%20Equity%20Uncertainty.pdf)
- 17-13: HOME Webinar Courses (/myihcda/files/RED%2017-13%20HOME%20Webinar%20Courses%202017.pdf)
- 17-12: Availability of Indiana Affordable Housing and Community Development Fund ("Development Fund") (/myihcda/files/RED%20Notice%2017-12%20Availability%20of%20Development%20Fund.pdf)
- 17-11: HOME Supplemental Round FAQ Webinar (/myihcda/files/RED%2017-11%20HOME%20Supplemental%20Round%20FAQ%20webinar.pdf)
- 17-10: National Development Council (NDC) Training (/myihcda/files/RED%2017-10%20NDC%20Training.pdf)
- 17-09: IHCDA Response to Uncertainty in RHTC Equity Pricing - *FINAL POLICY* (/myihcda/files/RED-17-09%20IHCDA%20Response%20to%20Uncertainty%20in%20RHTC%20Equity%20Pricing-%20FINAL%20POLICY.pdf)
- 17-08: HOME Supplemental Round (/myihcda/files/RED%2017-08%20HOME%20Supplemental%20Round.pdf)
- 17-07: HOME Compliance Training (/myihcda/files/RED%2017-07%20HOME%20Compliance%20Training.pdf)

- 17-06: State of Indiana Annual Action Plan Draft (/myihcda/files/RED%2017-06%20Action%20Plan%20Draft.pdf)
- 17-05: HOME Supplemental Round (/myihcda/files/RED%2017-05%20HOME%20Supplemental%20Round.pdf)
- 17-04: 2016 Utility Allowances (/myihcda/files/RED%2017-04%202016%20Utility%20Allowances.pdf)
- 17-03: HOME February Webinar Courses (/myihcda/files/RED%2017-03%20HOME%20Webinar%20February%20Classes.pdf)
- 17-02: IHCDA Response to Uncertainty in RHTC Equity Pricing (/myihcda/files/RED%2017-02%20IHCDA%20Response%20to%20Uncertainty%20in%20RHTC%20Equity%20Pricing.pdf)
- 17-01: 2017 HOME Webinar Courses (/myihcda/files/RED%2017-01%20HOME%20Webinar%20Courses%202017.pdf)

RED Notices - 2016

- 16-54: Environmental Review and Section 106 Historic Review Process Training (/myihcda/files/RED%2016-54%20ER%20and%20Section%20106%20Historic%20Review%20Process%20Training.pdf)
- 16-55: Five Most Common Pre-8609 Non-Compliance Issues in 2016 (/myihcda/files/RED-16-55%20The%20most%20repeated%20Pre-8609%20Non-Compliance%20issues%20for%202016_Updated%2012.29.2016.pdf) (Updated Dec. 29, 2016)
- 16-56: HOME Webinar Courses 2016 (/myihcda/files/RED%2016-56%20HOME%20Webinar%20Courses%202016.pdf)
- 16-57: 2017 A-C Applicant List (/myihcda/files/RED%2016-57%202017A-C%20Applicant%20List.pdf)
- 16-58: Submission Changes to Annual Owner Certification (/myihcda/files/RED%2016-58%20Submission%20Changes%20to%20the%20Annual%20Owner%20Certification.pdf)
- 16-59: Substantial Amendment to CDBG-DR 1 and DR2 Plan (/myihcda/files/RED-16-59%20CDBG-DR%20Substantial%20Amendment.pdf)

- 16-60: 2017 CHDO Capacity Building Series (/myihcda/files/RED-16-60%202017%20CHDO%20Capacity%20Building%20Series.pdf)
- 16-61: Bond Training - March 16, 2017 (/myihcda/files/RED-16-61%20Bond%20Training%20%20March%2016%202017.pdf)

RED Notices Archive

RED Notices - 2016 (/myihcda/files/2016%20RED%20Notices.zip)

RED Notices - 2015 (/myihcda/files/2015_RED_Notices(2).zip)

RED Notices - 2014 (/myihcda/files/2014_RED_Notices(1).zip)

RED Notices - 2013 (/myihcda/files/2013_RED_Notices.zip)

RED Notices - 2012 (/myihcda/files/2012_RED_Notices.zip)

RED Notices - 2011 (/myihcda/files/2011_RED_Notices.zip)

Online Services

Online Compliance Report (https://ihcdaonline.com/)

IHCDA University (https://ihcda.frameworkhomeownership.org/Student/eCommerce/AddToCart.aspx?ItemID=03f9b9d0-14de-4c74-89fe-a661ff9daa9e&Type=Learning%20Path&back=catalogue)

State of Indiana Citizen Participation Plan, 2015-2020

The Citizen Participation Plan (CPP) described below is the CPP established for the State's Five Year Consolidated Plan. The CPP was developed around a central concept that acknowledges residents as stakeholders and their input as key to any improvements in the quality of life for the residents who live in a community.

Each program year affords Indiana residents an opportunity to be involved in the process. Citizens have a role in the development of the Consolidated Plan and annual Action Plans regardless of age, gender, race, ethnicity, disability and economic level.

Purpose of the Citizen Participation Plan. The Citizen Participation Plan (CPP) describes the process the State uses to collect public input and involve the public in development of the Five Year Consolidated Plan. The CPP also addresses how the State obtains public comment on its Annual Action Plan and Consolidated Annual Performance Evaluation Report (CAPER). This Citizen Participation Plan was developed in accordance with Sections 91.110 and 91.115 of HUD's Consolidated Plan regulations.

The purpose of the CPP is to provide citizens of the State of Indiana maximum involvement in identifying and prioritizing housing and community development needs in the State, and responding to how the State intends to address such needs through allocation of the following federal grants:

- Community Development Block Grant (CDBG);
- HOME Investment Partnerships Program funding (HOME);
- Emergency Solutions Grant (ESG);
- Housing Opportunity for Persons with AIDS (HOPWA) funding; and
- National Housing Trust Fund (NHTF) funding.

This Consolidated Plan covers a five-year timeframe. The State's Consolidated Plan is a comprehensive strategic plan for housing and community development activities. The purpose of programs and activities covered by this Consolidated Plan is to improve the State of Indiana by providing decent housing, a suitable living environment, and growing economic opportunities, especially for low to moderate income residents.

Encouraging Citizen Participation

The State recognizes the importance of public participation in both defining and understanding current housing and community development needs and prioritizing resources to address those needs.
The State's Citizen Participation Plan is designed to encourage citizens of Indiana equal access to become involved each year.

Development of the Plans and Performance Reports

This document outlines how residents of the State of Indiana may participate in the development and review of the State's Five Year Consolidated Plan; each annual Action Plan; each Annual Performance Report; and any substantial amendments to a Consolidated Plan and/or Action Plan.
The State of Indiana's program year begins July 1 and ends June 30. The Indiana Office of

Community and Rural Affairs (OCRA) is responsible for implementing and reporting on the all aspects of the Consolidated Plan process. The following schedule provides an approximate timeline for the Consolidated Plan, which happens every five years, the annual Action Plan and the CAPER.

Annual Schedule.
July:

- Begin annual Action Plan year
- Begin Consolidated Annual Performance and Evaluation Report (CAPER) process

September:

- Beginning to middle of month begin 15-day Public Comment period for CAPER
- CAPER submitted to HUD by September 30

October—November—December—Mid-January

- Plan government Con Plan Meetings
- Create and launch survey to stakeholders

January—February—March:

- Conduct public participation process for Consolidated Plan

March:

- At the end of the month publish Public Notice informing public the draft Consolidated Plan/annual Action Plan are available for public comment and announcing public hearings.

April:

- Begin 30-day Public Comment period for draft Consolidated Plan and draft annual Action Plan
- Hold public hearings by the end of the month

May:

- Consolidated Plan and Action Plan submitted to HUD by May 15

June:

- End of annual Action Plan year

Participation. The following provides detailed steps for citizen participation for the Five Year Consolidated Plan and, as specified, for annual Action Plans.
These techniques incorporate alternative methods of public process that encourage a broad spectrum of participation and a review of program performance.

- *Resident survey.* A survey of Indiana residents will be conducted during the research phase of the Five-year Consolidated Plan in order to gather additional information on housing and community development needs and priorities for the Consolidated Plan. The survey will be available online using software that is Section 508 compliant. The survey is distributed to housing and community development providers (e.g., Indiana Department of Workforce Development's WorkOne Centers, Continuum of Care participants, Human Rights Council, organizations who work with persons with disabilities) to be distributed to their clients/members, is available on OCRA's website and is included in an IHCDA email to all who subscribe to IHCDA's email announcements. The survey will be available in English and Spanish. Special accommodations for persons with disabilities will be made upon request.

- *Stakeholder survey and elected official survey.* An online stakeholder survey is administered each Action Plan year to organizations that provide assisted housing (public housing authorities and nonprofits), social service and health care providers that assist low income and special needs residents, including fair housing organizations. This survey collects information on the greatest housing and community development needs of clients. A similar survey is also distributed to local elected officials, including mayors, county commissioners, city planners, housing program managers, etc., of the nonentitlement areas of the state. OCRA distributes invitations to elected officials to complete the survey; they have the option of completing the survey online or through a phone conversation. During some Consolidated Plan and Action Plan years, the survey may be conducted in the form of key informant interviews from a voluntary sample of officials from throughout the state.

- *Focus groups.* Four focus groups will be held during February and March of Consolidated Plan years with Regional Planning Commissions, advocates for persons with disabilities, persons with disabilities, Continuum of Care Regions, Community Action Agencies and Human Rights Councils. The purpose of the focus groups is to gather in-depth information on the challenges clients face in accessing housing and services in their communities.

- *Stakeholder interviews.* A series of interviews will be conducted annually with key persons or groups who are knowledgeable about housing and community development needs in the State. These interviews will inform the housing and community development needs portions of the Consolidated Plan and Action Plan.

- *Public hearings.* A public hearing will be conducted during the 30-day public comment period through videoconferences in five to six locations across Indiana. This meeting will occur at least one month prior to submission of the Plan, generally during the month of March. In the event that a videoconference is unavailable, the State will conduct separate public hearings in 3-4 locations throughout the State. These will occur on different days

- *Written comments*. Written comments will be accepted at any time during the Consolidated Plan and Action Plan processes in email or in hard copy.

Draft Consolidated Plan public comment. A reasonable notice—generally two calendar weeks—is given to announce to the public the availability of the draft Consolidated Plan. Availability of the draft Plan is advertised on the State's website. Notification of the availability of the draft Plan is also published in local newspapers across the State. In addition, all public meeting participants who provided contact information from any prior year's public hearing will be notified of the availability of the draft Plan and will be encouraged to provide their comments.

A 30-day public comment period is provided to receive written comments on the draft Plan. The 30- day comment period usually begins in early April and ends late April or early May. The draft Plan can be reviewed at OCRA and IHCDA offices and is available to download on the State's website.

Final action on the Consolidated Plan. All written comments provided during the Consolidated Plan process will be considered in preparing the final Consolidated Plan. A summary of the comments received and a summary of the State's reasons for not accepting any comments will be included in the final Consolidated Plan. The State considers these comments before taking final action on the Consolidated Plan. The final Consolidated Plan is submitted to HUD, no later than May 15 each year.

Annual Action Plans. Each year the State must submit an annual Action Plan to HUD, reporting on how that year's funding allocation for the CDBG, HOME, ESG, HOPWA, and NHTF grants will be used to achieve the goals outlined in the Five Year Consolidated Plan. The Citizen Participation Plan for preparation of the Action Plan is as follows:

Draft Action Plan and public hearings. The draft Action Plan will be available for 30 days to gather public comment on the proposed spending allocation. The State will hold at least one public hearing to describe the State's proposed allocation of the program year's funding allocation during the 30-day public comment period. The availability of the draft Plan and public hearings will be publicized through legal advertisements in regional newspapers with general circulation statewide and also on the State's website. In addition, the notice will be distributed by email to local officials, nonprofit entities and interested parties statewide. The public hearing will be conducted through videoconference and broadcast to several locations across Indiana. In the event that a videoconference is unavailable, the State will conduct separate public hearings in 3-4 locations throughout the State. These will occur on different days.

During the session, executive summaries of the Plan will be distributed and instructions on how to submit comments given. In addition, participants will be given an opportunity to provide feedback or comment on the draft Plan. A summary of the public hearing comments will be included in the final Action Plan.

Final Action Plan. The State staff reviews and considers all written public comments. The final Action Plan that is submitted to HUD includes a section that summarizes all comments or views in addition to explanations of why any comments were not accepted.

Consolidated Annual Performance and Evaluation Reports. Before the State submits a Consolidated Annual Performance and Evaluation Report (CAPER) to HUD, the State will make the proposed CAPER available to those interested for a comment period of no less than 15 days. Citizens will be notified of the CAPER's availability through a notice appearing in at least one newspaper circulated throughout the State. The newspaper notification may be made as part of the State's announcement of the public comment period and will be published one to two days before the comment period begins.

The CAPER will be available on the websites of the Indiana Housing and Community Development Authority and the Office of Community and Rural Affairs during the 15-day public comment period. Hard copies will be provided upon request.

The State will consider any comments from individuals or groups received verbally or in writing. A summary of the comments, and of the State's responses, will be included in the final CAPER.

Substantial Amendments
Occasionally, public comments warrant an amendment to the Consolidated Plan. The conditions for whether to amend are referred to by HUD as "Substantial Amendment Criteria." The following conditions are considered to be Substantial Amendment Criteria:

1. A substantial change in the described method of distributing funds to local governments or nonprofit organizations to carry out activities. "Substantial change" shall mean a reallocation of funds among program categories of programs of more than 10 percent of the total allocation for a given program year's block-grant allocation..

Elements of a "method of distribution" are:

- Application process for local governments or nonprofits;
- Allocation among funding categories;
- Grant size limits; and
- Criteria selection.

2. An administrative decision to reallocate all the funds allocated to an activity in the Action Plan to other activities of equal or lesser priority need level, unless the decision is a result of the following:

- There is a federal government recession of appropriated funds, or appropriations are so much less than anticipated that the State makes an administrative decision not to fund one or more activities;
- The governor declares a state of emergency and reallocates federal funds to address the emergency; or
- A unique economic development opportunity arises wherein the State administration asks that federal grants be used to take advantage of the opportunity.

Citizen participation in the event of a substantial amendment. In the event of a substantial amendment to the Consolidated Plan, the State will conduct at least one additional public hearing.
This hearing will fall during a comment period of no less than 30 days, during which the proposed Plan amendment will be made available to interested parties. Either IHCDA or OCRA will post information regarding the hearing on their website(s) and send out a notice via their distribution list.

In the event of substantial amendments to the Consolidated Plan, the State will openly consider all comments from individuals or groups submitted at public hearings or received in writing. A summary of the written and public comments on the amendments and the State's acceptance or rejection of each comment will be included in the final Consolidated Plan.

Changes in Federal Funding Level. Any changes in federal funding level after the Consolidated Plan's draft comment period has expired, and the resulting effect on the distribution of funds, will not be considered an amendment or a substantial amendment.

Availability and Access to Records
The State provides reasonable and timely access for citizens, public agencies, and other organizations to access information and records relating to the State's Consolidated Plan, annual Action Plan, performance reports, substantial amendment(s), Citizen Participation Plan, and the State's use of assistance under the programs covered by the plan during the preceding five years.
The Indiana Office of Community and Rural Affairs webpage is www.in.gov/ocra and the Indiana

Housing and Community Development Authority webpage is www.in.gov/ihcda for citizens interested in obtaining more information about State services and programs or to review the plans and performance reports. A reasonable number of free copies will be available to citizens that request it. Upon request, these documents will be provided in a reasonable form accessible to persons with disabilities.

Citizen Complaints

The State will provide a substantive written response to all written citizen complaints related to the Consolidated Plan, Action Plan amendments and the CAPER within 15 working days of receiving the complaint. Copies of the complaints, along with the State's response, will be sent to HUD if the complaint occurs outside of the Consolidated Planning process and, as such, does not appear in the Consolidated Plan.

CITIZEN PARTICIPATION.

Public Comments

KW CONSULTANTS

March 31, 2017

Aletha Dunston
CDBG Program Manager
Office of Community and Rural Affairs
One North Capitol Street
Indianapolis, IN 46204

Dear Aletha:

Thank you for this opportunity to comment on 2017 Annual Action Plan Update to Indiana's Consolidated Plan for the use of U.S. Department and Urban Development funds.

I have broken my comments up into 2 sections, those that are technical corrections and those that are program design related.

Program Design

Section 108 Program - Will the State be utilizing the Section 108 program? (see technical corrections comments)

Planning Program – Maximum grant amounts should be increased for all planning types. The limited planning amounts are putting a strain on local governments to afford a plan that meets all OCRA requirements without expending additional scarce local dollars. The final product local governments are receiving is not of the quality that was provided when maximum planning grants were higher. This change will not only improve the quality of the plans by providing a larger selection pool during procurement, but will also *improve the State's expenditure rate.* Suggested grant amounts are:

- Single Utility - $50,000
- Two Utilities - $75,000
- Master Utilty - $100,000
- Dams/Levees - $150,000 (based on actual costs incurred during the planning phase of DR funded dam/levee projects)
- Downtown Revitalization - $50,000 (the size and needs of a downtown area cannot be correlated to the population, could also include the costs of developing a Main Street Group)
- Economic Development - $50,000
- Public Facilities - $50,000
- Historic Preservation - $50,000

Wastewater/Drinking Water Program – 1) Maximum grant amounts should be increased for all tiers. The current investment, particularly in larger projects, does not create a significant impact on project costs and user rates. A larger grant amount would have a greater impact on the overall utility budget which would improve their ability to fund future capital expenditures as well as paying on capital loans. Both changes would have a more lasting effect on residential user rates, both immediately and as regular operations, maintenance and scheduled capital improvements are made. 2) Also, grantees should have the ability to draw all grant funds first, instead of pro rata. On the very few occasions that projects come in under budget, a determination can be made whether to modify the local match or require any repayment. This decreases the loan and interest burden on the local government as well. Both suggestions above will have *an immediate impact on the state's expenditure rate*.

Stormwater Program, Public Facilities Program, Main Street, Blight Clearance Programs - Grantees should have the ability to draw all grant funds first, instead of pro rata. On the very few occasions that projects come in under budget, a determination can be made whether to modify the local match or require any repayment. *This will have an immediate impact on the state's expenditure rate*.

Stellar Communities – To confirm my understanding, you are not allocating any funds to the Stellar Program from 2017. The next year that you would set aside an allocation is 2018, assuming a designee is ready to submit an application? One suggestion would be to allocate and obligate the funds (helps meet Timeliness Requirement) but move funds between grant years as projects are ready to be funded.

__Technical Corrections__

Executive Summary – Page 4 is showing my old phone number email as contact.

AP-05 – Stellar Communities is listed as $4,000,000.
Section 108 Loan Program is shown as an available resource here.

AP-40 - Asks if you will utilize Section 108 and the answer is No.

AP-45 - Section 108 is discussed as to its availability and use in this section.

AP-75 - #1 doesn't list OCRA's requirement for grantees to "carry-out" an AFFH activity or the requirement for a Fair Housing Ordinance.

Thank you for your consideration.

All my best,

Kathleen Weissenberger

Kathleen Weissenberger
Principal and Owner

March 15, 2017

2017 Annual Action Plan
Indiana Office of Community and Rural Affairs
One North Capital – Suite 600
Indianapolis 46204-2027

Comments for the 2017 Annual Action Plan

I have been working with rural development for over 30 years in many capacities:
*volunteer as facilitator with many local community leadership training organizations around the state

*board member of the Indiana Leadership Association

*advocate for rural community development here in La Porte County

*facilitator of 5 rural summits here in La Porte County

*convener and facilitator for rural communities locally

*volunteer board member for many non-profit organizations

*co-convener of the Better Government Study Group in La Porte County

*convener of the South La Porte County Community Coalition

The key to any community's development success is the quantity and quality of local leaders who are actively engaged in that community at all levels, not just elected officials. Local leadership training organizations have been providing that kind of training for over 30 years, but it is not available to all communities in the state, especially in rural counties. The Indiana Leadership Association and Purdue Extension are 2 organizations dedicated to providing that kind of quality training, and they are beginning to partner in some areas. Both need help with their training resources. Some kind of formal or informal collaboration between OCRA and them could expand the community leadership training to all parts of Indiana. "Great leadership is like duct tape---it fixes almost anything".

Please consider expanded local community leadership training in your 2017 plan. It will work like duct tape.

Sincerely,

Jim

Jim Jessup jimjessup@frontier.com
PO Box 108
Hanna, IN 46340
219-797-4407

MAR 2 0 2017

March 24, 2017

Aletha Dunston
CDBG Program Manager
Indiana Office of Community and Rural Affairs
One North Capitol – Suite 600
Indianapolis, IN 46204

Samantha Spergel
Director of Real Estate Production
Indiana Housing and Community Development Authority
30 South Meridian Street, Suite 1000
Indianapolis, IN 46204

Dear Ms. Dunston and Ms. Spergel:

I would like to thank you both for your time and willingness to partner with Prosperity Indiana in a collaborative way regarding state prioritization of critical federal resources through the Annual Action Plan.

Our membership, comprised of 230 organizations that build vital communities and resilient families, includes non-profit human service providers, housing developers, community development corporations, local units of government, financial institutions and private businesses. The network is diverse, but united by a mission to transform Hoosier communities. In particular, our members are dedicated to strengthening communities that are economically distressed, through comprehensive solutions in rural, urban and suburban neighborhoods. Expanding access to safe, affordable housing and economic opportunity are cornerstones of that mission.

Prosperity Indiana members work not only to meet basic human needs, such as providing food and shelter, but to ensure low-income Hoosiers have the kinds of tools and resources required to attain and maintain economic sufficiency. We actively engage our membership on policy issues through a variety of mediums to identify areas where community development approaches are effective and those that should be improved upon to be responsive to local needs.

202 East Market Street, Indianapolis, IN 46204 P 317.454.8533 F 317.454.8534 wwww.prosperityindiana.org

This year, in reviewing the draft Annual Action Plan (Plan), we wanted to directly engage both of you to discuss the feedback we have provided in previous Plans, hear your responses to those prior recommendations and member insights, and determine more comprehensive ways to have our members weigh in with the staff of Indiana Housing and Community Development Authority (IHCDA) and the Indiana Office of Community and Rural Affairs (OCRA) prior to the release of those drafts. We believe this will foster innovation in program design and prioritization and ensure our shared goal of the Plan being responsive to community concerns is more effectively met.

With that in mind, we offer the following comments and requests for stakeholder engagement around the stated goals of the Plan moving forward.

Goal 1: Expanding and Preserving Affordable Housing Opportunities Throughout the Housing Continuum

Prosperity Indiana is extremely pleased to have learned that, as a result of advocacy engagement through our response to the draft Plan last year and the National Housing Trust Fund advocacy, extremely low-income households are explicitly identified as a priority housing need. Prioritizing extremely low-income households for targeted housing supports serves to reinforce efforts to prevent homelessness among housing instable populations. We are also pleased that the Housing Trust Fund resources will be distributed as a grant instead of a loan, which we believe will make these projects more feasible.

Prosperity Indiana is looking forward to seeing the impact of the proposed community investments in rental rehabilitation and new construction through the additional resources provided to our state through the National Housing Trust Fund, as we discussed in our meeting. Investments in these worthwhile projects address the affordable rental unit deficit for vulnerable populations that exists in our state. We would continue to urge balance, however, through other program resources in the Plan to better address the down payment assistance, counseling, and origination needs of low- and moderate-income households hoping to achieve stable, affordable homeownership.

The dream of homeownership has eluded many low- to moderate-income Hoosiers in the fallout from the Great Recession. Wisely, loan originators have strengthened lending standards and more appropriately take into account a consumer's ability to repay a loan; but our members across the state indicate that those restrictions have become so stringent, it is nearly impossible for many individuals and families to qualify. Prosperity Indiana members are well aware that significant housing rental needs exist and applaud worthy investments in expanding that stock; but they also know that homeownership remains one of the single most effective mechanisms to help low- and moderate-income families build assets and multi-generational wealth.

Goal 2: Reducing Homelessness and Increasing Housing Stability for Special Needs Populations

We continue to hear from our members about the need for investments for aging in place to serve special needs populations. We applaud the focus on addressing this need in the draft Plan. Additionally, as we have stated before, Prosperity Indiana would like to applaud the inclusive and collaborative planning efforts on behalf of the Balance of State Continuum of Care. The state's diligence in consulting diverse populations and service providers in creating the state plan has not gone unnoticed. However, we do have some ongoing concerns in the prioritization of scarce resources when one considers the scope of the challenge in combatting homelessness. We hope IHCDA will take these concerns into consideration.

In the draft Plan and across federal homelessness programs, there is a focus on responses that tend to best serve chronically homeless individuals, especially those who are difficult to house based on health impediments, disabilities or addictions. That is clearly an essential priority; but those approaches are not always the best responses for homeless individuals fleeing domestic violence or families who rely on extended emergency and transitional shelter stays to ensure stability and economic security. In the situation of family homelessness, housing, in and of itself, is not the primary solution to preventing homelessness. Instead, incidences of domestic violence and/or lack of access to affordable childcare, transportation, and living wage employment opportunities are often the primary destabilizing source. We frequently hear from homeless practitioners in our membership that rapid re-housing and permanent supportive housing have not been effective in helping clients in those situations throughout the state. Prosperity Indiana asks that, in weighing projects, IHCDA will take those considerations into account.

One last area under this goal that we would like to concentrate on, and that we discussed in our meeting, is the issue of Housing Opportunities for Persons with Aids (HOPWA) planning and community engagement. As we stated in our previous two year's worth of Plan feedback, the drug and emerging HIV epidemic- that started in rural southern Indiana over two years ago- goes beyond a healthcare crisis. It should also be the focus of community development solutions that can empower our state in preventing the spread of new HIV infection and providing critical housing supports to affected patients.

While much focus of assistance has been paid to Scott County, which is in the Kentucky HOPWA grant jurisdiction, there was a well-documented spread to Jackson County in Indiana's Region 11 last year. The Indiana University Rural Center for AIDS/STD Prevention issued indicators in 2015, providing suggestions regarding community need for Syringe Exchange Programming. They also released a list of counties at high risk for similar HIV outbreaks, based primarily on Hepatitis C infections, as well as substance abuse treatment episodes for heroin use and dependence, and the prescription drug overdose mortality rate. That document listed Allen, Blackford, Boone, Brown, Clark, Dearborn, Delaware, Fayette, Franklin, Grant, Greene, Hamilton, Hendricks, Howard, Jackson, Jasper, Jay, Jennings, Johnson, LaPorte, Lake, Madison, Marion, Martin, Miami, Monroe, Montgomery, Morgan, Newton, Parke, Porter, Pulaski, Putnam, Randolph, St. Joseph, Scott, Starke, Sullivan, Switzerland, Tipton, Union, Vanderburgh and Vigo counties as high risk under the various categories. Additionally, since 2015, there are 23 counties in various phases of approval for Syringe Access Programming. Given the ongoing epidemic, Indiana must acknowledge the healthcare and community development impacts that will be felt throughout the state and make plans to respond to emerging needs – both emergency healthcare provisions and long-term supports.

Prosperity Indiana would like to play a role in helping to coordinate conversations that foster better partnerships between our members responding to this crisis and IHCDA, in order to better facilitate outreach to clients who would benefit from permanent housing placement. We feel it is critical to consult shelter providers, health care professionals, needle exchange programs, community clinics and local units of government to assess what resources are available, what communities are experiencing, and inquire about up-to-date infection rates and what capacity building needs exist to ensure communities can provide for long-term housing needs. In order to receive adequate HOPWA funding to respond to an epidemic of new infections among housing unstable populations, the Plan must mention this priority and have better data regarding infection rates and need.

Areas for Engagement Moving Forward

Following our discussions, the following areas encompass the subject matters upon which Prosperity Indiana plans to engage our membership as we look to weigh in on subsequent Plan drafts in the interest of expanding and preserving affordable housing opportunities, reducing homelessness, and serving special needs populations:

- Input on HOME subsidy limits. In particular, what is more effective: lower maximum amounts and more allocations or increasing the maximum amount to concentrate on fewer projects with potentially greater project impact?
- Are projects balanced well between community size, or do there need to be adjustments in scoring to better achieve balance in this regard?
- Prosperity Indiana believes energy efficiency prioritization in projects help contain utility costs for low-income households. Does the Plan achieve those goals, and what impacts does that have for the development of these projects?
- Given recent news regarding lead levels in low-income housing in East Chicago, are we adequately addressing the housing safety concerns of low-income communities statewide under current funding priorities?

Goal 3: Promote Livable Communities and Community Revitalization Through Addressing Unmet Community Development Needs

We applaud the Plan's recognition that helping vulnerable Hoosiers and communities requires investments beyond those in housing as in last year's Plan. Specifically, Goals 3 and 4 of this draft again focus on promoting livable communities and enhancing economic development efforts. Prosperity Indiana also supports the community development demands for CDBG infrastructure investments in improving wastewater systems. As in draft responses before, we would continue to emphasize the community development importance of weighing major infrastructure investments with the need to address roads and sidewalks to improve accessibility and, accordingly, fill the unmet community and quality of life needs throughout Hoosier communities.

We will also continue to engage members regarding grant allocations in these categories, but there has been a perennial interest in raising the maximum CDBG grant award to keep up with project costs and increase impact. Project costs have continued to climb, but the maximum amount has not kept pace with those increases. As a result, we have heard anecdotally that communities are not submitting innovative, impactful projects because the grant dollars do not effectively offset the administrative burden of complying with federal CDBG requirements. Other enhancements that would improve projects would be a change in the requirements of spending down CDBG and match dollars. For example, instead of spending 50 percent of the match and 50 percent of the grant dollars for each expenditure, practitioners recommend using the grant dollars first, if the match is in the form of a loan. This change would prevent the interest accumulation early in the project and save money overall. It would not affect any match requirements, only a change to the current drawdown process.

Goal 4: Promote Activities that Enhance Local Economic Development Efforts

As far as economic development strategies addressed in the Plan, those that focus on workforce development are regularly the biggest priority for our members. In our convenings, we frequently discuss the training and education needs that exist to help Hoosiers attain living wage jobs, especially as manufacturing losses present economic challenges throughout the state. New employment training and opportunities will reduce the current continued strain on our emergency human services infrastructure, as individuals and families struggle to afford basic needs while working one or multiple minimum wage positions.

As such, we are encouraged by the $1 million proposed in the Plan to address workforce development activities. However, we would like to see a broader range of economic development activities that spark innovation and support entrepreneurship at the local level, especially for those who lack access to traditional credit or business development support. We believe increased investments in microenterprise lending are crucial to spurring investment in local economies. Microenterprise investments, which provide assistance to organizations that help low-income entrepreneurs who lack sufficient training and education to gain access to the capital they need to establish and expand their small businesses, should be a key goal in economic development priorities of the Plan.

Areas for Engagement Moving Forward

Following our discussions, the following areas encompass the subject matters in which Prosperity Indiana plans to engage our membership as we look to weigh in on subsequent Plan drafts in the interest of promoting livable communities and community revitalization as well as enhancing local economic development efforts:

- In the past, workforce development allocations have been underutilized. What program scores and criteria should be reexamined to increase utilization and address the need and demand for workforce development activities?
- Beyond commenting on what is already included in the Plan, what opportunities for innovation exist that would still be within the constraints federal funding requirements?
- Continued engagement around the balance between funding fewer projects with potentially more impactful outcomes versus funding a greater number of projects that are smaller in size and scope.
- The types and amounts of planning grants. Are they effectively meeting community needs?
- Stellar community prioritization. Is the current program model and scoring well-suited for CDBG funding? Would state funding allow for better flexibility in compliance and project type? Would the federal dollars currently allocated for Stellar be best utilized toward other rural or smaller community investments?
- How can our members better engage partners, such as the Indiana Association of Regional Councils in collaborating with OCRA staff in working toward joint community development goals?

On behalf of our dedicated membership affecting positive change in communities throughout the state, we would like to thank the Indiana Office of Community and Rural Affairs and the Indiana Housing and Community Development Authority for the opportunity to weigh in on this draft Plan and for the willingness to work collaboratively throughout the year on program design and prioritization for the next draft Plan.

Sincerely,

Kathleen Lara
Policy Director
Prosperity Indiana
317-454-8536

proteus
www.proteusinc.net
National Farmworker Jobs Program, (NFJP)
709 S. Reed Road, Kokomo, IN 46901
Office: 765-450-4270 | Toll Free: 855-765-6687 | Personal Cell: 765-243-1622 | Fax: 765-450-4278

March 25, 2017

2017 Annual Action Plan

Indiana Office of Community and Rural Affairs

One North Capitol—Suite 600

Indianapolis, IN 46204

RE: Letter of Support - Indiana's Migrant & Seasonal Housing in the 2017 Annual Action Plan

Dear Indiana Office of Community and Rural Affairs:

Farmworkers work is essential to our quality of life here in Indiana. Restoring funding will help our farmworkers enjoy favorable living conditions, and experience a better quality of life. You have the power to make substantial impact!

Farmworkers provide an invaluable, life-sustaining service to Indiana residents. Their hard work is vital in maintaining the most basic quality of life, while contributing billions of dollars to our economy. On behalf of the workers who are truly the 'heart' of the heartland; I implore you to restore funding for Indiana's Migrant & Seasonal Housing in the 2017 Annual Action Plan. Each year, farmworkers come to Indiana to plant and harvest food crops. 85% of all our fruits and vegetables in the United States are still handpicked. Apples, watermelon, tomatoes, peppers and green beans are some of the produce that we all enjoy thanks to their hard work and dedication.

The Indiana Migrant and Seasonal Farmworker's Coalition (IMSFC), is a 501(c) 4 organization that is comprised of a collaboration of 15 other organizations and state and federal agencies across Indiana that serve the agricultural population and other fellow Hoosiers in various capacities. Members include: Indiana Department of Health and Safety, the Department of Workforce Development, the US Department of Labor and Dept. of Education, Indiana Migrant Education, Indiana Legal Services and Proteus, Inc. Indiana Domestic Violence Coalition, State Monitor Advocate, TMC Head Start and Early Head Start Programs, MESA, Purdue University, IUPUI, and Ivy Tech State Colleges. We collectively utilize our community influence to serve as a platform for the over 65,000 Indiana farmworkers who do not have a voice.

Migrant workers particularly face insurmountable barriers. Some of them have limited English proficiency, effecting their ability to communicate with the majority. In addition, their 12 hour work days do not permit time to attend public hearings or to express concerns for their wellbeing.

proteus
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National Farmworker Jobs Program, (NFJP)
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Upon entering the state, migrants are forced to navigate unfamiliar territory and find their own housing. They are also burdened with unaffordable boarding costs, spending thirty percent of their income on housing alone.

Additionally, some reside over an hour away from where they work. Many of the on farm housing units are uninhabitable. They are nothing more than concrete walls, with no running water, heat or air conditioning. The need for funding for farmworker housing is evidenced by just a few such examples.

In 2016, our coalition member's encountered over 1,200 corn detasslers in Northern Indiana staying in dilapidated motels being used as unlicensed labor campus. Many were forced to share space (even beds) with strangers!

In 2016, Southern Indiana, Knox County, workers slept in their vans due to unavailable housing. A group of migrants in Jackson County were subjected to sleeping on the laundry room floor.

Their work is essential to *our* quality of life. Restoring funding will help our farmworkers enjoy favorable living conditions, and experience a better quality of life. You have the power to make substantial impact!

Respectfully,

Randall W. Collins

Randall Collins, MSM
Regional Director, Indiana Region

Dunston, Aletha

To: Debra Theriac
Cc: Samantha Spergel (SSpergel@ihcda.IN.gov)
Subject: RE: Migrant Housing

Thank you for your comments. I will make sure they are added and shared with IHCDA.
-Aletha Dunston

Aletha Dunston, AICP

Office of COMMUNITY & RURAL AFFAIRS OCRA

CDBG Grant Program Manager
Office of Community and Rural Affairs
Phone: 317.775.4667
Email: adunston@ocra.in.gov
Follow us on Twitter and Facebook.

From: Debra Theriac [mailto:DebraT@proteusinc.net]
Sent: Monday, March 27, 2017 12:38 PM
To: Dunston, Aletha <ADunston@ocra.IN.gov>
Subject: Migrant Housing

**** This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email. ****

Good Afternoon,

I am emailing on behalf of Southwest Indiana. We have migrant workers that come up from Texas to work in the fields. The housing is awful in this area.

1. People take advantage of them knowing they need place to stay. Charging anywhere from $400 to 800 a week.
2. They take what they can knowing they must put a roof over their children heads.
3. Some of the places they are overcrowded.
4. H2A workers get first privileges before the migrant workers do. This is why some are forced to find other housing especially if they have children. They don't feel safe because most H2A workers are all men.

I have talked to some farmers and with some assistance they would like to rebuild or build housing for their workers.

Please help those that help us put food on our plates.

Sincerely,

Debbie

Debra J. Theriac
Case Manager
1500 N. Chestnut Street, Room 132

2017 DRAFT HOME RENTAL POLICY FEEDBACK

Pg. 2 **ER Forms –** Please clarify if one or two completed copies of the environmental review forms are required in hard copy and if original signatures are required on one or both sets.

Pg. 10 **Procurement Procedures** – Please eliminate competitive procurement requirements since they are not required by HOME regulations for either non-profit or for-profit housing developers that receive a grant or loan of HOME funds for a development activity. Doing so would enable your housing partners to assemble a competent and quality development team of their choosing from the onset of the project in the same manner IHCDA's Tax Credit developers are given the opportunity to do so. Removing this requirement would alleviate an unnecessary administrative burden from your non-profit HOME developers and streamline the development process.

Pg. 16 **Subsidy Per Unit –** It costs much more than the proposed limits to gut/rehab or newly construct affordable apartments. By keeping these limits quite low, housing developers have no choice but to layer in a significant amount of other resources, often AHP, debt, and small local grants, which greatly increases the lead time and amount of effort invested in securing total project funding as well as complexity of long-term compliance reporting. With the assumption that the HOME Maximum Per Unit Subsidy Limits and 240% High Cost Multiplier is unchanged for 2017, allowable subsidy limits continue to be much higher than what is proposed. To increase IHCDA's impact on small community revitalization projects, simplify funding, and streamline compliance, please increase per unit limits to the point where IHCDA could be the sole funder for these small projects.

Bedroom Size	Per Unit Subsidy Limit (As Currently Proposed by IHCDA)	2016 HOME Maximum Per Unit Subsidy Limits (Enacting Allowable 240% High Cost Multiplier)
0	$60,000	$140,107
1	$68,000	$160,615
2	$83,000	$195,304
3	$106,000	$252,662
4+	$116,000	$277,344

Pg. 16 **20% Soft Costs Limit –** The IHCDA limit of 20% of HOME funds budgeted towards soft costs including developer's fee and 15% limit on developer's fee by itself has been in place for many years. From a total development cost perspective, however, the sum of these expenses can actually exceed 35%-40%. It is very difficult to develop projects within the 20% limit without layering in AHP funds. Please consider either increasing the 20% limit to 35% or excluding developer fee from the 20% limit.

8152 Castilla Drive • Indianapolis, IN 46236 • (317) 826-3488 Phone • (317) 826-8233 Fax
www.milestoneventuresinc.com

Pg. 23 **Underwriting Guidelines –** Please delete the words "third party" from the requirement to provide a detailed explanation / documentation for underwriting outside of IHCDA's guidelines. There is usually not an appropriate third party to document the specific circumstances which may cause a project to have underwriting outside of the guidelines.

Pg. 25 **LUG Notification –** Is the LUG notification letter listed under the NFP Applicant Documentation required in Tab E repetitive of the LUG notification letter required in Tab G?

Pg. 25 **Administrator Documentation** – As requested above, please eliminate the competitive procurement requirement. Alternately, please consider that many CHDOs have been operating for years with approved procurement procedures that do no require newspaper publications for procurement activities. Further, the requirement to submit an executed grant administration contract is problematic since HOME projects are prohibited from executing contracts until a Release of Funds has been authorized by IHCDA. Additionally, we do not enter into contracts with our clients until funding has been secured. Our grant writing services are complimentary.

Pg. 26 **Visitability –** Please remove rehabilitation activity from the Visitability Mandate. It is often infeasible to comply with this mandate when undertaking rehabilitation projects. Older homes are often situated on narrow parcels in densely developed neighborhoods. They are typically raised up several steps from the ground at both the front and back entrances without adequate clearance to retrofit with ramps to satisfy the zero-step entrance requirement. Further, older homes are often not designed to accommodate the required door widths and accessible bathrooms. These standards would be a challenging retrofit for even homes built in recent years. They become infeasible for older homes. The expense to gut otherwise sound houses and redesign their floorplans in order to meet these standards is counterproductive given IHCDA's stated goals for cost containment.

Pg. 27 **Senior Developments –** Please move the accessibility / adaptability language, which is much more prohibitive than the Federal Section 504 5% accessibility standard back to being a scoring incentive rather than threshold requirement or remove the rehabilitation activity from this mandate. As in the Visitability discussion above, rehabilitation of existing properties is unlikely to be able to comply with the 100% standard due to existing floor plan configurations, which eliminates otherwise eligible properties in need of rehab as eligible candidates for HOME assistance.

Pg. 32 **Scoring Threshold –** Please reduce the 75 point scoring threshold to 65 points. This is quite challenging for applicants to achieve, especially with 22 of total available points dependent upon performance on an entity's single, most recent award. An otherwise productive housing developer could find themselves blocked from competing for HOME funding for a 5 year period following an anomaly of poor performance on a single project.

Pg. 32 **Scoring –** Consider making all individual scoring items roughly equivalent so that there are no longer high point areas that overshadow everything else, such as opportunity index, services, and the past performance categories.

Pg. 35 **Comprehensive Community Development –** The limitation that only one plan may be submitted for consideration is problematic since communities often create a comprehensive plan as a base document and then a few years later do an update with supplemental info. In these instances, the LUG utilizes both plans as companion documents.

Pg. 35 **Walk Score –** Eliminate Walk Score from HOME application scoring. It is not a relevant measurement tool for much of Indiana's small city and rural communities.

Pg. 35 **Quality Education –** Eliminate points for having an "A" rated school. The school ratings process continues to be flawed. Wide fluctuations in a school's rating can occur from year to year, which is not an accurate reflection of whether or not students attending the school are receiving a quality education.

Pg. 36 **Public Transportation –** The wording used for this section reflects urban public transit characteristics (public transit station/bus stop) but does not take into the manner in which transit occurs throughout the majority of Indiana. Rural counties typically rely on either rural transit systems or non-public taxi transit. Rural transit programs sometimes run set routes but are more often designed to offer on-site pick-up via an on-call scheduling system. Please allow public and private transit systems in rural areas to receive these points as they both accomplish the means of providing a low-cost alternative to automobile ownership.

Pg. 36 **Fresh Produce –** Increase the location requirement to be within a 3 mile radius of the site, which is a more appropriate measurement for rural communities.

Pg. 42 **Contractor Solicitation –** Remove the scoring incentive for contacting five contractors at the time of HOME application. Doing so several months in advance of having project funding in place, full design work completed, and going out to bid serves no practical purpose. It does not in any way measure "an applicant's ability to begin and timely execute an awarded project," and it tends to confuse potential contractors. IHCDA-funded projects almost always use Indiana contractors, and they are required to solicit MBE/WBE/DBE firms anyway.

Pg. 43/44 **Applicant Award Performance –** The extensive 17 point emphasis on an applicant's past performance associated with a single award and the lookback timeframe of 5 years is overly punitive; it serves as a barrier to existing housing developers partnering with IHCDA to implement the HOME program; and it impedes the fundability of new housing developers. Further, if an applicant recognizes that they would benefit from the capacity of a proven, experienced consultant or grant administrator, they should be encouraged to do so and not be subjected to a 12 point scoring differential with 5 points that are only available if they have not been active in the HOME program for the past 5 years. Essentially, the standard set by this criteria is near-perfection, with the allowance for only one monitoring finding or concerns, no award extensions, and zero physical conditions issues. One blip in award performance can lock out an applicant from the HOME program for 5 years. Please (1) consider an applicant's body of work rather than just their most recent award; (2) do not impose a scoring penalty on new HOME applicants or those that choose to use the services of a consultant or grant administrator; (3) only allow poor performance to negatively impact scoring on one application cycle rather than 5 years; and (4) create measures to identify high risk recipients and provide just those entities with focused technical assistance.

Pg. 45 **Physical Inspections –** Change the language to award points as long as the entity does not have any uncorrected issues.

HOOSIER UPLANDS

Administrative Office
500 WEST MAIN STREET
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Comments on 2017 Draft HOME Rental Policy

Page 10	Suggest the elimination of the competitive procurement since this is not required by HOME regulations.
Page 16	An increase in subsidy per unit is suggested to allow HOME to be a sole source of project funding which would help small rural areas.
Page 16	An increase in the Soft Costs limit is requested. The current 20% is too low unless Developer Fee could be excluded from that 20%.
Page 26	Please re-look at the Visitability mandate. That is not really feasible in some older homes.
Page 32	On scoring, make the items more equivalent so that some high point areas do not skew the scores.
Page 35	The "Walk Score" is not fair for rural areas.
Page 35	Eliminate the "A" rated school points. This is not a fair assessment of housing needs in a rural area.
Page 36	Increase the "Fresh Produce" location requirement to within a "3 mile radius".

Thank you for the opportunity to comment.

David L. Miller
Chief Executive Officer

3/28/17

30 March 2017

Dear Ms. Segel and Mr. Sipe,

I am writing to comment on the 2017 Consolidated Plan Action Plan. I want to thank you for the opportunity to do this.

I acknowledge the four goals in the plan:

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

I have a disability myself and work with others with very low incomes. I am a member of Back Home in Indiana Alliance and on the Board of Directors for the League for the Blind and Disabled, Inc.

These are my concerns:

- Not enough housing that is affordable for SSI only recipients. Tax Credit housing does not go low enough for this under 30 percent of AMI.
- Not enough visitable (accessible) housing available. I want to be able to invite others to my home/apartment to visit, but they cannot currently access my home/apartment.
- Segregation of those with low income, seniors and people with disabilities. There should be scattered sites so there is integration in the community.
- There are so many complaints about fair housing violations; most are from the disabled community.
- There is not enough accessible units available. There should be a set aside of 1 million of the 3 million in Indiana Housing Trust Funds to make wheelchair accessible units in integrated RHTC properties affordable for persons with extremely low incomes who need the accessible features.

- Home modification/repair is major not only for home owners, but for the renter who needs them. Too often, the landlord says, "You can pay for that; I will not."
- Homeownership is the American Dream. Most persons with extremely low income and low income cannot afford this. Some need this as it is the only way to obtain a home that fits their accessible needs as there are few in the community. One way to fix this is Down Payment Assistance. It should not be tied to Section 8 or Home Choice Voucher. Not everyone can obtain these as usually the programs are closed or they tell us that because of disability income you cannot do the matching program.

Again, I thank you for the opportunity to comment on the 2017 Action Plan of the Consolidated Plan.

Lisa Poole
3904 Newport Ave #11
Fort Wayne, IN 46805
260.482.2868

Heidi Aggeler

From: Melissa Stayton <melissa.stayton@aspireindiana.org>
Sent: Friday, March 31, 2017 2:48 PM
To: Spergel, Samantha
Subject: Action Plan Comments

Hi Samantha,

I have a couple comments on the Action Plan:

ESG - on the action plan does it designate the amount of funds applicable to prevention vs. rapid rehousing? I didn't see it but we are getting more prevention individuals; therefore, an increase in the amount of prevention funds to 25% of the award would be helpful. Additionally, increasing the amount of funds for the case mgt services under ESG would help agencies to provide necessary services to help individuals remain stable. Currently, with the limits on how much is designated to services, we are limited on how many services we can provide and support a position.

HOPWA - is there anything that can be done to include Madison County back into HOPWA? A couple years ago, HUD had it moved into the Indianapolis CoC and this creates a huge issue with funds being allocated to Madison County. With a large homeless population and increase in IV drug users, Indy CoC doesn't understand our needs.

HOME funds decrease - we need these funds to house the most vulnerable. Removal of this program would increase homelessness as we try to decrease it.

Overall, can PSH & ESG programs not necessarily restrict funding to only chronically homeless individuals and fund all homeless individuals? We see more individuals becoming chronically homeless by not addressing the needs of homeless individuals not considered chronically homeless.

Thanks,

--

Melissa Stayton,
Senior Director, Strategic Initiatives
Aspire Indiana, Inc.
Phone: 317.587.0512

Together...making health and well-being a reality

Wednesday, March 29, 2017

Dear Ms. Segel, and Mr. Sipe,
I am writing to share my comments on the 2017 Consolidated Plan. Thank you so much for all of the work IHCDA has done on this. I am pleased that People with Disabilities are included in the four goals of the Indiana Consolidated Plan.

However, I believe there are multiple barriers to these goals including:

1. People who are renting housing are not afforded the same opportunities for funding housing modification funds as those who are home owners. May people with disabilities are not financially able to afford to buy their own home (as evidenced in the "Priced Out" report) and therefore must rely on rental housing for their shelter.

2. People who rely on SSI/SSDI cannot afford housing (<20% Area Median Income).

3. Most of the existing housing available to people with disabilities NOT accessible.

4. Existing programs/providers do not practice scattered site housing leading to the segregation of people with disabilities and seniors.

5. The highest rate of fair housing complaints are made by people with disabilities

Here are some possible solutions:

1. Making more units available to people with extremely low incomes in integrated, economically diverse backgrounds.

2. Maintain that all new builds are visitable and incentives for tax credit properties, assure that home mod funds are available, enforce fair housing standard.

3. Develop accessible units in multi- family housing to increase options of where to live and educated landlords that a tenant with a disability is not a "liability".

4. All new affordable housing developments should have universal design features to reduce the physical and attitudinal barriers between people with and without disabilities.

5. Enforce fair housing law and educate tenants and landlords on fair housing laws.

Thank you very much for your time and careful consideration of my statements.
I hope to see a shift in the proposed budget for the coming year to address both the critical affordability housing needs identified and the growing need for housing that can be used by all of Indiana's citizens.

Traci Taylor
Director of Independent Living Services, The Independent Living Center of Eastern Indiana
Back Home in Indiana Alliance Team Leader
Concerned citizen and Self- Advocate.

Heidi Aggeler

From: Glenda Mark <gmark@abilityindiana.org>
Sent: Friday, March 24, 2017 12:24 PM
To: Spergel, Samantha
Subject: Concerns and Recommendations for Indiana Consolidated Plan

**** This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email. ****

March 24, 2017

To: 2017 Annual Action Plan
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital- Suite 600
Indianapolis, In 46204

From: Glenda Mark, Independent Living Advocate

RE: Concerns and Recommendations for Indiana Consolidated Plan

My name is Glenda Mark and I am one of the Independent Living Advocates at AccessAbility. We work very diligently to assist individuals with becoming independent and self sufficient. The population that I work with has many different disabilities. Each person has their own unique needs and requirements.
Thank you very much for the requirements for a visitable design, the improvement and expansion of the Universal design features in affordable housing and the Ramp Up program.

As you are finalizing the Action Plan for 2017 to make continued improvements, I have listed a couple of problems and recommendations for solution to them.

* The number one problems that I have seen is the fact that individuals that receive SSI can't always afford housing with the income that they receive. More units should be made affordable to people at 20% or even lower the Area Median Income. Also, Rental Subsidies for individuals being discharged from nursing homes could be increased and maybe come up with a way to help assist with the cost of accessible units.

* Another issue that I see is that the existing programs or providers usually don't practice scattered site housing. There should be accessible units across the state to increase the options that individuals have as to where they can live. Most of the time individuals live all together with others who have similar disabilities or either they live with senior citizens.

Thank you very much for the opportunity to voice my concerns/opinions and offer a solution.

Kind Regards,
Glenda Mark
gmark@abilityindiana.org

Glenda Mark - Independent Living Advocate
5302 East Washington Street Indianapolis, IN 46219
317-926-1660 Ext. 240
www.abilityindiana.org

From:	dlmccart1@aol.com
Sent:	Sunday, April 02, 2017 8:31 AM
To:	Spergel, Samantha
Subject:	Fwd: Consolidated Plan 2017

Please include following commentary.
Thank you.

Deborah McCarty
Executive Director
Back Home in Indiana Alliance
…a project of the Governor’s Council
for People with Disabilities
125 West South St.
P.O. Box 2022
Indianapolis, IN 46206
317-638-2392 (O)
dlmccart1@aol.com

-----Original Message-----
From: Terrry Moreland <terrymoreland26@yahoo.com>
To: dlmccart1 <dlmccart1@aol.com>
Sent: Sat, Apr 1, 2017 4:25 pm
Subject: Consolidated Plan 2017

1. More needs to be done to help disabled vets get around in their homes more easily.
2. Barriers need to be broken down with more grants to small communities so vets can live in homes they like with more accommodations with first responders.
3. More track chairs need to be available for younger vets coming home from the many wars we have fought.

Respectfully yours,
Terry Moreland

Heidi Aggeler

From: Christen Finn <christen@sicilindiana.org>
Sent: Saturday, April 01, 2017 7:56 PM
To: Spergel, Samantha
Subject: Affordable Housing

**** This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email. ****

Hello,

My name is Christen and I am an advocate for people with disabilities. I face a number of housing issues on a regular basis in my work. I do hope that you will work to improve the lives of these people in the following ways:

1. Section 8 Homeownership needs to be re-established. People with disabilities have limited opportunities for home ownership. Section 8 home ownership could help so many realize the dream of having a place to call their own.

2. Share the new Housing Trust Fund dollars so that people who use wheelchairs can afford to rent the wheelchair accessible apartments in the Rental Housing Tax Credit properties that are being built. It doesn't do any good for their to be empty apartments available when people who need them do not have access because of cost.

3. Set aside HOME Funds for Tenant Based Rental Assistance for people trying to move out of nursing homes. This is a tough transition and funding needs to be available to ensure people have the opportunity to live independently, saving tax payers thousands of dollars.

4. Make home modification funds available to renters. More often than not, I work with low income people with disabilities who do not have oppoufor home ownership, which then also limits funding available to make their living spaces accessible and comfortable.

Please consider these issues when making your decision.

Thank you,
Christen Finn
Lawrence County Outreach Coordinator
Southern Indiana Center for Independent Living (SICIL)

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Heidi Aggeler

From: sarah coleman <scurbur@yahoo.com>
Sent: Thursday, March 23, 2017 12:00 PM
To: Sipe, Jacob (IHCDA); Spergel, Samantha
Subject: ConPlan Comment

**** This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email. ****

Dear Ms. Segel and Mr. Sipe,
I am writing to share my comments on the 2017 ConPlan. Thank you so much for all of the work IHCDA has done on this. I recognize the four goals of the Indiana Con Plan to (1) expand & preserve affordable housing, (2) reduce homelessness & increase housing stability for special needs populations, (3) provided livable communities & community revitalization, and (4) provide activities that promote economic development.

I believe there are multiple barriers to these goals including:

1. People with SSI cannot afford housing
2. Existing housing is NOT accessible
3. Existing programs/providers do not practice scattered site housing leading to the segregation of people with disabilities and seniors.
4. The highest rate of fair housing complaints are from people with disabilities

Here are some possible solutions:

1. Making more units available to people with extremely low incomes in integrated, economically diverse backgrounds
2. Maintain that all new builds are visitable and incentives for tax credit properties, assure that home mod funds are available, enforce fair housing standard
3. Develop accessible units in multi- family housing to increase options of where to live and educated landlords that a tenant with a disability is not a "liability"
4. Enforce fair housing law and educate tenants and landlords on fair housing laws.

Again, I'd like to thank you for the opportunity to comment and for all of your hard work on the ConPlan.

Sincerely,

Sarah Coleman

Affordable Housing Barriers and Recommendations

for 2017 Annual Action Plan

of the Indiana Consolidated Plan 2014-2019.

Dear Ms. Spergel and Mr. Sipe,

Thank you for this opportunity to provide input into the 2017 Annual Action Plan. Listed below are a number of barriers to affordable housing and recommendations to further integrated, affordable and accessible housing for persons with low incomes and disabilities.

I would like to first acknowledge the promising practices that the Indiana Housing and Community Development Authority has supported with and on behalf of people with disabilities. There are a number of positive practices that strive to include and accommodate Hoosiers with disabilities in the fundamentally important work of IHCDA. These include the following changes that have been made in the recent past:

1. The establishment of a Visitability threshold requirement for all new construction of single family homes, townhomes, duplexes and triplexes. Please maintain this requirement and seek ways to expand your practices into the private housing market.

2. The requirement that Habitat for Humanity of Indiana adopt a visitability requirement for local chapters who choose to access IHCDA provided funds through the state Habitat office. Visitable homes are being constructed across Indiana. It is exciting to see Indiana's Habitat Chapters join other state affiliates in this practice across the nation.

3. The establishment of the Ramp Up project. Not uncommon in new programs is hesitancy in implementing the program. We hope to work together to establish partnerships between seasoned affordable housing organizations and disability related organizations to fully implement the pilot.

4. The establishment of incentives for developers to construct over twice the minimum federal requirement (5%) for wheelchair accessible units.

5. The requirement of universal design features in affordable housing and a refinement of the definitions/descriptors of the features for a clearer understanding of the requirements for the builders.

6. The addition of integrated supportive housing models for persons with histories of homelessness.

As we look towards 2017 and beyond the following new or renewed priorities and direction of funding support are recommended.

HOME and Tenant Based Rental Assistance

Barrier:

People living in nursing homes who qualify for Section 8 Housing Choice Vouchers through IHCDA and Money Follows the Person (MFP) need assistance with:

- The costs of security deposits for rental properties,
- Past unpaid utility bills or unpaid federally funded rents,
- The costs of transportation to search for rental housing,
- Moving expenses.

The MFP Community Transition Funds of $1500 per person that are available to help set up a new home can be quickly exhausted with security deposit payments, previously delinquent housing related payments, transportation costs, etc. Little remains in the $1500 allocation for a person to purchase furniture (bed, table, chairs, couch, etc.), lamps, linens, kitchen and bath items, cleaning supplies, etc. Many people who have lived in a nursing facility for several years no longer have the essentials to re-establish a home.

Recommendation for HOME, Tenant Based Rental Assistance:

Allocate a portion of the $600,000 in carry-over HOME Tenant Based Rental Assistance funds for persons connected with Money Follows the Person to move out of nursing facilities to cover security deposits for rental housing, past housing related unpaid bills such as utilities and delinquent rents for previous federally funded housing.

Rental Housing Tax Credit Wheelchair Accessible Units and Housing Trust Fund

Barrier: People with extremely low incomes who have disabilities and use a wheelchair are priced out of wheelchair accessible units developed within Rental Housing Tax Credit (RHTC) properties. In addition, the use of the Indiana Housing Trust Fund in its first year has been solely directed towards expanding the funding for supportive housing for persons with a history of homelessness.

Recommendation:

<u>Set aside 1 million of the 3 million</u> in Indiana Housing Trust Funds to make wheelchair accessible units in *integrated* RHTC properties affordable for persons with extremely low incomes who need the accessible features.

<u>Section 8 Homeownership Program and HOME Down Payment Assistance</u>

Barrier: People with disabilities and low incomes have limited opportunities for homeownership. In addition, homeownership is often the primary vehicle for achieving fully functional and accessible housing however people are priced out of these affordable housing opportunities.

Recommendation: Re-establish the IHCDA Section 8 Homeownership Program and associated former down payment assistance of $10,000 per homebuyer (with a disability) to create increased opportunities for homeownership by persons with disabilities.

<u>Community Development Block Grant (CDBG)</u>

Barrier:

Persons with disabilities who rent their homes and need accessibility modifications are not able to use CDBG funds for this purpose.

Recommendation:

Allow use of a modest amount of federal housing funds per household for basic modifications to rental housing (e.g., ramps, grab bars, appliances such as smoke alarms for persons with sensory impairments).

CDBG Maintain and Modify:

The **Ramp Up** project is to be commended for its purpose to make accessible ramps available to homeowners with disabilities and those who choose to “age in place.” This project is designed to address the health and safety needs of Hoosiers with mobility limitations while allowing for basic access to come and go within one’s home and community.

The need for ramps is apparent across all of Indiana’s communities in the waiting lists of nonprofit organizations such as Centers for Independent Living, (CIL) Area Agencies on Aging (AAA) and Servants at Work, Inc. (SAWS) entities. Unfortunately, nonprofits unfamiliar with affordable housing grants have found the application and compliance process to be complicated and cumbersome. No applications were received in 2016 by CILS, AAAs and SAWS.

Other strategies are needed to get **Ramp Up** off the ground. It is suggested that IHCDA help facilitate partnerships between affordable housing entities & nonprofit disability related organizations to implement the program. For example, the housing organization may serve the fiscal agent role and reporting entity while the disability related organization may works directly with the applicants and contractors.

Fair Housing

The highest rate of fair housing discrimination complaints continue to come from persons with disabilities. IHCDA is asked to continue fair housing practices or expand practices that include the following recommendations:

- Enforce fair housing accessibility standards (e.g. lower light switches, door handles vs. knobs).
- Enforce fair housing law and educate all members on fair housing reasonable accommodations and modifications.
- Make sure that people who are renting are given information (written and in tenant meetings) about fair housing law and procedures about filing complaints about fair housing discrimination.
- Require landlords/property managers to attend fair housing seminars on a regular basis.
- Report complaints and enforcement actions.

In conclusion, thank you for responding to past concerns about adequate notice of public meetings and deadlines for written commentary on the ConPlan and Action Plans. The avenues created by IHCDA for meaningful citizen participation over the past two years have created greater opportunity for participation and informed commentary.

We look forward to reviewing the next draft of the Action Plan for 2017. Thank you again.

Deborah McCarty, Executive Director
Back Home in Indiana Alliance
…a project of the Governor's Council
for People with Disabilities
125 West South St.
P.O. Box 2022
Indianapolis, IN 46206
317-638-2392 (O)
dlmccart1@aol.com

March 11, 2017

To: **2017 Annual Action Plan**
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Bob McKinley-Goldey
from Richmond IN

Re: Concerns and Recommendations for Indiana Consolidated Plan

I would like a way for me, a person from a disability of Cerebral Palsy, on Social Security Disability and Married to be able to own my own home. I have some financial challenges but would ~~leave~~ love the opportunity for a bigger space with more opportunities to address my physical challenges.

March 11, 2017

To: 2017 Annual Action Plan
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: TRACI TAYLOR Richmond, IN

Re: Concerns and Recommendations for Indiana Consolidated Plan

MY PRIMARY CONCERN REGARDING THE OWNER OCCUPIED MODIFICATION PROGRAM. AS A HOOSIER WITH A DISABILITY I NEED TO BE ABLE TO MODIFY THE SINGLE FAMILY HOME I AM RENTING. BEING PENIALIZED (NOT BEING ABOUT TO ACCESS THE OOHMP PROGRAM) IN EFFORTS TO MODIFY MY HOME TO ALLOW ME TO LIVE COMFORTABLY IN THE HOME A PAY RENT FOR EVERY MONTH. WE NEED TO HAVE AN OWNER-RENTAL MODIFICATION PROGRAM SO THAT RENTERS CAN ACCESS FUNDS TO MODIFY. THE HOME I AM RENTING.

Thank you,

Traci A. Taylor

March 11, 2017

To: **2017 Annual Action Plan**
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Joanne Tedesco ~ LaPorte County
Michigan City

Re: **Concerns and Recommendations for Indiana Consolidated Plan**

Considering that I'm a new resident of Michigan City and am not very knowledgable as much as I'd like to be about my community needs; I feel like I'm only taking a guess at how I'd allot the monies. However, having said that, I'll give it a guess and would say that funds could be used to assist people w/disabilities in renting and buying their ~~first~~ home. Additionally, I'd have to think that monies to make adaptations/modifications ~~are~~ OR more "visitable" housing would be a need. So ① affordable housing (rent/own) ② Modifications/"visitable" housing.

March 11, 2017

To: 2017 Annual Action Plan
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: MelissA Draper
Monticello

Re: Concerns and Recommendations for Indiana Consolidated Plan

The waiting lists are way to long.

March 11, 2017

To: 2017 Annual Action Plan
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Elizabeth Longcore
9560 W. Campfire Dr.
Pendleton, IN 46064

Re: Concerns and Recommendations for Indiana Consolidated Plan

My name is Elizabeth Longcore. I am a homeowner and parent of a child with autism. My wife and I have had to make significant physical modifications to our home at great personal financial expense to us in order to ensure our son's immediate health and safety. Due to a series of incidents that have occurred some of the modifications we have made include: adding hook locks to all of the exits in our home, installed window alarms and room monitors, replaced bedroom doors with Dutch doors that lock from the outside, removed sliding closet doors, installed cabinet locks and hardware to cover wall wires, box covers over outlets, and had a left perimeter fence put up in the backyard where our son's window open to. By the age of 3, he has exited our home twice without or knowled Our biggest ongoing worry for him is always his <u>safety</u>. We are fortunate in that (1) we own our home, and (2) have the financial resources to fund these needed support systems. In my profession, I work in an autism clinic providing 1:1 direct therapy to children. My heart breaks for all the families we serve who are not in the same position of privilege that I am. They are low income families (often because the significant support needs of their children serve as a barrier to them sustaining employment/economic indepence), many of them rent their homes, and their children have significant sleep pattern disturbances (common among ASD) When their child is up, they have to be up becaus they are not afforded the mental calm of knowing their child will remain safe. This negatively impacts the health and wellness of child, parent, and [illegible] Please consider adopting an owner-rental modification model

March 11, 2017

To: 2017 Annual Action Plan
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Christine Lussier, Fort Wayne

Re: Concerns and Recommendations for Indiana Consolidated Plan

As the Information & Referral Coordinator for a Center for Independent Living, most of the housing inquiries I recieve are from people who need financial assistance for home modifications, repairs, or ramp building. These people often have immediate needs: they are wanting to return home from a nursing/rehab facility or may have recently had an amputation or disabling injury. A month long waiting list doesn't work.

March 11, 2017

To: 2017 Annual Action Plan
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Kim Gabriel Kokomo

Re: Concerns and Recommendations for Indiana Consolidated Plan

The housing in Kokomo provided or ~~available available~~ available to people with disabilites is not widely known. The places that are widely known are run down or have accessibility issues. The visitable housing I believe would a great addition to my community. There are many houses that could be retrofitted or construction could be added to existing developments.

Thank you,
Kim Gabriel

March 11, 2017

To: 2017 Annual Action Plan
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Jennifer K Igney, Goshen, In

Re: Concerns and Recommendations for Indiana Consolidated Plan

~~The~~ I would like to not see a waiting lists. I would like to see money directed toward visitability housing. I would like for the housing to be in nice residential safe neighbors. I want accessible homes for all those who have disabilities and be able to afford. I don't want families to feel they are in danger or live in dangerous neighbors.

Thank you,

Jennifer

March 11, 2017

To: **2017 Annual Action Plan**
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Michelle Lynn Davis
1106 N. McCann Street
Kokomo, IN 46901

Re: **Concerns and Recommendations for Indiana Consolidated Plan**

Within my hometown, Kokomo, there exist multiple needs for livability. A greater investment must be wisely distributed to enhance connectivity in order for more people to be able to participate in the community.

Area five agency would better help its clients by having a list of available funds for home purchases, repairs, and modifications.

The Street Department can pay due respect to the maintenance of clear pedestrian routes, especially sidewalks and crosswalks (keep clear, no snow pileups, & etc.).

The Trolley Stops are to be accessible via connected zero-threshold paths.

Existing Bike & Pedestrian Ways should have signs and maps so people can find the next functional segment.

Thank You for your Consideration.

[signature]

March 11, 2017

To: 2017 Annual Action Plan
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Paula Shockley. albany IN

Re: Concerns and Recommendations for Indiana Consolidated Plan

Being Priced out of housing is a HUGE concern for my families. my family could really use downpayment ~~assessment~~ assistance. We currently rent, but would like to buy our home. With a disabled child and not knowing if we would have someone who would care for her, we have lost income, and therefore ability to have the resources to buy our home

March 11, 2017

To: **2017 Annual Action Plan**
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Wenjing Zheng, Bloomington (Monroe County)

Re: **Concerns and Recommendations for Indiana Consolidated Plan**

Dear OCRA members,

Thank you for the opportunity to express my concerns regarding affordable housing. Currently only 14% of the funds are distributed for rental housing development. I feel that many community members without medium range incomes have no choice but rent a house. It is only a good solution for young people who haven't had the resources or decision to settle down. Renting houses should be supported with good inspection service and incentives to the providers. Therefore, ~~and~~ more allocation of the funds ~~too~~ this session will improve the quality and widen the options of the individuals who need supported rental housing. Thank you!

Kind Regards,
Wenjing

March 11, 2017

To: 2017 Annual Action Plan
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Zach Dickman
Evansville IN.

Re: Concerns and Recommendations for Indiana Consolidated Plan

I think the Housing Market the sovment is Bad the people are looking For Housing and they are set NO Housing in thier city.

March 11, 2017

To: 2017 Annual Action Plan
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Alexandria Foy
Indpls, IN

Re: Concerns and Recommendations for Indiana Consolidated Plan

My friend is looking for a place to live. The problem Is she cant find a Apt. She has to stay with a emotionaly Abuseive relationship. Because sec 8 is available to her. She is on disablity ~~she~~ so she doesnt have alot of income. - She just stuck in a situation She needs help and she doesnt know where to go and not be homeless

March 11, 2017

To: 2017 Annual Action Plan
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: denise@chasingdreams.org
Denise Babjak - Valparaiso

Re: Concerns and Recommendations for Indiana Consolidated Plan

I am writing to you in regards to housing. I would like to see the $50,000,000.00 funding go to breaking down or eliminating the waiting list. also, to provide more available housing particularly to individuals with disabilities. Housing that would be non restrictive towards their disabilities and would allow them the freedom they deserve.

Thank you for your time.

Denise Babjak

March 11, 2017

To: **2017 Annual Action Plan**
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Stacy Valdivia Chesterton, IN

Re: Concerns and Recommendations for Indiana Consolidated Plan

To whom it may concern:

My concern is for Rehabilitation on homes for elderly. I have a mother who owns ~~the~~ her own home. She is disabled and needs work done on the home to make it visitable & repairs. We need more money put towards this project.

As a person with a Disability and still working, and married. It is very difficult to save funds to buy our own home due to hospital bills medication. But would love to have more money allocated to people with Disabilities for first time home buyer's program in Porter County.

Thank you for your consideration

Stacy Valdivia

March 11, 2017

To: 2017 Annual Action Plan
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Courtney Locke

Re: Concerns and Recommendations for Indiana Consolidated Plan

I am concerned that affordable housing projects exclusively for seniors do not also include people with disabilities. Many communities, like Shelbyville, IN, have added dozens of units for seniors but no new units for people with disabilities. As many seniors continue to age in place at home, those vacancies opened should be offered to people with disabilities.

Courtney Locke
New Palestine, IN

March 11, 2017

To: 2017 Annual Action Plan
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Christine Dahlberg (Indpls)

Re: Concerns and Recommendations for Indiana Consolidated Plan

We need rental subsidies so very poor people with disabilities to have a choice of housing and dont have to live in nursing homes or dangerous neighborhoods

March 11, 2017

To: 2017 Annual Action Plan
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Erika Mouton, Goshen, IN 46526

Re: Concerns and Recommendations for Indiana Consolidated Plan
- waiting list are too long

TO Whom it mar concern,

Layering funds to make homes available and affordable for Parents of kids with special needs. Most of this parents are forced to be a one income family. I personally would love to own a home but I have two girls with special needs and I can't work due to driving them everywhere they need to go. We don't have the money for a down payment or closing cost since all extras go to our kids. We are forced to rent and pay more because of his situation.

~~rikamouton227~~
rikamouton227@gmail.com

Erika

March 11, 2017

To: 2017 Annual Action Plan
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Crystal Edward Orleans, IN

Re: Concerns and Recommendations for Indiana Consolidated Plan

I would recommend allocated money tobegiven to rural areas for accessible housin for the disabled + elderly. I would also like to see money allocated for family on a limited budget to have affordab housing that does not take over half the income and waiting list to be eliminated. Thanks for your time.

[signature]

March 11, 2017

To: 2017 Annual Action Plan
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Amanda Witmer, Goshen, IN

Re: Concerns and Recommendations for Indiana Consolidated Plan

To Whom It May Concern:

As a family member of individuals with developmental disabilities, I would recommend money go towards home repairs. Many individuals are unable to keep up with costly home repairs.

Another area I see important is First Time homeownership. Layering funds to make it affordable is important. My sister-in-law is 22 & seeing her be independent in her own home is an exciting thought.

Thank you for your time.

Amanda Witmer

amandawitmer13@gmail.com
Goshen, IN

March 11, 2017

To: 2017 Annual Action Plan
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Kai Mwaafrika, Indianapolis, IN
Partners in Policymaking Academy 2017

Re: Concerns and Recommendations for Indiana Consolidated Plan

The priority is always for all people to have housing. Our survival relies on all people having shelter. The housing should be regulated, safe, appropriate, livable & meet the needs of the people who live there. People including the disabled need financial resourcing if they are under a certain income, for any reason. Emphasis is safe family & individuals equals safe neighborhoods & strong communities. It is simple

March 11, 2017

To: 2017 Annual Action Plan
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From:

Re: Concerns and Recommendations for Indiana Consolidated Plan

I am Concerned because the Section 8 wait lists are currently Closed. I also have seen a large homeless Population. There are limited Shelter Spaces There are also need of education on Funding Sources for modifications.

Jared Price
Terre Haute, IN

March 11, 2017

To: **2017 Annual Action Plan**
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Shellie Ellison, Shelbyville

Re: Concerns and Recommendations for Indiana Consolidated Plan

I have the following concerns:

1) Not enough affordable housing that is accessible is available.

2) Not enough assistance for people in renting situations, leaving lack of rental opportunities for people with disabilities and their families. There should be more enforcements for landlords to allow accommodations/modifications, as well as funding to make modifications for accessibility.

3.) There are not enough opportunities for homeowners w/ disabilities to make accommodations/modifications, causing safety and social concerns for them. Most homes are not fully accessible to the people with disabilities living in them. More money & opportunities need to be available so a person with a disability can be most independent, including leaving their home safely, cooking safely, useing the bathroom safely, taking a shower safely, etc.

4) Having money available for people with disabilities to do major home repairs would be great, as well. Often, people with disabilities live on a low or even fixed income, and a major home repair could be devastating.

March 11, 2017

To: 2017 Annual Action Plan
Indiana Office of Community and Rural Affairs (OCRA)
One North Capital – Suite 600
Indianapolis 46204-2027

From: Erica Cole
Evansville, IN

Re: Concerns and Recommendations for Indiana Consolidated Plan

Well, I'm concerned about the Sec 8 housing apartments behind me. Woodland Apartments. It needs to be redone, fixed up and cleaned out!

2017 ANNUAL ACTION PLAN

PUBLIC HEARING

Purdue Extension-Huntington County
1340 S. Jefferson Street
Huntington, IN 46750

Hosted by:

OCRA Office of COMMUNITY & RURAL AFFAIRS

ihcda

Working together to build even stronger communities throughout Indiana

Huntington: 3/30/17

ihcda

Indiana Housing & Community Development Authority

SIGN-IN SHEET

Name	Company	Member of Press?
Lisa Poole	BackHome in IN	☐Yes ☒No
Steve Poole	BACK HOME IN IN	☐Yes ☒No
Mark Wickersham	Huntington Co. EDC	☐Yes ☒No
Tyler Moreland	Habitat for Humanity Fort Wayne	☐Yes ☒No
Hannah Blackburn	Fort Wayne Habitat for Humanity	☐Yes ☒No
		☐Yes ☐No
		☐Yes ☐No
		☐Yes ☐No
		☐Yes ☐No
		☐Yes ☐No
		☐Yes ☐No
		☐Yes ☐No
		☐Yes ☐No
		☐Yes ☐No
		☐Yes ☐No
		☐Yes ☐No
		☐Yes ☐No
		☐Yes ☐No
		☐Yes ☐No
		☐Yes ☐No

Lisa Poche: typed question

Tyler Moreland opinion on HOME homeownership
- each year more difficult to find homeowner funds focused to facilitate homeownership rather than rental/mixed use etc.

Mark Wickersham - Thanks/appreciate

CDBG Q: collaborative workforce development grant would changes to funded grants be impacted?

follow up about Homeowner webinar

APPENDIX B.

Methods of Distribution

STATE OF INDIANA

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

INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS

FY 2017 PROGRAM DESIGN AND METHOD OF DISTRIBUTION

GENERAL BACKGROUND INFORMATION AND NATIONAL CDBG OBJECTIVES

The State of Indiana, through the Indiana Office of Community and Rural Affairs, assumed administrative responsibility for Indiana's Small Cities Community Development Block Grant (CDBG) Program in 1982, under the auspices of the U.S. Department of Housing and Urban Development (HUD). In accordance with 570.485(a) and 24 CFR Part 91, the State must submit a Consolidated Plan to HUD by May 15th of each year following an appropriate citizen participation process pursuant to 24 CFR Part 91.325, which prescribes the State's Consolidated Plan process as well as the proposed method of distribution of CDBG funds for 2017. **The State of Indiana's anticipated allocation of federal Community Development Block Grant (CDBG) funds for FY 2017 is $28,353,980.00.**

This document applies to all federal Small Cities CDBG funds allocated by HUD to the State of Indiana, through its Office of Community and Rural Affairs.

The primary objective of Indiana's Small Cities CDBG Program is to assist in the development and re-development of viable Indiana communities by using CDBG funds to provide a suitable living environment and expand economic opportunities, principally for low and moderate income persons.

Indiana's program will place emphasis on making Indiana communities a better place in which to reside, work, and recreate. Primary attention will be given to activities, which promote long term community development and create an environment conducive to new or expanded employment opportunities for low and moderate income persons.

The Office of Community and Rural Affairs will pursue this goal of **investing CDBG wisely** and all applicable strategic priorities by distributing CDBG funds in a manner, which promotes exploration of all alternative resources (financial and personal) when making funding decisions respective to applications for CDBG funding.

PROGRAM AMENDMENTS

The Indiana Office of Community and Rural Affairs reserves the right to transfer up to ten percent (10%) of each fiscal year's available allocation of CDBG funds (i.e. FY 2017 as well as prior-years' reversions balances) between the programs described herein in order to optimize the use and timeliness of distribution and expenditure of CDBG funds, without formal amendment of this Consolidated Plan.

The Office of Community and Rural Affairs will provide citizens and general units of local government with reasonable notice of, and opportunity to comment on, any substantial change proposed to be made in the use of FY 2017 CDBG as well as reversions and residual available balances of prior-years' CDBG funds. "Substantial Change" shall mean the movement between programs of more than ten percent (10%) of the total allocation for a given fiscal year's CDBG funding allocation, or a major modification to programs described herein. The Office of Community and Rural Affairs, in consultation with the Indianapolis office of the US Department of Housing and Urban Development (HUD), will determine those actions, which may constitute a "substantial change".

The State (OCRA) will formally amend its FY 2015 Consolidated Plan if the Office of Community and Rural Affairs' **Method of Distribution for FY 2017 and prior-years' funds** prescribed herein are to be significantly changed. The OCRA will determine the necessary changes, prepare the proposed amendment, provide the public and units of general local government with reasonable notice and opportunity to comment on the proposed amendment, consider the comments received, and make the amended FY 2015 Consolidated Plan available to the public at the time it is submitted to HUD. In addition, the Office of Community and Rural Affairs will submit to HUD the amended Consolidated Plan before the Department implements any changes embodied in such program amendment.

ELIGIBLE ACTIVITIES/FUNDABILITY

All activities, which are eligible for federal CDBG funding under Section 105 of the Federal Housing and Community Development Act of 1974, as, amended (Federal Act), are eligible for funding under the Indiana Office of Community and Rural Affairs' FY 2017 CDBG program. However, the Indiana Office of Community and Rural Affairs reserves the right to prioritize its method of funding; the Office of Community and Rural Affairs prefers to expend federal CDBG funds on activities/projects which will produce tangible results for principally low and moderate income persons in Indiana. Funding decisions will be made using criteria and rating systems, which are used for the State's programs and are subject to the availability of funds. It shall be the policy under the state program to give priority to using CDBG funds to pay for actual project costs and not to local administrative costs. **The State of Indiana certifies that not less than seventy-percent (70%) of FY 2017 CDBG funds will be expended for activities principally benefiting low and moderate income persons, as prescribed by 24 CFR 570.484, et. seq.**

ELIGIBLE APPLICANTS

1. All Indiana counties, cities and incorporated towns which do not receive CDBG entitlement funding directly from HUD or are not located in an "urban county" or other area eligible for "entitlement" funding from HUD.

2. All Indian tribes meeting the criteria set forth in Section 102 (a)(17) of the Federal Act.

In order to be eligible for CDBG funding, applicants may not be suspended from participation in the HUD-funded CDBG Programs or the Indiana Office of Community and Rural Affairs due to findings/irregularities with previous CDBG grants or other reasons. In addition, applicants may be suspended from participation in the state CDBG-funded projects administered by the Indiana Housing & Community Development Authority (IHCDA), such funds being subcontracted to the IHCDA by the Office of Community and Rural Affairs.

Further, in order to be eligible for CDBG funding, applicants may not have overdue reports, overdue responses to monitoring issues, or overdue grant closeout documents for projects funded by either the Office of Community and Rural Affairs or IHCDA projects funded using state CDBG funds allocated to the IHCDA by the Office of Community and Rural Affairs. All applicants for CDBG funding must fully expend all CDBG Program Income as defined in 24 CFR 570.489(e) prior to, or as a part of the proposed CDBG-assisted project, in order to be eligible for further CDBG funding from the State.

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

FY 2017 FUND DISTRIBUTION

Sources of Funds:

FY 2017 CDBG Allocation	**$27,891,732**
CDBG Program Income	$0
, **Total:**	**$27,891,732**

Uses of Funds:

1.	Housing Programs (IHCDA)	$2,789,173
2.	Stellar Communities Program	$0
3.	Planning Fund	$1,066,725
4.	Main Street Revitalization Program	$2,500,000
5.	Wastewater/Drinking Water Improvements Program	$12,000,000
6.	Blight Clearance Program	$ 100,000
7.	Public Facilities Program	$4,000,000
8.	Storm Water Improvements Program	$4,500,000
9.	Workforce Development Program	$ 0
10.	Urgent Need Fund	$ 0
11.	Technical Assistance	$ 278,000
12.	Administration	$ 657,834
	Total:	**$27,891,732**

(a) The State of Indiana (Office of Community and Rural Affairs) does not project receipt of any CDBG program income for the period covered by this FY 2017 Consolidated Plan. In the event the Office of Community and Rural Affairs receives such CDBG Program Income, such moneys will be placed in the Wastewater/Drinking Water Program (WDW) for the purpose of making additional competitive grants under that program. Reversions of other years' funding will be placed in the Wastewater/Drinking Water Program (WDW) for the specific year of funding reverted. The State will allocate and expend all CDBG Program Income funds received prior to drawing additional CDBG funds from the US Treasury. However, the following exceptions shall apply:

1. This prior-use policy shall not apply to housing-related grants made to applicants by the Indiana Housing & Community Development Authority (IHCDA), a separate agency, using CDBG funds allocated to the IHCDA by the Office of Community and Rural Affairs.

2. Program income generated by CDBG grants awarded by the Office of Community and Rural Affairs (State) using FY 2017 CDBG funds must be returned to the Office of Community and Rural Affairs, however, such amounts of less than $35,000 per calendar year shall be excluded from the definition of CDBG Program Income pursuant to 24 CFR 570.489.

All obligations of CDBG program income to projects/activities require prior approval by the Office of Community and Rural Affairs. This includes use of program income as matching funds for CDBG-funded grants from the IHCDA. Applicable parties should contact the Director of Grant Services at (317) 232-1703 for application instructions and documents for use of program income prior to obligation of such funds.

Local Governments that have been inactive in using their program income are required to return their program income to the State. The State will use program income reports submitted by local governments and/or other information obtained from local governments to determine if they have been active or inactive in using their program income. Local governments that have an obligated/approved application to use their program income to fund at least one project in the previous 24 months will be considered active. Local governments that have not obtained approval for a project to utilize their program income for 24 months will be considered inactive.

Furthermore, U.S. Department of Treasury regulations require that CDBG program income cash balances on hand be expended on any active CDBG grant being administered by a grantee before additional federal CDBG funds are requested from the Office of Community and Rural Affairs. These US Treasury regulations apply to projects funded both by IHCDA and the Office of Community and Rural Affairs. Eligible applicants with CDBG program income should strive to close out all active grant projects presently being administered before seeking additional CDBG assistance from the Office of Community and Rural Affairs or IHCDA.

Eligible applicants with CDBG program income should contact the Office of Community and Rural Affairs at (317) 232-1703 for clarification before submitting an application for CDBG financial assistance.

METHOD OF DISTRIBUTION

The choice of activities on which the State (Office of Community and Rural Affairs) CDBG funds are expended represents a determination by Office of Community and Rural Affairs and eligible units of general local government, developed in accordance with the Department's CDBG program design and procedures prescribed herein. The eligible activities enumerated in the following Method of Distribution are eligible CDBG activities as provided for under Section 105(a) of the Federal Act, as amended.

All projects/activities funded by the State (Office of Community and Rural Affairs) will be made on a basis which addresses one (1) of the three (3) national objectives of the Small Cities CDBG Program as prescribed under Section 104(b)(3) of the Federal Act and 24 CFR 570.483 of implementing regulations promulgated by HUD. CDBG funds will be distributed according to the following Method of Distribution (program descriptions):

A. Housing Program: $2,835,387

The State (Office of Community and Rural Affairs) has contracted with the Indiana Housing & Community Development Authority (IHCDA) to administer funds allocated to the State's Housing Program. The Indiana Housing & Community Development Authority will act as the administrative agent on behalf of the Indiana Office of Community and Rural Affairs. Please refer to the Indiana Housing & Community Development Authority's portion of this FY 2017 Action Plan for the method of distribution of such subcontracted CDBG funds from the Office of Community and Rural Affairs to the IHCDA.

B. Stellar Communities Program: $ 0

The State of Indiana will to set aside $0 of its FY 2017 CDBG funds for the Stellar Communities Program. Funds will be allocated to designees in the Action Plan for the fiscal year an application is anticipated from each designee.

Indiana's Stellar Communities Program is a collaborative effort of the Office of Community and Rural Affairs (OCRA), the Indiana Housing and Community Development Authority (IHCDA), and the Indiana Department of Transportation (INDOT). The Stellar Communities Program seeks to engage two communities 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 community. From this revitalization strategy, communities will produce a three-year community investment plan which will identify capital and quality of life projects to be completed during that period.

Evaluation and selection of the final two communities to the Stellar Communities Program will be based on:

- Summary of Comprehensive Community Revitalization Strategy
- Identify at least one project to be completed in each of the 3 program years. The total number of projects is solely limited to the community's ability to successfully complete the projects;
- Identify/document project cost estimates, local match amounts and sources, and funding resources.
- Completion of the site visit checklist from the resource team.
- Document level of need and significance of each project in overall community revitalization efforts.
- Capacity of the applicant to administer the funds;

- The long-term viability of the strategic community investment 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 IHCDA with CDBG funds 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 IHCDA with HOME, ESG and/or HOPWA funds will meet the specific requirements set forth by those programs.

C. Planning Fund: $ 1,066,725

The State (Office of Community and Rural Affairs) will set aside $1,066,725 of its FY 2017 CDBG funds for planning-only activities, which are of a project-specific nature. The Office of Community and Rural Affairs will make planning-only grants to units of local government to carry out planning activities eligible under 24 CFR 570.205 of applicable HUD regulations. The Office of Community and Rural Affairs will award such grants on a competitive basis and grant the Office of Community and Rural Affairs will review applications monthly. The Office of Community and Rural Affairs will give priority to applications having planning activities designed to assist the applicable unit of local government in meeting its community development needs by reviewing all possible sources of funding, not simply the Office of Community and Rural Affair's grant programs..

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.

The specific threshold criteria and basis for project point awards for PL grant awards are provided in Attachment D hereto. The Planning Fund (PL) Program shall have a maximum grant amounts as follows:

- Environmental infrastructure studies are limited as follows:
  - $35,000 for a study on a single utility,
  - $45,000 for a study on two utilities, and
  - $50,000 for a master utility study (water, wastewater, and storm water).
- Dam or Levee System Evaluations will be limited to $75,000.
- Comprehensive plans are limited as follows.
  - Populations over 10,000 are limited to $50,000, and
  - Populations under 10,000 are limited to $40,000
- Downtown revitalization plans are limited as follows:
  - Populations over 2,000 are limited to $40,000, and
  - Populations under 2,000 are limited to $30,000
- Economic development plans are limited to $40,000.
- Public facilities plans will be limited to $20,000.
- Historic preservation plans will be limited to $20,000.
- Environmental Remediation Plan grant amounts will be determined by OCRA on a case by case basis.

For the PL Program specifically, the amount of CDBG funds granted will be based on a $5,000 cost per project beneficiary. The specific threshold criteria and basis for project point awards for grant awards are provided in Attachment D hereto.

D. Main Street Revitalization Program: $2,500,000

The Office of Community and Rural Affairs will award Main Street Revitalization Program (MSRP) grants to eligible applicants to assist Indiana communities with activities intended to revitalize their downtown area. Each applicant must meet the following prerequisites:

1) Have a designated Indiana Main Street Organization;
2) The Main Street Organization is in good standing for meeting all the reporting requirements;
3) The Main Street Organization has attended all required workshops associated with the Indiana Main Street Program during past year;
4) The Main Street organization is functioning within the Main Street 4 Point Approach of Organization, Design, Economic Restructuring, 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 Main Street Organization has a business recruitment/retention plan that is approved by the Indiana Main Street Program;
7) The project must be part of the Main Street Organization's overall strategy;
8) The Community has completed a downtown revitalization plan within the past five years that meets OCRA's Minimum Technical Requirements.

Applications will be accepted and awards will be made on a competitive basis. The specific threshold criteria and basis for project point awards for MSRP grant awards are provided in Attachment E hereto. The Main Street Revitalization Program (MSRP) shall have a maximum grant amount of $500,000.

For the MSRP Program specifically, the amount of CDBG funds granted will be based on a $5,000 cost per project beneficiary.

E. Wastewater/Drinking Water Improvements Program: $ 12,000,000

The State of Indiana will set aside $12,000,000 of its FY 2017 CDBG funds for the Wastewater Drinking Water (WDW) Improvements Program.

Applications will be accepted and awards made on a competitive basis. The Wastewater/Drinking Water Improvements Program (WDW) shall have a maximum grant amount according to the schedules below:

Wastewater
Projects Under $1 million in total project costs

	Rates for 4,000 gallons		
Maximum Grant Amounts	**User Rates (Over $50)**	**User Rates ($30 to $50)**	**User Rates (Under $30)**
Tier III – LMI% 62.0 and higher	$600,000	$550,000	$500,000
Tier II – LMI% 57.0 to 61.9	$550,000	$500,000	$450,000
Tier I – LMI% 51.0 to 56.9	$500,000	$450,000	$400,000

Wastewater
Projects Over $1 million in total project costs

	Rates for 4,000 gallons		
Maximum Grant Amounts	**User Rates (Over $45)**	**User Rates ($25 to $45)**	**User Rates (Under $25)**
Tier III – LMI% 62.0 and higher	$700,000	$650,000	$600,000
Tier II – LMI% 57.0 to 61.9	$650,000	$600,000	$550,000
Tier I – LMI% 51.0 to 56.9	$600,000	$550,000	$500,000

Drinking Water
Projects Under $1 million in total project costs

	Rates for 4,000 gallons		
Maximum Grant Amounts	**User Rates (Over $45)**	**User Rates ($25 to $45)**	**User Rates (Under $25)**
Tier III – LMI% 62.0 and higher	$600,000	$550,000	$500,000
Tier II – LMI% 57.0 to 61.9	$550,000	$500,000	$450,000
Tier I – LMI% 51.0 to 56.9	$500,000	$450,000	$400,000

Drinking Water
Projects Over $1 million in total project costs

	Rates for 4,000 gallons		
Maximum Grant Amounts	**User Rates (Over $45)**	**User Rates ($25 to $45)**	**User Rates (Under $25)**
Tier III – LMI% 62.0 and higher	$700,000	$650,000	$600,000
Tier II – LMI% 57.0 to 61.9	$650,000	$600,000	$550,000
Tier I – LMI% 51.0 to 56.9	$600,000	$550,000	$500,000

Applications will be accepted and awards will be made on a competitive basis. The specific threshold criteria and basis for project point awards for WWP grant awards are provided in Attachment F hereto.

For the WDW Program specifically, the amount of CDBG funds granted will be based on a $5,000 cost per project beneficiary.

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.

F. Blight Clearance Program: $100,000

The State of Indiana will to set aside $100,000 of its FY 2017 CDBG funds for the competitive Blight Clearance Program (BCP). Applications will be accepted and awards will be made on a competitive basis. The specific threshold criteria and basis for project point awards for BCP grant awards are provided in Attachment G hereto. The Blight Clearance Program (BCP) shall have a maximum grant amount of $350,000.

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.

G. Public Facilities Program: $4,000,000

The State of Indiana will to set aside $4,000,000 of its FY 2017 CDBG funds for the Public Facilities Program (PFP).

Applications will be accepted and awards will be made on a competitive basis. The specific threshold criteria and basis for project point awards for PFP grant awards are provided in Attachment H hereto.

For the PFP specifically, the amount of CDBG funds granted will be based on a $5,000 cost per project beneficiary. That maximum grant award for the Public Facilities Program is $500,000.

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.

H. Stormwater Improvements Program: $4,500,000

The State of Indiana will to set aside $4,500,000 of its FY 2017 CDBG funds for the Stormwater Improvements Program (SIP).

Applications will be accepted and awards will be made on a competitive basis. Specific threshold criteria and basis for project point awards for SIP grant awards are provided in Attachment I hereto.

For the SIP Program specifically, the amount of CDBG funds granted will be based on a $5,000 cost per project beneficiary. That maximum grant award for the Stormwater Improvements Program is $500,000.

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.

I. Workforce Development Program: $0

The Office of Community and Rural Affairs (OCRA) will set aside $0 of its FY 2017 CDBG funds for workforce development and skills training activities. The OCRA will review this program, compare it to other programs offered by our partners, and make a determination of whether to offer another round of these funds.

If released, these grants to units of local government to carry out activities eligible under 24 CFR 570.201(e) of applicable HUD regulations. Applications may be accepted and awards will be made on a competitive basis. To be eligible for WDP assistance, a public service must be either a new service or a quantifiable increase in the level of an existing service above that which has been provided by or on behalf of the unit of general local government (through funds raised by the unit or received by the unit from the State) in the 12 calendar months before the submission of the action plan. The OCRA will give priority to applications having a proven need and regional impact.

Eligible activities for the Workforce Development Program include:

- Sector-based strategies focusing on a specific need in the community/region (welding, heavy equipment operator, etc)
- Problem-focused strategies (life-skills, interviewing, basic math, etc.)

The specific threshold criteria and basis for project award for WDP grants are provided in Attachment J hereto. The Workforce Development (WDP) Program shall have a maximum grant amount of $250,000.

Local match contribution of at least 20% of total program costs will be required.

J. The 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. Special selection factors include need, proof of recent threat of a catastrophic nature, statement of declared emergency and inability to fund through other means. Projects will be developed with the assistance of the Office of Community and Rural Affairs as a particular need arises. To be eligible, these projects and their activities must meet the "urgent need" national objective of Section 104(b)(3) of the Federal Act. Generally, projects funded are those, which need immediate attention and are, therefore, inappropriate for consideration under 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 cleanup after a major fire, flood, or other natural disaster. Although all projects will be required to meet the "urgent need" national objective, the Office of Community and Rural Affairs may choose to actually fund the project under one of the other two national objectives, if it deems it expedient to do so. Applicants must adequately document that other financial resources are not available to meet such needs pursuant to Section 104(b)(3) of the Federal Act and 24 CFR 570.483 of HUD regulations.

Only that portion of a project, which addresses an immediate need, should be addressed. This is particularly true of municipal water or sewer system projects, which tend to need major reinvestment in existing plants or facilities, in addition to the correction of the immediate need. The amount of grant award is determined by the individual circumstances surrounding the request for emergency funds. A community may be required to provide a match through cash, debt or provision of employee labor.

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

K. Technical Assistance Set-aside: $278,000

Pursuant to the federal Housing and Community Development Act (Federal Act), specifically Section 106(d)(5), the State of Indiana is authorized to set aside up to one percent (1%) of its total allocation for technical assistance activities. The amount set aside for such Technical Assistance in the State's FY 2017 Consolidated Plan is $278,000, which constitutes approximately one-percent (1%) of the State's FY 2017 CDBG allocation of $27,891,732. The State of Indiana reserves the right to set aside up to one percent (1%) of open prior-year funding amounts for the costs of providing technical assistance on an as-needed basis.

The amount set aside for the Technical Assistance Program will not be considered a planning cost as defined under Section 105(a)(12) of the Federal Act or an administrative cost as defined under Section 105(a)(13) of the Federal Act. Accordingly, such amounts set aside for Technical Assistance will not require matching funds by the State of Indiana. The Department reserves the right to transfer a portion or all of the funding set aside for Technical Assistance to another program hereunder as deemed appropriate by the Office of Community and

Rural Affairs, in accordance with the "Program Amendments" provisions of this document. The Technical Assistance Program is designed to provide, through direct Office of Community and Rural Affairs staff resources or by contract, training and technical assistance to units of general local government, nonprofit and for-profit entities relative to community and economic development initiatives, activities and associated project management requirements.

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

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

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

   a. Local administrative expenses not related to community development;
   b. Any activity that 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 non-profits.

L. Administrative Funds Set-aside: $555,000

The State (Office of Community and Rural Affairs) will set aside up to $660,000 of its FY 2017 CDBG funds for payment of costs associated with administering its State Community Development Block Grant (CDBG) Program (CFDA Number 14.228). This amount ($270,000) constitutes slightly less than two-percent (2%) of the State's CDBG allocation ($27,891,732), plus an amount of $100,000 ($28,353,870 X 0.02 = $557,834.64 + $100,000 = $657,834). The amount constituted by the 2% set aside ($557,834) is subject to the $1-for-$1 matching requirement of HUD regulations. The $100,000 supplement is not subject to state match. These funds will be used by the Office of Community and Rural Affairs for expenses associated with administering its State CDBG Program, including direct personal services and fringe benefits of applicable Office of Community and Rural Affairs staff, as well as direct and indirect expenses incurred in the proper administration of the state's program and monitoring activities respective to CDBG grants awarded to units of local government (i.e. telephone, travel, services contractual, etc.). These administrative funds will also be used to pay for contractors hired to assist the Office of Community and Rural Affairs in its consolidated planning activities.

PRIOR YEARS' METHODS OF DISTRIBUTION

This Consolidated Plan, statement of Method of Distribution is intended to amend all prior Consolidated Plans for grant years where funds are still available to reflect the new program designs. The Methods of Distribution described in this document will be in effect commencing on July 1, 2017, and ending June 30, 2017, unless subsequently amended, for all FY 2017 CDBG funds as well as remaining residual balances of previous years' funding allocations, as may be amended from time to time subject to the provisions governing "Program Amendments" herein. The existing and amended program budgets for each year are outlined below (administrative fund allocations have not changed and are not shown below). Adjustments in the actual dollars may occur as additional reversions become available.

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.

PROGRAM APPLICATION

The Planning Fund/Program (PL) will be conducted through a single-stage, continuous application process throughout the program year. The application process for the Stellar Communities Program and the Workforce Development Program (WDP) will be a single competitive application process. The application process for the Wastewater/Drinking Water Program (WDW), Public Facilities Program (PFP), Stormwater Improvements Program (SIP), the Main Street Revitalization Program (MSRP), and Blight Clearance Program (BCP) will be competitive application process held twice each calendar year.

Eligible applicants will first submit a short program proposal or letter of intent for such grants. After submitting proposal, eligible projects under the Federal Act will be invited to submit a full application. For each program, the full application will be reviewed and evaluated. The Office of Community and Rural Affairs, as applicable, will provide technical assistance to the communities in the development of full applications.

An eligible applicant may submit only one application per cycle, per program. Additional applications may be submitted under the other state programs. The Office of Community and Rural Affairs reserves the right to negotiate Planning-Only grants with applicants for applications lacking a credible readiness to proceed on the project or having other planning needs to support a construction project.

OTHER REQUIREMENTS

While administrative responsibility for the Small Cities CDBG program has been assumed by the State of Indiana, the State is still bound by the statutory requirements of the applicable legislation passed by Congress, as well as federal regulations promulgated by the U. S. Department of Housing and Urban Development (HUD) respective to the State's CDBG program as codified under Title 24, Code of the Federal Register. HUD has passed on these responsibilities and requirements to the State and the State is required to provide adequate evidence to HUD that it is carrying out its legal responsibilities under these statutes.

As a result of the Federal Act, applicants who receive funds through the Indiana Office of Community and Rural Affairs selection process will be required to maintain a plan for minimizing displacement of persons as a result of activities assisted with CDBG funds and to assist persons actually displaced as a result of such activities. Applicants are required to provide reasonable benefits to any person involuntarily and permanently displaced as a result of the use of assistance under this program to acquire or substantially rehabilitate property. The State has adopted standards for determining reasonable relocation benefits in accordance with HUD regulations.

CDBG "Program Income" may be generated as a result of grant implementation. The State of Indiana may enter into an agreement with the grantee in which program income is retained by the grantee for eligible activities. Federal guidelines require that program income be spent prior to requesting additional draw downs. Expenditure of such funds requires prior approval from the Office of Community and Rural Affairs (OCRA). The State (Office of Community and Rural Affairs) will follow HUD regulations set forth under 24 CFR 570.489(e) respective to the definition and expenditure of CDBG Program Income.

All statutory requirements will become the responsibility of the recipient as part of the terms and conditions of grant award. Assurances relative to specific statutory requirements will be required as part of the application package and funding agreement. Grant recipients will be required to secure and retain certain information, provide reports and document actions as a condition to receiving funds from the program. Grant management techniques and program requirements are explained in the OCRA's CDBG Grantee Implementation Manual, which is provided to each grant recipient.

Revisions to the Federal Act have mandated additional citizen participation requirements for the State and its grantees. The State has adopted a written Citizen Participation Plan, which is available for interested citizens to review. Applicants must certify to the State that they are following a detailed Citizen Participation Plan which meets Title I requirements. Technical assistance will be provided by the Office of Community and Rural Affairs to assist program applicants in meeting citizen participation requirements.

The State has required each applicant for CDBG funds to certify that it has identified its housing and community development needs, including those of low and moderate income persons and the activities to be undertaken to meet those needs.

INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS (OCRA)

The Indiana Office of Community and Rural Affairs intends to provide the maximum technical assistance possible for all of the programs to be funded from the CDBG program. Lieutenant Governor heads the Office of Community and Rural Affairs. Principal responsibility for the CDBG program is vested in William Konyha, Executive Director of OCRA. The Office of Community and Rural Affairs also has the responsibility of administering compliance activities respective to CDBG grants awarded to units of local government 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 Communities Program, Main Street Revitalization Fund, Wastewater/Drinking Water Program, Public Facilities Program, Stormwater Improvements Program, Workforce Development Program and the Planning Fund process resides with the Office of Community and Rural Affairs. Primary responsibility for providing "outreach" and technical assistance for the Housing award process resides with the Indiana Housing & Community Development Authority who will act as the administrative agent on behalf of the Indiana Office of Community and Rural Affairs.

The Business Office will provide internal fiscal support services for program activities, development of the Consolidated Plan and the CAPER. The Office of Community and Rural Affairs has the responsibilities for 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 Office of Community and Rural Affairs with any questions or inquiries they may have concerning these or any other programs operated by the Office of Community and Rural Affairs.

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

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

DEFINITIONS

Low and moderate income - is defined as 80% of the median family income (adjusted by size) for each county. For a county applicant, this is defined as 80% of the median income for the state. The income limits shall be as defined by the U. S. Department of Housing and Urban Development Section 8 Income Guidelines for "low income families." Certain persons are considered to be "presumptively" low and moderate income persons as set forth under 24 CFR 570.208(a)(2); inquiries as to such presumptive categories should be directed to the OCRA's Grants Management Office, Attention: Ms. Beth Goeb at (317) 232-8831.

Matching funds - local public or private sector in-kind services, cash or debt allocated to the CDBG project. The level of local matching funds required for CDBG projects is either ten-percent (10%) or twenty-percent (20%), based on program, of the **total estimated project costs**. This percentage is computed by adding the proposed grant amount and the local matching funds amount, and dividing the local matching funds amount by the total sum of the two amounts. The definition of match includes a maximum of 5% pre-approved and validated in-kind contributions. The balance of the match requirement must be in the form of either cash or debt. Any in-kind over and above the specified 5% may be designated as local effort. Other funds provided to applicants by the Office of Community and Rural Affairs are not eligible for use as matching funds.

Letter of Intent (LOI) (synonymous with "proposal" or "pre-application") - A document submitted by a community which briefly outlines the proposed project, the principal parties, and the project budget and how the proposed project will meet a goal of the Federal Act. If acceptable, the community may be invited to submit a full application.

Reversions - Funds placed under contract with a community but not expended for the granted purpose because expenses were less than anticipated and/or the project was amended or canceled and such funds were returned to the Office of Community and Rural Affairs upon financial settlement of the project.

Slums or Blight - an area/parcel which: (1) meets a definition of a slum, blighted, deteriorated, or deteriorating area under state or local law (Title 36-7-1-3 of Indiana Code); and (2) meets the requirements for "area basis" slum or blighted conditions pursuant to 24 CFR 570.208(b)(1) and 24 CFR 570.483(c)(1), or "spot basis" blighted conditions pursuant to 24 CFR 570.208(b)(2) and 24 CFR 570.483(c)(2).

Urgent Need - is defined as a serious and immediate threat to health and welfare of the community. The Chief Elected Official must certify that an emergency condition exists and requires immediate resolution and that alternative sources of financing are not available. An application for CDBG funding under the "urgent need" CDBG national objective must adhere to all requirements for same set forth under 24 CFR 570.208(c) and 24 CFR 570.483(d).

DISPLACEMENT PLAN

1. The State shall fund only those applications, which present projects and activities, which will result in the displacement of as few persons or businesses as necessary to meet the goals and objectives of the state and local CDBG-assisted program.

2. The State will use this criterion as one of the guidelines for project selection and funding.

3. The State will require all funded communities to certify that the funded project is minimizing displacement.

4. The State will require all funded communities to maintain a local plan for minimizing displacement of persons or businesses as a result of CDBG funded activities, pursuant to the federal Uniform Relocation and Acquisitions Policies Act of 1970, as amended.

5. The State will require that all CDBG funded communities provide assistance to all persons displaced as a result of CDBG funded activities.

6. The State will require each funded community to provide reasonable benefits to any person involuntarily and permanently displaced as a result of the CDBG funded program.

GENERAL SELECTION CRITERIA

The Office of Community and Rural Affairs (OCRA) will consider the following general criteria when evaluating a project proposal. Although projects will be reviewed for this information at the proposal stage, no project will be eliminated from consideration if the criteria are not met. Instead, the community will be alerted to the problem(s) identified. Communities must have corrected any identified deficiencies by the time of application submission for that project to be considered for funding.

A. General Criteria (all programs - see exception for program income and housing projects through the IHCDA in 7 below):

1. The applicant must be a legally constituted general purpose unit of local government and eligible to apply for the state program.

2. The applicant must possess the legal capacity to carry out the proposed program.

3. If the applicant has previously received funds under CDBG, they must have successfully carried out the program. An applicant must not have any overdue closeout reports, State Board of Accounts 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:

    a. Overdue grant reports, sub-recipient reports or project closeout documents; or

    b. More than two (2) open or pending CDBG grant (Indiana cities and incorporated towns), or three (3) open or pending CDBG grants (Indiana counties) from OCRA;

    c. For those applicants with an open MSRP, WDP, 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, WDP, WDW, PFP, SIP or BCP contract, and a contract for construction of the principal (largest funding amount) construction line item (activity) must have been executed prior to the deadline established by OCRA for receipt of applications for funding.

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

9. 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.

10. Required leveraging based on 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.

11. 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.

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

C. Housing Programs: Refer to Method of Distribution for Indiana Housing & Community Development Authority within this FY 2017 Action Plan

GRANT EVALUATION CRITERIA
Planning Grant Program (PL)
750 POINTS TOTAL

Planning Grant (PL) applications must achieve a minimum score of 450 points to be eligible for award.
*Planning grants do not count toward a community's maximum number of open grants.

NATIONAL OBJECTIVE SCORE (200 POINTS):

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

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

National Objective Score = % Low/Mod Beneficiaries X 2.5

The point total is capped at 200 points or 80% low/moderate beneficiaries, i.e., a project with 80% or greater low/moderate beneficiaries will receive 200 points. Below 80% benefit to low/moderate-income persons, the formula calculation will apply.

2. National Objective = Prevention or Elimination of Slums or Blight: 200 points maximum awarded based on the characteristics listed below. The total points given are computed as follows:

National Objective Score = (Total of the points received in each category below) X 2.5

___ Applicant has a Slum/Blight Resolution for project area (50 pts.)

___ The project site is a brownfield* (10 pts.)

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

___ The building or district is eligible for listing on the Indiana or National Register of Historic Places** (10 pts.)

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

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

Project may either be listed on **or eligible for listing on the Indiana or National Register of Historic Places. ***Both cannot be checked.***

COMMUNITY DISTRESS FACTORS (175 POINTS):

Various factors are used to determine the distress of a community. IOCRA 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.

LOCAL MATCH CONTRIBUTION (50 POINTS):

A maximum of 50 points based on the percentage of local funds devoted to the project. This total is determined as follows:

Total Match Points = % Eligible Local Match X 1

The points total is capped at 50 points or 50% match, i.e., a project with 50% match or greater will receive 50 points. Below 50% match, the formula calculation will apply.

Eligible local match can be local cash, debt or in-kind sources. Federal, state, and local government grants are considered eligible match. In-kind sources may provide eligible local match for the project, but the amount that can be counted as local match is limited to 5% of the total project budget or a maximum of $25,000. Use of in-kind donations as eligible match requires approval from the Indiana Office of Community and Rural Affairs, Division approximately 2 weeks prior to application submission (deadline will be announced each round).

PROJECT DESIGN FACTORS (300 POINTS):

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

Project Description – is the project clearly defined as to determine eligibility? – 50 points
Project Need - is the community need for this project clearly documented? – 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 review team when evaluating the projects**.** **Applicants should address all Project Development Issues associated with their project type.** Applicants should work with their OCRA community liaison to identify ways to increase their project's scores in these areas.

LEVERAGING PHILANTHROPIC CAPITAL (25 POINTS):

Points are assigned based on Philanthropic contribution as a percentage of total project costs.

0- ½ %	0 pts
½ - 1%	10 pts
1-1½%	15 pts
1 ½ -2%	20 pts
2%+	25 pts

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 follow point reduction. This applies to all project types, although it is particularly relevant to utility projects.

0 – 7 years since previous funding – 50pts

Example:
Community submits and receives a PL award for a Master Utility Study in 2015. When applying for a Water Utility Study in 2021, they would be subject to a point reduction of 50pts. In 2022 they would have no point reduction.

GRANT EVALUATION CRITERIA – 700 POINTS TOTAL
Main Street Revitalization Program (MSRP)

Main Street Revitalization Program applications (MSRP) must achieve a minimum score of 400 points to be eligible for award.

THRESHOLD REQUIREMENTS:

Each applicant must meet the following prerequisites:

1) Have a designated Indiana Main Street Organization;
2) The Main Street Organization is in good standing for meeting all the reporting requirements;
3) The Main Street Organization has attended all required workshops associated with the Indiana Main Street Program during past year;
4) The Main Street organization is functioning within the Main Street 4 Point Approach of Organization, Design, Economic Restructuring, 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 Main Street Organization has a business recruitment/retention plan that is approved by the Indiana Main Street Program;
7) The project must be documented as part of the Main Street Organization's overall strategy;
8) The Community has completed a downtown revitalization plan within the past five years that meets OCRA's Minimum Technical Requirements.

COMMUNITY DISTRESS FACTORS (175 POINTS):

Various factors are used to determine the distress of a community. IOCRA 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, and Labor Force Participation

Local government scores, which are updated and published annually, can be found at: www.stats.indiana.edu.

LOCAL MATCH CONTRIBUTION (100 POINTS):

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

Total Match Points = % Eligible Local Match X 2

Eligible local match can be local cash, debt or in-kind sources. Federal, state, and local government grants are considered eligible match. In-kind sources may provide eligible local match for the project, but the amount that can be counted as local match is limited to 5% of the total project budget or a maximum of $25,000. Use of in-kind donations as eligible match requires approval from the Indiana Office of Community and Rural Affairs, Grant Services Division approximately 2 weeks prior to application submission (deadline will be announced each round).

MAIN STREET SCORE (50 POINTS):

Main Street Score: 50 points maximum awarded based on the characteristics listed below. The total points given are computed as follows:

___ Community is designated as a Nationally Accredited Indiana Main Street Organization. (20 pts.)

___ The Main Street Organization has a long-term Strategic Plan. (10 pts.)

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

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

___ The Main Street Organization has a sustainability/fundraising plan in place. (5 pts.)

Project may either be listed on **<u>or</u> eligible for listing on the Indiana or National Register of Historic Places. ***Both cannot be checked.***

PROJECT DESIGN FACTORS (300 POINTS):

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

Project Description – is the project clearly defined as to determine eligibility? – 50 points
Project Need - is the community need for this project clearly documented? – 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 review team when evaluating the projects**.** **<u>Applicants should address all Project Development Issues associated with their project type</u>.** Applicants should work with their OCRA community liaison to identify ways to increase their project's scores in these areas.

PROJECT SUSTAINABILITY (50 POINTS):

A maximum of 50 points for the establishment of a (or documentation of existing) permanent Main Street Fund to be used for ongoing downtown revitalization activities such as a revolving loan program, grant program, events, etc.

0 points – under $3,000 philanthropic fund
25 points - $3,000-$5,000 philanthropic fund
50 points - $5,000 or higher philanthropic fund

LEVERAGING PHILANTHROPIC CAPITAL (25 POINTS):

Points are assigned based on Philanthropic contribution as a percentage of total project costs.

0- ½ %	0 pts
½ - 1%	10 pts
1-1½%	15 pts
1 ½ -2%	20 pts
2%+	25 pts

POINTS REDUCTION POLICY:

It is the policy of OCRA not to fund more than one phase or component of a single project. 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 follow point reduction.

MSRP Point Reduction Policy
0-7 years since previous funding – 50 pts

Example:
Community submits and receives an award in 2015. When applying for a similar project type in 2021, they would be subject to a point reduction of 50pts. In 2022 they would have no point reduction.

GRANT EVALUATION CRITERIA
600 POINTS TOTAL

Wastewater/Drinking Water Program (WDW) applications must achieve a minimum score of 300 points to be eligible for award.

COMMUNITY DISTRESS FACTORS (175 POINTS):

Various factors are used to determine the distress of a community. IOCRA 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, and Labor Force Participation

Local government scores, which are updated and published annually, can be found at: www.stats.indiana.edu.

LOCAL MATCH CONTRIBUTION (100 POINTS):

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

Total Match Points = % Eligible Local Match X 1

The points total is capped at 100 points or 100% match, i.e., a project with 75% match will receive 75 points.

Eligible local match can be local cash, debt or in-kind sources. Federal, state, and local government grants are considered eligible match. In-kind sources may provide eligible local match for the project, but the amount that can be counted as local match is limited to 5% of the total project budget or a maximum of $25,000. Use of in-kind donations as eligible match requires approval from the Indiana Office of Community and Rural Affairs, Grant Services Division approximately 2 weeks prior to application submission (deadline will be announced each round).

PROJECT DESIGN FACTORS (300 POINTS):

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

Project Description – is the project clearly defined as to determine eligibility? – 50 points
Project Need - is the community need for this project clearly documented? – 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 review team when evaluating the projects**.** **Applicants should address all Project Development Issues associated with their project type.** Applicants should work with their OCRA community liaison to identify ways to increase their project's scores in these areas.

FINANCIAL GAP (25 POINTS):

A maximum of 25 points awarded per $1.00 in financial gap.

OCRA GAP CALCULATION

1. Grant Amount Requested	____________
2. Debt Coverage Factor (assume 25%)	____________
3. Total Funds Needed (multiply line 1 by 1.25)	____________
4. Amortization Constant (4.5% APR)	.00633
5. Monthly Payment (multiply line 3 by line 4)	____________
6. O/M Cost Factor (multiply line 5 by .05)	____________
7. Total Monthly Costs (add lines 5 and 6)	____________
8. Number of Users	____________
9. Monthly Rate Impact (divide line 7 by line 8)	____________

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

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 follow point reduction.

0 – 7 years since previous funding – 50pts

Example:
Community submits and receives an award in 2015. When applying for a similar project type in 2021, they would be subject to a point reduction of 50pts. In 2022 they would have no point reduction.

GRANT EVALUATION CRITERIA
600 POINTS TOTAL

Blight Clearance Program (BCP) clearance/demotion applications are accepted in a single competitive round. All applications must achieve a minimum score of 360 points to be eligible for award.

COMMUNITY DISTRESS FACTORS (175 POINTS):

Various factors are used to determine the distress of a community. IOCRA 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, and Labor Force Participation.

Local government scores, which are updated and published annually, can be found at: www.stats.indiana.edu.

LOCAL MATCH CONTRIBUTION (50 POINTS):

A maximum of 50 points based on the percentage of local funds devoted to the project. This total is determined as follows:

Total Match Points = % Eligible Local Match X 1

The points total is capped at 50 points or 50% match, i.e., a project with 50% match or greater will receive 50 points. Below 50% match, the formula calculation will apply.

Eligible local match can be local cash, debt or in-kind sources. Federal, state, and local government grants are considered eligible match. In-kind sources may provide eligible local match for the project, but the amount that can be counted as local match is limited to 5% of the total project budget or a maximum of $25,000. Use of in-kind donations as eligible match requires approval from the Indiana Office of Community and Rural Affairs, Grant Services Division approximately 2 weeks prior to application submission (deadline will be announced each round).

PROJECT DESIGN FACTORS (300 POINTS):

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

Project Description – is the project clearly defined as to determine eligibility? – 50 points
Project Need - is the community need for this project clearly documented? – 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 review team when evaluating the projects. **Applicants should address all Project Development Issues associated with their project type.** Applicants should work with their OCRA community liaison to identify ways to increase their project's scores in these areas.

IFA REGISTRY (25 POINTS):

A maximum of 25 points awarded for projects listed on the IFA Brownfield registry (IFA program site number) which indicates prior involvement of the Indiana Brownfield Program.

SITE DEVELOPMENT PLAN (50 POINTS):

A maximum of 50 points will be awarded for projects that have a site development plan for the future use of the Brownfield site.

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 follow point reduction. This applies to all project types, although it is particularly relevant to utility projects.

0 – 7 years since previous funding – 50pts

Example:
Community submits and receives an award in 2015. When applying for a similar project type in 2021, they would be subject to a point reduction of 50pts. In 2022 they would have no point reduction.

GRANT EVALUATION CRITERIA
700 POINTS TOTAL

Public Facilities Program (PFP) applications must achieve a minimum score of 420 points to be eligible for 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.

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

The point total is capped at 100 points or 100% low/moderate beneficiaries, i.e., a project with 100% or greater low/moderate beneficiaries will receive 100 points. Below 100% benefit to low/moderate-income persons, the formula calculation will apply.

COMMUNITY DISTRESS FACTORS (175 POINTS):

Various factors are used to determine the distress of a community. IOCRA 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, and Labor Force Participation.

Local government scores, which are updated and published annually, can be found at: www.stats.indiana.edu.

LOCAL MATCH CONTRIBUTION (50 POINTS):

A maximum of 50 points based on the percentage of local funds devoted to the project. This total is determined as follows:

Total Match Points = % Eligible Local Match X 1

The points total is capped at 50 points or 50% match, i.e., a project with 50% match or greater will receive 50 points. Below 50% match, the formula calculation will apply.

Eligible local match can be local cash, debt or in-kind sources. Federal, state, and local government grants are considered eligible match. In-kind sources may provide eligible local match for the project, but the amount that can be counted as local match is limited to 5% of the total project budget or a maximum of $25,000. Use of in-kind donations as eligible match requires approval from the Indiana Office of Community and Rural Affairs, Grant Services Division approximately 2 weeks prior to application submission (deadline will be announced each round).

PROJECT DESIGN FACTORS (300 POINTS):

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

Project Description – is the project clearly defined as to determine eligibility? – 50 points
Project Need - is the community need for this project clearly documented? – 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 review team when evaluating the projects**.** **Applicants should address all Project Development Issues associated with their project type.** Applicants should work with their OCRA community liaison to identify ways to increase their project's scores in these areas.

LEVERAGING PHILANTHROPIC CAPITAL (25 POINTS):

Points are assigned based on Philanthropic contribution as a percentage of total project costs.

1- ½ %	0 pts
½ - 1%	10 pts
1-1½%	15 pts
1 ½ -2%	20 pts
2%+	25 pts

COMMUNITY FACILITY PHILANTHROPIC FUND (50 POINTS):

A maximum of 50 points for the establishment of a (or documentation of existing) permanent Community Facility Philanthropic Fund, to be used for ongoing operation and maintenance activities.

0 points – under $3,000 philanthropic fund
25 points - $3,000-$5,000 philanthropic fund
50 points - $5,000 or higher philanthropic fund

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 follow point reduction. This applies to all project types, although it is particularly relevant to utility projects.

0 – 7 years since previous funding – 50pts

Example:
Community submits and receives an award in 2015. When applying for a similar project type in 2021, they would be subject to a point reduction of 50pts. In 2022 they would have no point reduction.

GRANT EVALUATION CRITERIA
700 POINTS TOTAL

Stormwater Improvements Program (SIP) applications must achieve a minimum score of 420 points to be eligible for 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.

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

The point total is capped at 100 points or 100% low/moderate beneficiaries, i.e., a project with 100% or greater low/moderate beneficiaries will receive 100 points. Below 100% benefit to low/moderate-income persons, the formula calculation will apply.

COMMUNITY DISTRESS FACTORS (175 POINTS):

Various factors are used to determine the distress of a community. IOCRA 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, and Labor Force Participation.

Local government scores, which are updated and published annually, can be found at: www.stats.indiana.edu.

LOCAL MATCH CONTRIBUTION (75 POINTS):

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

Total Match Points = % Eligible Local Match X 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.

Eligible local match can be local cash, debt or in-kind sources. Federal, state, and local government grants are considered eligible match. In-kind sources may provide eligible local match for the project, but the amount that can be counted as local match is limited to 5% of the total project budget or a maximum of $25,000. Use of in-kind donations as eligible match requires approval from the Indiana Office of Community and Rural Affairs, Grant Services Division approximately 2 weeks prior to application submission (deadline will be announced each round).

PROJECT DESIGN FACTORS (300 POINTS):

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

Project Description – is the project clearly defined as to determine eligibility? – 50 points
Project Need - is the community need for this project clearly documented? – 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 review team when evaluating the projects**.** **Applicants should address all Project Development Issues associated with their project type.** Applicants should work with their OCRA community liaison to identify ways to increase their project's scores in these areas.

SUSTAINABILITY (50 POINTS):

A maximum of 50 points for the establishment of, or documentation of existing sustainability plan for the ongoing operation and maintenance activities of the stormwater system.

0 points – under $3 monthly stormwater utility user rate
25 points – $3-$5 monthly stormwater utility user rate
50 points **-** $5 or higher monthly stormwater utility user rate

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 follow point reduction.

0 – 7 years since previous funding – 50pts

Example:
Community submits and receives an award in 2015. When applying for a similar project type in 2021, they would be subject to a point reduction of 50pts. In 2022 they would have no point reduction.

GRANT EVALUATION CRITERIA
350 POINTS TOTAL

Workforce Development Program (WDP) applications must achieve a minimum score of 210 points to be eligible for award.

LOCAL MATCH CONTRIBUTION (50 POINTS):

A maximum of 50 points based on the percentage of local funds devoted to the project. This total is determined as follows:

Total Match Points = % Eligible Local Match X 1

The points total is capped at 50 points or 50% match, i.e., a project with 50% match or greater will receive 50 points. Below 50% match, the formula calculation will apply.

Eligible local match can be local cash, debt or in-kind sources. Federal, state, and local government grants are considered eligible match. In-kind sources may provide eligible local match for the project, but the amount that can be counted as local match is limited to 5% of the total project budget or a maximum of $25,000. Use of in-kind donations as eligible match requires approval from the Indiana Office of Community and Rural Affairs, Grant Services Division approximately 2 weeks prior to application submission (deadline will be announced each round).

PROJECT DESIGN FACTORS (300 POINTS):

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

Program Design– is the project clearly defined as to determine eligibility? – 100 points
Local Effort and Economic Conditions - what efforts have been made to form partnerships with industry and community leaders? is the community/regional need for this project clearly documented? – 150 points
Financial Impact - why is grant assistance necessary to complete this project? – 50 points

The points in these categories are awarded by the OCRA review team when evaluating the projects**.** **Applicants should address all Project Development Issues associated with their project type.** Applicants should work with their OCRA community liaison to identify ways to increase their project's scores in these areas.

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 follow point reduction. This applies to all project types, although it is particularly relevant to utility projects.

0 – 7 years since previous funding – 50pts

Example:
Community submits and receives an award in 2015. When applying for a similar project type in 2021, they would be subject to a point reduction of 50pts. In 2022 they would have no point reduction.

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 Methods of Distribution set forth in the Office of Community and Rural Affairs' annual Consolidated Plan for CDBG funds submitted to HUD as well as the Office of Community and Rural Affairs' overall administration of the State's Small Cities Community Development Block Grant (CDBG) Program. In this regard, the Office of Community and Rural Affairs will 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 handicapped persons, provide citizens with reasonable advance notice and the opportunity to comment on proposed projects as set forth in Title 5-3-1 of Indiana Code, and provide interested parties with addresses, telephone numbers and times for submitting grievances and complaints.

2. Consult with local elected officials and the Office of Community and Rural Affairs Grant Administrator Networking Group in the development of the Method of distribution set forth in the State's Consolidated Plan for CDBG funding submitted to HUD.

3. Publish a proposed or "draft" Consolidated 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.

5. Hold one (1) or more public hearings respective to the State's proposed/draft Consolidated Plan, on amendments thereto, duly advertised in newspapers of general circulation in major population areas statewide pursuant to I.C. 5-3-1-2 (B), to obtain the views of citizens on proposed community development and housing needs. The Consolidated Plan Committee published the enclosed legal advertisement to thirteen (13) regional newspapers of general circulation statewide respective to the public hearings held on the 2017 Consolidated Plan. In addition, this notice was distributed by email to over 1,000 local officials, non-profit entities, and interested parties statewide in an effort to maximize citizen participation in the planning process:

The Republic, Columbus, IN
The Corydon Democrat and Clarian News, Corydon, IN
Indianapolis Star, Indianapolis, IN
The Journal-Gazette, Fort Wayne, IN
The Salem Leader and Salem Democrat, Salem, IN
Scott County Journal, Scottsburg, IN
The News and Tribune, Jeffersonville, IN
The Chronicle-Tribune, Wabash, IN
Gary Post Tribune, Gary, IN
Tribune Star, Terre Haute, IN
Journal & Courier, Lafayette, IN
Evansville Courier, Evansville, IN
South Bend Tribune, South Bend, IN
Palladium-Item, Richmond, IN
The Times, Munster, IN
The Star Press, Muncie, IN

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.

7. Make the Consolidated Plan available to the public at the time it is submitted to HUD, and;

8. Follow the process and procedures outlined in items 2 through 7 above with respect to any amendments to a given annual CDBG Consolidated Plan and/or submission of the Consolidated Plan to HUD.

In addition, the State also will solicit comments from citizens and units of general local government on its CDBG Performance Review submitted annually to the U.S. Department of Housing and Urban Developments (HUD). Prior to its submission of the Review to HUD, the State will advertise regionally statewide (pursuant to I.C. 5-3-1) in newspapers of general circulation soliciting comments on the Performance and Evaluation Report.

The State will respond within thirty (30) days to inquiries and complaints received from citizens and, as appropriate, prepare written responses to comments, inquiries or complaints received from such citizens.

Community Development Block Grant
Owner-Occupied Rehabilitation
2017 Application Policy

SUMMARY

The purpose of the Owner Occupied Rehabilitation (OOR) Program is to preserve affordable housing stock by providing funding to selected applicants for the rehabilitation of owner-occupied housing for low to moderate-income households. Through this program, IHCDA seeks to improve the quality of life of assisted individuals and the quality of the existing housing stock in Indiana.

This program is designed to allocate CDBG funds to be used for OOR among selected applicants who have developments that meet IHCDA's requirements and goals for the program:

1. Demonstrate they are meeting the needs of their specific community.
2. Attempt to reach low and very low-income levels of Area Median Income (AMI).
3. Are ready to proceed with the activity upon receipt of the award.
4. Propose projects that assist individuals with disabilities.
5. Propose the use of Minority Business Enterprises and/or Women-Owned Business Enterprises and Indiana contractors, employees, and products.

Contents

Available Online

IHCDA CDBG Program Webpage

Part 1: Application Process

1.1 CDBG Application Forms and CDBG and CDBG-D OOR Policy Discrepancies
In the event of a conflict or inconsistency between the CDBG and CDBG-D OOR Application Forms, Appendices, and/or CDBG and CDBG-D OOR Application Policy, the CDBG and CDBG-D OOR Application Policy will prevail.

1.2 Funding Round Timelines
Note: This is an anticipated schedule and is subject to change or extension, and dependent upon the availability of funding

Fiscal Year 2017 Round:

Application Available / Round Begins	May 15, 2017
Application Webinar	June 2017 (date and time TBD)
Application Due Date	July 17, 2017
Award Announcements	TBD

Please note that the award announcement date is predicated upon the finalization of the federal budget, and the total funding amount of CDBG to the State of Indiana.

1.3 Application Webinar
An application webinar will be conducted prior to the application deadline. During the webinar, IHCDA Real Estate Production Department staff will describe the requirements of the OOR program, threshold and scoring criteria, how to complete the required forms, and how to utilize the FTP site. Local Units of Government and Not-for-Profit entities intending to apply are strongly encouraged to attend the application webinar.

1.4 Technical Assistance
The Applicant may schedule a technical assistance meeting with their regional IHCDA Real Estate Production Analyst to discuss both the proposed development and IHCDA's application process. Technical assistance may be required at IHCDA's discretion if the applicant does not have experience with IHCDA awards or if past performance was poor. Applicants are urged to contact their Real Estate Production Analyst early in the planning process to obtain guidance and technical assistance.

1.5 Application Submission
Applicants must submit the following items to IHCDA's Real Estate Department Coordinator:

- Via IHCDA's electronic file transfer (FTP) site:
    - Two completed copies of the final application form, one as an Excel file and one as a searchable PDF.
    - All supporting documents required in the tabs. Please submit this information as **separate PDF documents**, each labeled to indicate the appropriate tab. The tab label directory is located at the end of the IHCDA CDBG and CDBG-D OOR Application Policy. Do not send one PDF containing all supporting documentation.
- Via hard copy:
    - One copy of forms which require original signatures

- Environmental Review Record (ERR)
- The original tear sheet or original publisher's affidavit of legal notice for any public hearing.
- One USB Flash Drive with all documents

Applicants that submit hard copies of any documents not specifically listed above will be ineligible to receive points in the Bonus category.

All required application items are due no later than 5:00 p.m. Eastern Time, on or before the due date. Applications received after the deadline will be returned to the applicant via certified mail. Faxed applications will not be accepted. Instructions on how to utilize the FTP site will be explained during the application webinar. The hard copy of the final application forms, ERR, and public hearing documentation should be sent to:

Indiana Housing and Community Development Authority
ATTN: Real Estate Department Coordinator
RE: CDBG OOR Application
30 South Meridian Street, Suite 1000
Indianapolis, IN 46204

All applicants must retain a copy of this application package for their records. Applicants that receive funding will be bound by the information contained in this application package.

IHCDA will send an email confirmation to the applicant contact within one week of submission notifying the applicant of receipt by IHCDA. Please notify the Real Estate Department Coordinator if the applicant would like to add an additional contact person for communications regarding the 2017 CDBG Application.

1.6 Application Review

Each application must address only one development. Applications are reviewed in a seven step process:

Step One – Completeness	IHCDA reviews to determine if the applicant submitted all required documents, signatures, and attachments before the application deadline.
Step Two – Preliminary Threshold	IHCDA reviews application and submitted documents to determine if the application meets the minimum threshold criteria for awards.
Step Three – Threshold Clarification	IHCDA provides preliminary threshold review information to the applicant. The applicant has the opportunity to provide clarification or point out documents that may have been misplaced in the application submittal. If the applicant responds, it must be by the deadline set by IHCDA.

Step Four – Final Threshold	IHCDA reviews applicant's response to preliminary threshold and determines if applicant meets threshold. If applicant does not meet threshold, the application will not be scored or awarded funding.
Step Five – Preliminary Scoring	Applications that pass the completeness and threshold reviews are scored according to IHCDA's published scoring criteria in this policy.
Step Six – Scoring Clarification	IHCDA provides a preliminary score sheet to the applicant. The applicant has the opportunity to provide clarification or point out documents that may have been misplaced in the application submittal. No new scoring documentation may be submitted after the initial application has been submitted. Any response must be received by the deadline set by IHCDA.
Step Seven – Final Scoring	IHCDA reviews applicant's response to preliminary scoring and determines a final application score. Applications with more than three outstanding threshold and/or scoring clarifications at final threshold or final scoring, respectively, will be disqualified. IHCDA determines which applications will be funded based on their final scores. Some applications may receive less than their total request amount based on the total funding available.

Bonus points will be awarded to applications submitted according to IHCDA guidelines that pass threshold without any technical errors or incomplete information.

Funded applications will be announced at the published IHCDA Board Meeting date – the announcement timing is dependent upon the approval of the State of Indiana 2017 Annual Action Plan. Confirmation letters and score sheets will be uploaded to the FTP site by the close of business on the day of the board meeting. Applications that are not funded will be notified via a denial letter and final score sheets which will be uploaded to the FTP site by the close of business on the day of the board meeting. Applications that are not funded will **not** be rolled over into the next funding round.

1.7 Minimum Score Requirement

There is no minimum score required for funding in the CDBG OOR Round.

1.8 IHCDA CDBG & HOME Program Manual

The IHCDA CDBG & HOME Program Manual outlines the requirements for administering IHCDA's CDBG awards. A complete copy of the CDBG & HOME Program Manual and exhibits are available on IHCDA's website at this location:
http://www.in.gov/myihcda/2490.htm

Part 2: Eligible Applicants

2.1 Eligible Applicants

Community Development Block Grant (CDBG)	Cities, Towns, and Counties that are not CDBG entitlement communities: (Entitlement communities are listed below)	Cities, Towns, and Counties that are CDBG entitlements: (Entitlement communities are listed below)	CDBG-D Non-eligible counties: (Listed on page 5)	501(c)3 and 501(c)4 Not-for-Profit Organizations	Joint Venture Partnerships	For Profit Entities organized under the State of Indiana
Eligible Applicants:	✓	Not eligible	✓	Not eligible unless the target area is a Stellar Community	Not eligible	Not eligible

CDBG OOR Funds

Eligible applicants include cities, towns, or counties that are located within Indiana but outside of CDBG entitlement communities and whose proposed activities are consistent with the State's HUD-approved Consolidated Plan. Not-for-profit 501(c)3 or 501(c)4 organizations, public housing authorities, regional planning commissions, and/or townships are encouraged to participate in activities as subrecipients of local units of government but must apply through a sponsoring eligible city, town, or county.

The following CDBG entitlement communities are not eligible to apply for CDBG funds:

Anderson	East Chicago	Gary	Indianapolis**	LaPorte	New Albany
Bloomington	Elkhart	Goshen	Kokomo	Michigan City	South Bend
Columbus	Evansville	Hamilton County*	Lafayette	Mishawaka	Terre Haute
	Fort Wayne	Hammond	Lake County	Muncie	West Lafayette

*The following communities in Hamilton County are eligible for CDBG funds: Arcadia, Atlanta, Cicero and Sheridan.

**Excluding the Marion County Cities of Beech Grove, Lawrence, Speedway, and Southport. The Town of Cumberland is excluded when the housing activity is located outside of Marion County.

CDBG Disaster OOR Funds

Eligible applicants include not-for-profit 501(c)3 or 501(c)4 organizations, cities, towns, or counties that are located in Indiana and are current Stellar Communities Designees. Owner Occupied Rehabilitation must have been identified as a project in the designee's Strategic Investment Plan to be eligible.

Cities, towns, and counties within the following counties are NOT eligible to apply for CDBG-D funds:

Blackford	Clinton	Delaware	Howard	Lagrange
Miami	Steuben	Tipton	Warren	Wells

Proposed activities from eligible counties must be consistent with the State's HUD-approved Disaster Plan.

Stellar Designees utilizing the CDBG-D funds for OOR must follow Parts 1-5 of this Policy. Please contact your Regional Real Estate Production Analyst for the Stellar Designee application.

2.2 Ineligible Applicants

IHCDA reserves the right to disqualify any application from an applicant, subrecipient, administrator, preparer, or related party with a history of disregarding policies, procedures, or staff directives associated with administering any program through IHCDA. This also applies to programs administered by any other State, Federal, or affordable housing entities, including but not limited to the Indiana Office of Community and Rural Affairs (OCRA), the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Agriculture - Rural Development (USDA), or the Federal Home Loan Bank (FHLB).

Applicants with an open CDBG OOR grant are ineligible to apply for another grant until the current award has been completed with all completion reports and close out documents submitted.

A county is eligible to apply for an OOR grant but may not serve any municipality within that county that has a current OOR grant.

Additionally, any entity currently on IHCDA's suspension or debarment list is ineligible to submit an application. IHCDA's Suspension and Debarment Policy can be found in Chapter 17 of the IHCDA CDBG & HOME Program Manual.

2.3 Religious and Faith-Based Organizations

i. Religious/faith-based organization eligibility. Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the OOR program. Neither the Federal Government nor a state or local government receiving funds under the OOR program shall discriminate against an organization on the basis of the organization's religious character or affiliation. Recipients and subrecipients of program funds shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.

ii. Beneficiaries. In providing services supported in whole or in part with federal financial assistance, and in their outreach activities related to such services, program participants shall not discriminate against current or prospective program beneficiaries on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.

iii. Separation of explicitly religious activities. Recipients and subrecipients of OOR program funds that engage in explicitly religious activities, including activities that involve overt religious content such as worship, religious instruction, or proselytization, must perform such activities and offer such services outside of programs that are supported with federal financial assistance separately, in time or location, from the programs or services funded under this part, and participation in any such explicitly religious activities must be voluntary for the program beneficiaries of the HUD-funded programs or services.

iv. Religious identity. A faith-based organization that is a recipient or subrecipient of OOR program funds is eligible to use such funds as provided under the regulations of this part without impairing its independence, autonomy, expression of religious beliefs, or religious character. Such organization will retain its independence from federal, state, and local government, and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct program funds to support or engage in any explicitly religious activities, including activities that involve overt religious content, such as worship, religious instruction, or proselytization, or any manner prohibited by law. Among other things, faith-based organizations may use space in their facilities to provide program-funded services, without removing or altering religious art, icons, scriptures, or other religious symbols. In addition, an OOR program-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

v. Alternative provider. If a program participant or prospective program participant of the OOR program supported by HUD objects to the religious character of an organization that provides services under the program, that organization shall, within a reasonably prompt time after the objection, undertake reasonable efforts to identify and refer the program participant to an alternative provider to which the prospective program participant has no objection. Except for services provided by telephone, the Internet, or similar means, the referral must be to an alternate provider in reasonable geographic proximity to the organization making the referral. In making the referral, the organization shall comply with applicable privacy laws and regulations. Recipients and subrecipients shall document any objections from program participants and prospective program participants and any efforts to refer such participants to alternative providers in accordance with the requirements of §92.508(a)(2)(xiii). Recipients shall ensure that all subrecipient agreements make organizations receiving program funds aware of these requirements.

vi. Structures. Program funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for explicitly religious activities. Program funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. When a structure is used for both eligible and explicitly religious activities, program funds may not exceed the cost of those portions of the acquisition, new construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to the OOR program. Sanctuaries, chapels, or other rooms that an OOR program-funded religious congregation uses as its principal place of worship, however, are ineligible for OOR program-funded improvements. Disposition of real property after the term of the grant, or any change in the use of the property during the term of the grant, is subject to government wide regulations governing real property disposition (see 2 CFR 200.311).

vii. Supplemental funds. If a state or local government voluntarily contributes its own funds to supplement federally funded activities, the state or local government has the option to segregate the federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.

Part 3: Eligible Activities & Program Requirements

3.1 Eligible Activities

The purpose of the OOR Program is to provide subsidies in the form of grants to selected applicants for the rehabilitation of owner-occupied housing for low to moderate-income people. The program is intended for the rehabilitation of owner-occupied housing that serves as the homeowner's primary residence.

- To be eligible for owner-occupied rehabilitation, the homeowner beneficiary must be low-income and occupy the property as a principal residence. A household owns a property if that household:
    - Has fee simple title to the property; or
    - Maintains a 99-year leasehold interest in the property; or
    - Owns a condominium; or
    - Owns or has a membership in a cooperative or mutual housing project that constitutes homeownership under state law; or
    - If held in a life estate, the person who has the life estate has the right to live in the housing for the remainder of his or her life and does not pay rent.

  Ownership does not include land sale contracts/contracts for deeds or life estates, unless the life estate meets all the criteria listed above.

- Eligible repairs:
    - Minor repairs which can include, but are not limited to, an inoperable or faulty furnace, leaking roof, unsafe electrical wiring and plumbing, hazardous structural conditions, etc.
    - Any major household system repaired or replaced as part of the rehabilitation process must meet the stricter of the Indiana State Building Code or local building codes.
    - Funds may be used to remedy conditions that, while not posing an immediate threat to health and safety, represent an ongoing threat to the structural integrity of a building and may eventually result in an emergency situation.

  Owner-occupied rehabilitation is subject to the Owner-Occupied Rehabilitation Priority List (see Application Appendices) when determining scope of work.

- Manufactured homes are eligible if they meet IHCDA's Manufactured Housing Policy or if rehabilitation will bring the unit up to these standards:
    - A single dwelling unit designed and built in a factory, installed as a permanent residence, which bears a seal certifying that it was built in compliance with the Federal Manufactured Housing Construction and Safety Standards law and which also complies with the following specifications:
        - Shall have been constructed after January 1, 1981, and must exceed 950 square feet of occupied space per I.C. 36-7-4-1106 (d);
        - Is attached to a permanent foundation of masonry construction and has a permanent perimeter enclosure constructed in accordance with the One and Two Family Dwelling Code;

- Has wheels, axles and towing chassis removed;
- Has a pitched roof;
- Consists of two or more sections which, when joined, have a minimum dimension of 20’ X 47.5’ enclosing occupied space; and
- Is located on land held by the beneficiary in fee-simple title or 99-year leasehold and is the principal residence of the beneficiary.
- All other manufactured or mobile homes that do not meet the aforementioned criteria are ineligible to receive rehabilitation assistance funded by IHCDA.

3.2 Ineligible Activities

The following are ineligible activities:

- Creation of secondary housing attached to a primary unit;
- Acquisition, rehabilitation, or construction of nursing homes, convalescent homes, hospitals, residential treatment facilities, correctional facilities, or student dormitories;
- The provision of project-based tenant rental assistance;
- Rehabilitation of mobile homes, unless they meet the criteria listed above;
- Acquisition, rehabilitation, or new construction if any part of a development or its land is located within the boundaries of a 100-year floodplain. A flood determination must be provided for each parcel associated with the development;
- Rehabilitation of multi-family or single-family rental housing; and
- Rehabilitation of a garage.

In addition, IHCDA **does not** fund:

- Requests from individuals, political, social, or fraternal organizations;
- Endowments, special events, arts, or international projects;
- Scholarships requested by individuals;
- Institutions that discriminate on the basis of race, color, national origin, sex, religion, familial status, disability, marital status, sexual orientation, or gender identity in policy or in practice;
- Projects in furtherance of sectarian religious activities, impermissible lobbying, legislative or political activities; and
- Medical research or medical profit-making enterprises.

3.3 OOR Program Requirements

The proposed OOR development must follow these minimum requirements, and all other requirements set forth in the CDBG & HOME Program Manual, to be eligible for funding. For further details on each requirement, please see IHCDA’s CDBG & HOME Program Manual, available at http://www.in.gov/myihcda/2490.htm.

CDBG AND CDBG-D REQUIREMENTS

Recipients must comply with all regulatory requirements listed in 24 CFR Part 570.
Applicants should familiarize themselves with IHCDA’s CDBG & HOME Program Manual. Requirements include, but are not limited to, the following:

- **Policy Requirements, Chapter 1:**

- Recipient must hold a minimum of two public hearings, each at a different stage of the process, for the purpose of obtaining citizens' input and responding to proposals and questions.
- The homeowner beneficiary must own the property and must occupy the property as a principal residence.
  - If there is a long-term lease agreement on the property, a 99-year lease must be recorded in the county recorder's office of the county in which the property is located prior to award document preparation.
  - Ownership does not include life estates (unless the person who has the life estate has the right to live in the housing for the remainder of his or her life and does not pay rent) and land sale contracts/contracts for deeds.

- **Lead Based Paint, Chapter 2:**
  - Each recipient of a CDBG award is subject to the HUD requirements of addressing lead-based paint hazards pursuant to 24 CFR Part 35. If a risk assessment is required, then all lead-based paint issues must be addressed.
- **Uniform Relocation Act, Chapter 4:**
  - Each recipient of a CDBG award is subject to the requirements of the Uniform Relocation Act. See the IHCDA's CDBG & HOME Program Manual Chapter 4 on URA for guidance on the regulatory requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended, the Federal regulations at 49 CFR Part 24, and the requirements of Section 104(d) of Title I of the Housing and Community Development Act of 1974, as amended.
- **Fair Housing and Civil Rights, Chapter 5:**
  - Every recipient must demonstrate that it will complete an action to affirmatively further fair housing during the time frame of an award.
- **Section 3, Chapter 7:**
  - Any recipient receiving an aggregate amount of $200,000 or more from one or more of the HUD CPD programs (i.e. CDBG, HOME, NSP, HOPWA, ESG, etc.) in a program year must comply with the Section 3 requirements. Section 3 provides preference to low- and very-low-income residents of the local community (regardless of race or gender) and the businesses that substantially employ these persons, for new employment, training, and contracting opportunities resulting from HUD-funded projects.
- **Income Eligibility and Verification, Chapter 8:**
  - The homeowner beneficiary must be income eligible. Each household must have an annual income equal to or less than 80% of the area median family income for the target area. The HUD Part 5 definition of income applies.
  - Income verification is valid for a period of six months. If more than six months pass between the income verification and contract execution a new income verification must be completed.
- **Procurement Procedures, Chapter 11:**
  - Award recipients will be required to provide proof of adequate builder's risk insurance, property insurance, and/or contractor liability insurance during construction. The recipient must follow competitive procurement procedures when

procuring all materials, supplies, equipment, and construction or professional services related to the CDBG award.

- **Environmental Review, Chapter 11:**
    - All applicants are required to complete the environmental review record (ERR) and submit it, in hardcopy, with their application as an application threshold item. The resulting IHCDA Release of Funds is required before fully executed award documents are released and before proceeding with the project.
- **Construction Standards (Construction Standards and Physical Inspections, Chapter 14):**
    - All IHCDA-assisted units must be inspected twice during the award period. The first inspection, by a licensed, or IHCDA approved, third-party building inspector must occur within 30 days of completion of the documented scope of work and prior to the IHCDA Inspector's final physical inspection. The final inspection conducted by an IHCDA inspector must be performed after the independent inspection, upon completion of construction on each unit and correction of any findings from the first inspection. (IHCDA CDBG & HOME Program Manual, Construction Standards & Physical Inspections Chapter 14)
- **Limited English Proficient Persons**
    - Persons who, as a result of national origin, do not speak English as their primary language and who have limited ability to speak, read, write, or understand English ("limited English proficient persons" or "LEP") may be entitled to language assistance under Title VI in order to receive a particular service, benefit, or encounter. In accordance with Title VI of the Civil Rights Act of 1964 (Title VI) and its implementing regulations, the recipient must agree to take reasonable steps to ensure meaningful access to activities funded by federal funds by LEP persons. Any of the following actions could constitute "reasonable steps", depending on the circumstances: acquiring translators to translate vital documents, advertisements, or notices, acquiring interpreters for face to face interviews with LEP persons, placing advertisements and notices in newspapers that serve LEP persons, partnering with other organizations that serve LEP populations to provide interpretation, translation, or dissemination of information regarding the project, hiring bilingual employees or volunteers for outreach and intake activities, contracting with a telephone line interpreter service, etc.
- **Uniform Requirements**
    - The recipient shall comply with 2 CFR part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- **Debarment and Suspension**
    - The requirements in 2 CFR part 2424 are applicable. Neither CDBG nor CDBG-D funds may not be provided to excluded or disqualified persons.

- **Federal Financial Accountability and Transparency Act of 2006 (FFATA) Reporting Requirements**
    - FFATA reporting requirements applies all federal funding awarded by IHCDA in the amount of $25,000.00 or greater under all of IHCDA's federal programs.
    - As a sub-recipient, your entity must provide any information needed pursuant to these requirements. This includes (1) entity information, (2) the unique identifier of

your entity, (3) the unique identifier of the parent of your entity, and (4) relevant executive compensation data, if applicable. This will require your entity to provide IHCDA with your entity's DUNS number and registering with the System for Award Management ("SAM").

- Executive Compensation - As described above, you will be required to report to the SAM, the names and total compensation of the five most highly compensated officers of your entity if your entity received eighty percent (80%) or more of its annual gross revenues from Federal contracts and Federal financial assistance (as defined at 2 CFR 170.320) and $25,000,000.00 or more in annual gross revenues from Federal contracts and federal financial assistance (as defined at 2 CFR 170.320); and if the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.
- Exception to Executive Compensation Requirement - Your entity may certify that it received less than eighty percent (80%) of annual gross revenues from the federal government, received less than $25,000,000.00 of its annual gross revenues from the federal government, already provides executive compensation to the Securities Exchange Commission, or meets the Internal Revenue Code exemption, and will not be required to submit executive compensation data into the SAM under FFATA, provided, that the your entity registers in the SAM and submits the other data requested.
- Compliance requires that your organization take the following two (2) steps:
    - Obtain a DUNS number and Provide DUNS number to IHCDA (when requested by IHCDA). A DUNS number may be requested from D&B by telephone (currently 866-705-5711) or the Internet (currently at http://www.dnb.com/get-a-duns-number.html).
    - Register and maintain SAM status Registration information (must be updated annually) and provide copy of proof of registration to IHCDA (when requested by IHCDA). Information regarding the process to register in the SAM can be obtained at https://www.sam.gov/portal/public/SAM/

CDBG-D SPECIFIC REQUIREMENTS

- Each homeowner beneficiary assisted with CDBG-D funds must execute a Duplication of Benefits Affidavit. This affidavit must be maintained in the applicant's client files.

Part 4: Subsidy Limitations & Eligible Activity Costs

4.1 Subsidy & Budget Limitations

The maximum request amount per application is $350,000.

CDBG and CDBG-D funds may not exceed $25,000 per unit for the rehabilitation budget line item.

Combined CDBG and CDBG-D funds budgeted for program delivery, award administration, and environmental review cannot exceed twenty percent (20%) of the OOR award.

4.2 Eligible Activity Costs

The bolded items listed below are included in the application budget. The requirements set forth in Sections 4.3 – 4.9 apply to both CDBG and CDBG-D funding. If you have a question about which line item an expense goes under, contact your IHCDA Real Estate Production Analyst.

ADMINISTRATION - The administration line item includes those costs directly related to administering the IHCDA award and complying with the regulations associated with these funds. This line item, along with program delivery and environmental review, cannot exceed 20% of the CDBG or CDBG-D request; costs incurred and claimed cannot exceed $10,000. Recipients are allowed to draw down this line item as costs are incurred. Costs associated with preparing an application for funding through IHCDA are not eligible for reimbursement through a CDBG award. Eligible costs include:

- Communication costs;
- Lead based paint training;
- Office materials and supplies;
- Office rent and utilities;
- Photocopying;
- Postage;
- Staff time or professional services related to reporting, compliance, monitoring, or financial management;
- Training related to the housing activity; and
- Travel related to the housing activity.

ENVIRONMENTAL REVIEW – This line item includes expenses associated with the Environmental Review Release of Funds process. This does not refer to a Phase I Environmental Assessment (Phase I EA should be included in the Program Delivery line item). This line item along with program delivery and administration cannot exceed 20% of the CDBG or CDBG-D request. Eligible costs cannot exceed $5,000 and include professional services, publication costs, photocopying, and postage. For further information regarding this activity, please read the Environmental Review Guide found in Chapter 11 Exhibits of the IHCDA CDBG & HOME Program Manual available here: http://www.in.gov/myihcda/2490.htm.

LEAD HAZARD TESTING – Costs associated with lead hazard testing include Risk Assessment, Clearance Test, etc. The limits for this line item are $1,000 per unit.

PROGRAM DELIVERY - Program delivery costs are those costs that can be directly tracked by address. They include soft costs and client-related costs that are reasonable and necessary for the

implementation and completion of the proposed activity. This line item along with administration and environmental review cannot exceed 20% of the CDBG or CDBG-D request. Recipients are allowed to draw down this line item as costs are incurred.
Eligible costs include:

- Building permits;
- Client intake and income verification;
- Cost estimates;
- Credit reports;
- Demolition permits;
- Engineering and architectural plans;
- Impact fees;
- Inspections;
- Legal and accounting fees;
- Plans, specifications, work write-ups;
- Recording fees; and
- Travel to and from the site.

REHABILITATION – Eligible costs include:

- Construction management, if provided by a third party;
- Hard costs associated with rehabilitation activities for owner-occupied repairs. Examples of eligible repairs are an inoperable or faulty furnace, leaking roof, unsafe electrical wiring and plumbing, and hazardous structural conditions;
- Improvements to infrastructure when there will be no rehabilitation work done on the actual house to be served;
- Lead-based paint interim controls and abatement costs;
- Mold remediation; and
- Utility connections and related infrastructure costs - off-site connections from the property line to the adjacent street are eligible when it is deemed a threat to health and safety.

RELOCATION - Relocation includes payments and other relocation assistance for permanently and/or temporarily relocated individuals, families, businesses, not-for-profit organizations, and farm operations where assistance is required and appropriate. Relocation payments include replacement housing payments, payments for moving expenses, and payments for reasonable out-of-pocket expenses for temporary relocation purposes. For additional information on relocation and displacement, please refer to the information provided in the IHCDA's CDBG & HOME Program Manual.

RETAINAGE POLICY - IHCDA will hold the final $5,000 of an award until all match documentation, closeout documentation, and completion reports are received and approved. Closeout documentation will not be approved until the final monitoring and inspection is completed and all associated findings and/or concerns are resolved.

4.3 Ineligible Activity Costs
The following are ineligible activity costs, and will not be reimbursed by IHCDA:

- Annual contributions for operation of public housing;
- Commercial development costs;

- Costs associated with any financial audit of the recipient;
- Costs associated with preparing an application for funding through IHCDA;
- Developer's Fee;
- Loan guarantees;
- Mortgage default/delinquency correction or avoidance;
- Operating Reserves – Funds used to initially capitalize a reserve fund that covers operating expenses when there are rental income shortfalls over the life of a permanent supportive or rental development. This line item must be included on the Uses of Funds exhibit;
- Providing tenant based rental assistance;
- Purchase or installation of luxury items, such as swimming pools or hot tubs;
- Purchase or installation of equipment, furnishings, tools, or other personal property that is not an integral structural feature, such as window air conditioner units or washers and dryers;
- Purchase or installation of stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners; or
- Replacement Reserves – Funds used to initially capitalize a reserve fund used for major capital repairs to a permanent supportive or rental housing facility. These funds can be capitalized either through operating cash flow or through the development budget on the Uses of Funds exhibit.

Part 5: Completeness & Threshold Requirements

Each proposed development must satisfy the Federal requirements of the CDBG and CDBG-D OOR program and any additional requirements established by IHCDA. To be considered for funding, an applicant must meet all of the completeness and threshold requirements listed below.

5.1 Completeness and Threshold Requirements

1) Timeliness – All documentation must be turned in by the application due date.

- On or before the application deadline, the applicant must provide all documentation as instructed in this Application Policy and as listed in the CDBG and CDBG-D OOR Application.
- If IHCDA requests additional information from the applicant, all requests are due on or before the date provided by IHCDA staff.
- Any forms that are late will be denied review and will be sent back to the applicant.

2) Responsiveness – All questions must be answered and all supporting documentation must be provided.

- The applicant must provide all documentation as requested (i.e. uploaded or hard copies, labeled correctly, etc.).
- Required pages with original signatures.

Completeness	Location
Application and Supporting Documents • Submit two copies of fully-completed CDBG and CDBG- D OOR application, one as an Excel file and one as a searchable PDF. • Submit all required supporting documents via the IHCDA FTP Site. • Mail one complete original copy of the signed application, signed Environmental Review Record (ERR), and original public hearing tear sheet or publisher's affidavit to IHCDA by the application deadline. Do not submit paper copies of any other supporting documents.	FTP site and mailed to IHCDA
Threshold Item	**Location**
SAM Registration • Submit a copy of the applicant's System of Award Management (SAM) registration. https://www.sam.gov/portal/SAM/#1	Tab A_SAM Registration
Target Market • Submit a map which outlines the targeted area or neighborhood, with clearly identifiable borders. • Submit a narrative describing the targeted market (e.g. city, town, county, neighborhood.) • Submit market need documentation as outlined in Section 6.2	Tab B_ Target Market Documentation
Grievance Procedures • Submit applicant's Grievance Procedures. Grievance Procedures must address (1) how grievances will be submitted, (2) who will review them, (3) timeframe for the review, and (4) the appeal process.	Tab C_Grievance Procedures

Area Median Income Level Served • Affirm in application that all assisted units will serve households with income at or below 80% area median income for development's county according to the current Federal Program Income Limits.	Application, Sheet 04
Not-for-Profit Applicant Documentation (if applicable) • Submit an IRS determination letter for 501(c)3 status. • Provide a copy of the Certificate of Existence from the Indiana Secretary of State to provide proof that the organization is in good standing. • Provide a copy of notification letter sent to local unit of government. • Provide proof of delivery of local government notification letter, either an email read receipt or a mail delivery receipt.	Tab E_Not-for-Profit

Administrator Documentation (if applicable)
• If the applicant has hired an administrator to administer the award, please provide documentation demonstrating that the administrator has been properly procured using the Competitive Negotiation (RFP) Procedure.
  ◦ Submit a copy of the Request for Proposals (RFP).
  ◦ Submit the published advertisement that was put in a general circulation newspaper for the RFP.
  ◦ Submit a copy of the signed contract between applicant and administrator.
	Tab F_Administrator

Subrecipient Documentation (if applicable) • Submit an IRS determination letter for 501(c)3 status. • Provide a copy of the Certificate of Existence from the Indiana Secretary of State to provide proof that the organization is in good standing. • Submit a copy of the signed contract between applicant and subrecipient.	Tab G_Subrecipient
Duplication of Benefits • Affirm in application that applicant understands if CDBG-D funding (disaster funding) is awarded each homeowner will be required to disclose and sign the Duplication of Benefits Affidavit.	Application, Sheet 08
Third-Party Inspection • Affirm in application that applicant understands a third-party inspection must be completed on each address within 30 days of construction completion. Applicant may not wait until all addresses are completed unless construction on all addresses is completed within 30 days of each other.	Application, Sheet 08
Warranty • Affirm in application that applicant understands all contractors are required to provide a one-year warranty on their work.	Application, Sheet 08

Public Hearing Two public hearings are required for CDBG funding. One public hearing MUST occur prior to application submittal. • Provide the original tear sheet or original publisher's affidavit of legal notice that includes the date of the public hearing and the date of notice publication. Under Indiana Code (I.C. 5-3-1-2 (B)) there must be a minimum of one legal notice at least 10 calendar days prior to the public hearing. • Submit a copy of the sign-in sheet. • Submit a copy of the minutes of the public hearing, which must include the date and time of the meeting, the name and title of the person running the meeting, anyone who presented at the meeting, and all content presented to the public. • Describe methods used to solicit participation of low and moderate-income persons. • Describe any comments/complaints received and responses to the comments/complaints.	Tab H_Public Hearing
HUD or Rural Development Funding (if applicable) If the proposed development has received funding directly from HUD or Rural Development in the past, the applicant must send a notification letter to the appropriate HUD or Rural Development office notifying them that an application is being submitted to IHCDA for federal funding. • Provide a copy of notification letter sent to HUD or Rural Development. • Provide proof of delivery of notification letter, either an email read receipt or a mail delivery receipt.	Tab I_HUD & RD
Environmental Review Record (ERR) • Submit Environmental Review Forms (Exhibits A, B, E, F, the Findings page, and the Signatures page). Once awarded, Exhibit G will then need to be submitted for each address. Please keep in mind that once awarded, all historic reviews (a part of the ERR) must be sent to the State Historic and Preservation Office (SHPO) for approval, which adds 30 days to the approval process for Release of Funds. The ERR forms are located in the appendices of this policy. For more detailed ERR instructions, please refer to the exhibits for Chapter 11 of the IHCDA CDBG & HOME Program Manual 3rd Edition, available here: http://www.in.gov/myihcda/2490.htm.	Tab J_ERR
Floodplain Determination Map Acquisition, rehabilitation, refinancing, or new construction of any part of a development, or its land, located within the boundaries of a 100 year floodplain is not eligible for CDBG/CDBG-D OOR funding. A FEMA FIRM Flood Map must be submitted with the application. • Please submit a FEMA FIRM Flood Map(s) that clearly demonstrates whether the addresses in the development are or are not within a 100-year floodplain. Maps may be downloaded from the FEMA website here: https://msc.fema.gov/portal. Applicants must submit FIRM Panels for all target areas. • Please label any sites that have been identified prior to application submittal.	Tab J_ERR

Affirmatively Furthering Fair Housing All CDBD/-D award recipients must take action to affirmatively further fair housing in the jurisdiction they are serving. • Select which furthering fair housing activity or activities you will be conducting.	Application, Sheet 08

Part 6: Scoring

If an application meets all applicable threshold requirements, it will be evaluated and scored based on the following scoring criteria:

Scoring Category	Points Possible
Population Served	13
Needs Analysis	15
Readiness	8
Capacity	17
Financing	6
Unique Features	5
Completeness Bonus	5
Total Possible Points	**69**

When there is a scoring criteria based on the county being served and the development is in multiple counties, the applicant should add up the scores from each county and average them and round to the nearest half point.

6.1 Population Served **Category Maximum Points Possible: 13**

There are 13 total possible points for this scoring category, which describes the proposed OOR development.

The points can be achieved through the following sub-categories: Area Median Income (AMI) served, Serving Individuals with Disabilities, Serving Families with Children Under the Age of Six, Aging in Place and Community Without Recent OOR Award.

1) *Area Median Income (AMI) Served:* *Maximum Number of Points: 6*
Six points will be awarded to applicants that commit to serving beneficiaries in CDBG assisted units in accordance with the following chart. The Area Median Income (AMI) level is for the county in which the development is to be located. Awarded recipients will be held to the unit commitment in their award agreement. Changes to the AMI levels served will require prior IHCDA approval. Rent and Income Limits may be found in Appendix C of the Ongoing Rental Compliance Manual located online at http://www.in.gov/myihcda/2490.htm.

Area Median Income (AMI) Served	Points
At least 20% of beneficiaries are at or below 30% AMI **OR** At least 30% of beneficiaries are at or below 40% AMI	6

To receive points in this category, the applicant must fill out the application section for AMI so that at least 20% of beneficiaries are at or below 30% AMI.

2) *Serving Individuals with Disabilities* *Maximum Number of Points: 3*

Serving Individuals with Disabilities	Points
At least 20% of assisted households will have at least one individual living in the home with a disability using the Fair Housing definition of disabled (see glossary). The households identified in this section may not be the same as the households identified in Serving Families Under the Age of Six or Aging in Place.	3

3) *Serving Families with Children Six and Under* *Maximum Number of Points: 2*

Serving Families with Children Six and Under	Points
At least 15% of assisted households will have at least one child six or younger. Applicants seeking these points must set aside funding for these households to clear all lead hazards in the home. To receive points in this category, the applicant must submit a copy of the child's birth certificate in **Tab L_Client Intake**. The households identified in this section may not be the same as the households identified in Serving Individuals with Disabilities or Aging in Place.	2

4) *Aging in Place* *Maximum Number of Points: 2*

Aging in Place	Points
At least 15% of assisted households will have at least one elderly individual living in the home. Repairs made to the home must address accessibility, livability and visitability. The households identified in this section may not be the same as the households identified in Serving Individuals with Disabilities or Serving Families Under the Age of Six.	2

6.2 Needs Analysis **Category Maximum Points Possible: 15**

This category assesses the market need of the targeted area based on socio-economic factors. A market study is not required. All information may be found in the Appendix or at the links listed in the below categories.

1) *Median age of owner-occupied structure* *Maximum Number of Points: 4*

Points will be awarded based on the county's median age of owner-occupied single-family housing stock based on a scale of older median age of the structures compared to newer structures. IHCDA will use the Purdue Rural Indiana Statistics to determine the number of points. Applicant may use the following mapping service to determine median age of the owner-occupied structures: https://pcrd.purdue.edu/ruralindianastats/ and use the "Owner occupied, Median Year Structure Built by Tenure" layer.

Owner-occupied median year built	Points
1955 and older	4 points
1956-1965	3 points
1966-1975	2 points
1976-1985	1 point
1986 and newer	0 points

If target area is multiple counties, an average will be taken. If County A receives three points, and County B receives two points, the applicant will get 2.5 points.

If the target area is only within the municipal boundaries of a single local unit of government the Purdue map can be substituted with supporting documentation from the US Census and must be reviewed and approved by IHCDA staff prior to submission.

2) Distressed Counties *Maximum Number of Points: 2*

Points will be awarded based on the county's level of distress based on unemployment and income. IHCDA will use the Purdue Rural Indiana Statistics to determine the number of points. Applicant may use the following mapping service to determine the distress level of the county: https://pcrd.purdue.edu/ruralindianastats/ and use the "Distressed Counties, 2015" layer.

Distressed Counties, 2015	Points
Not Distressed	0 points
Distressed by unemployment	1 point
Distressed by income	1 point
Distressed by both income and unemployment	2 points

If target area is multiple counties, the average will be taken.

3) Poverty Rate *Maximum Number of Points: 4*

Points will be awarded based on the County Poverty Level. IHCDA will use the Purdue Rural Indiana Statistics to determine the number of points. Applicant may use the following mapping service to determine the poverty level of the county: https://pcrd.purdue.edu/ruralindianastats/ and use the "Poverty Rate, 2015" layer.

Poverty Rate, 2015	Points
Below 10%	0 points
10.0%-12.4%	1 point
12.5% - 14.9%	2 points
15.0% - 19.9%	3 points

Above 20%	4 points

If target area is multiple counties, an average will be taken.

If the target area is only within the municipal boundaries of a single local unit of government the Purdue map can be substituted with supporting documentation from the US Census and must be reviewed and approved by IHCDA staff prior to submission.

4) <u>Community Without Recent OOR Award</u> *Maximum Number of Points: 5*

- Five points will be awarded to applicants whose proposed service area is a town, city, or county that has not received an Owner-Occupied-Rehabilitation award within the last five years. The date is based upon the date the Board of Directors' approved the award.
- If a county has received an OOR award within the last five years, but a local unit of government within that county has not received an award within the last five years, that LUG is eligible for points in this category.
- If a city within a county has received an OOR award within the last five years, but the county level of government has not received an OOR award within the last five years, the county is eligible for points in this category. The County must certify at least 50% of the benefitted units be outside the city that had received the award to be eligible.

If the target area is multiple counties, an average will be taken. If County A had an OOR award within the past five years and County B did not, the applicant will receive 2.5 points.

To receive points in this category, the applicant must fill out this section of the application.

6.3 Readiness — Category Maximum Points Possible: 8

This category describes the applicant's ability to begin and timely execute an awarded development.

1) <u>Client Intake</u> *Maximum Number of Points: 6*

Points will be awarded to applicants that have already begun the client intake process, according to the chart below. Client intake means that potential clients have been identified, are interested in participating in the OOR program, and have certified their income within twelve months of application date. A complete income verification is not required, but please provide the best estimate of the household's annual income after initial interview/contact. If full income verification has been completed, clients must be appropriately income-verified per the HUD Part 5 definition.

Percentage of Units with Clients Identified	Points
25 - 50% of units	2
51 - 75% of units	4
76 - 100% of units	6

To receive points in this category, the applicant must fill out and submit the Client Intake List in **Tab L_Client Intake**. The Client Intake List can be found in the Application Appendices.

2) *Contractor Solicitation* *Maximum Number of Points: 2*

Points will be awarded to applicants who invite material participation in the proposed OOR development by Indiana contractors. To qualify for these points, a minimum of five letters inviting contractors to participate in the bidding of the development must be sent, with at least 20% of these letters going to state certified Minority Business Enterprises (MBE), Women Business Enterprises (WBE), Federal Disadvantaged Business Enterprises (DBE), Veteran- Owned Small Businesses (VOSB), and/or Service Disable Veteran Owned Small Businesses (SDVOSB).

To receive points in this category, the applicant must submit in **Tab M_Contractors**:

- A copy of the letter inviting the various contractors to participate in the bidding of the development;
- Provide proof of delivery of invitation letter, either an email read receipt or a mail delivery receipt, for five contractors; and
- For the 20% of letters sent to contractors certified as state MBE, WBE, DBE, VOSB, or SDVOSB, submit copies of the applicable and current certifications or a print out from the State's certification list clearly indicating the entities who were contacted and the date the certification list was printed.

Eligible Certifications Summary Table		
Certification	**Certifying Agency**	**Website**
MBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
	Indiana Minority Supplier Development Council	http://imsdc.org
WBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
DBE	Indiana Department of Transportation	http://www.in.gov/indot/2576.htm
VOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/
SDVOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/

6.4 Capacity **Category Maximum Points Possible: 22**

This category evaluates the administering entity responsible for comp on their ability to successfully carry out the proposed OOR development based on certifications, experience, and overall award performance on previous awards.

1) *Certifications* *Maximum Number of Points: 4*

Points will be awarded to applications which include an applicant or administering entity with a staff member or staff members who have received the certifications listed below. Two points will be awarded for the completion of one of the certifications listed below by a staff member of the administering entity. Four points will be awarded for the completion of two certifications listed below by a staff member or staff members of the administering entity. If two staff members hold the same certification, points will be awarded for two certifications.

If you do not see a certification you have received on the list that you believe would be relevant, please consult with your Real Estate Production Analyst at least one week prior to the application due date to request that it be eligible for points.

Required IHCDA Compliance Trainings, IHCDA application and policy webinars, IHCDA application and policy trainings, and IHCDA feedback sessions are not eligible for points in this category.

Certification	Sponsoring Organization
Certified Aging-in-Place Specialist	National Association of Home Builders (NAHB)
Home Sweet Home: Modifications for Aging in Place	University of Indianapolis/Indiana Housing and Community Development Authority
CDBG Grant Administration Certification (must be current)	Office of Community and Rural Affairs, State of Indiana
HOME & CDBG Certification Training	Indiana Housing and Community Development Authority (IHCDA)

To receive points in this category, the applicant must submit in **Tab N_Certifications**:

- Documentation of certification completions or confirmation of attendance.

2) *New Administrator Experience:* *Maximum Number of Points: 5*

Five points will be awarded to administering entities with no previous IHCDA award experience that can demonstrate experience in construction management, rehabilitation of built structures, and/or prior CDBG experience through a different funding agency. The definition for administrating entity can be found in the glossary section of this application policy. Administrating entities with previous IHCDA award experience are not eligible to receive points in this category.

To receive points in this category, the applicant must submit the following documentation in **Tab O_Experience**:

- Provide a written narrative explaining previous relevant experience; and
- Provide third-party reference of experience in the above mentioned fields.

3) *Administering Entity's IHCDA Award Performance* *Maximum Number of Points: 8*

An administering entity may only use a non-OOR IHCDA award for this scoring category if the award was monitored within the past five years and it has no prior IHCDA OOR award monitored within the past five years. An award may be eligible, whether it is closed or open, as long as an official IHCDA monitoring has occurred.

Applicants cannot qualify for points under both the New Administrator Experience and IHCDA Award Performance.

Description of Overall Award Performance	Points
Most recently monitored IHCDA CDBG/-D OOR award had no findings and no concerns.	8
Most recently monitored IHCDA CDBG/-D OOR award had no findings, but concerns were noted. **OR** No IHCDA CDBG/-D OOR experience, most recently monitored HOME award had no findings and no concerns.	6
Most recently monitored IHCDA CDBG/-D OOR award had only one finding. **OR** No IHCDA CDBG/-D OOR experience in the past five years; most recently monitored HOME award had no findings, but concerns were noted.	4
No IHCDA CDBG/-D OOR experience; most recently monitored HOME award had only one finding.	2
Does not meet any category above. Examples: • More than one finding on most recently monitored award. • The organization administering the award has no experience with IHCDA in the past five years.	0

To receive points in this category, the applicant must submit the following in the application:

- Provide the applicable award number for the administering entity.

4) *Timely Expenditure of Funds* *Maximum Number of Points: 5*
Points will be awarded to an administering entity that has expended their most recent IHCDA CDBG or CDBG-D award funds by the award expiration date without requesting an award extension. The award must be from within the past 5 years. If there is no CDBG/CDBG-D award, the applicant may use the most recent IHCDA HOME award. List the award number in the application form.

Award Length	Points
Most recent IHCDA CDBG or CDBG-D or HOME award completed by the award expiration date.	5

To receive points in this category, applicant must submit the following in the application:

- Provide the award number of the most recently completed IHCDA HOME or CDBG/-D award for the administering entity, which was completed by the award expiration date without an award extension.

5) *Benchmarks* *Maximum Number of Points: -1*
Points will be deducted from an administering entity that has not met at least two benchmarks for 6, 9, 12 months on their 2015 CDBG OOR awards. If an applicant had multiple awards, each award must have met two benchmarks.

6.5 Leveraging of Other Sources Category Maximum Points Possible: 6

Points will be awarded to applicants whose proposed project has received either a firm commitment to leverage other funding sources. A “firm commitment” means that the funding does not require any further approvals.

“Other Funding Sources” include (but are not limited to) private funding, funds from a local community foundation, volunteer labor, Federal Home Loan Bank funding, federal, state or local government funds, in-kind donations for labor or professional services, sweat equity, donated material and equipment, or banked match. Shared match is not eligible.

Points will be awarded based on the Amount of Funding divided by the Total Development Costs:

Percentage of Total Development Costs	Points
.50% to 1.99%	1
2.00% to 3.99%	2
4.00% to 5.99%	3
6.00% to 7.99%	4
8.00% to 9.99%	5
Greater than 10%	6

To receive points in this category, the applicant must submit the following in **Tab D_Letters of Commitment**:

- Provide a letter from the appropriate authorized official approving the funds. The letter must include a description of the type of approved funding for the proposed development and the amount of funding.
- In-Kind Donations – Labor or Professional Services: Submit commitment letter from donor(s) specifying number of hours they intend to donate and their professional service pay rate.
- In-Kind Donations – Sweat Equity: Submit a copy of sweat equity policy.
- In-Kind Donations – Donated Material and Equipment: Submit commitment letter from donor(s) specifying either the total value of the donated materials or the rental equipment rate and number of hours the equipment will be donated.
- Banked Match: Submit commitment letter signed by non-profit Board President.

6.6 Unique Features & Bonus — Category Maximum Points Possible: 10

1) *Unique Program Features* — *Maximum Number of Points: 5*

Points will be awarded to applicants that offer unique program features above and beyond what is required by this application policy. Unique features should be a creative addition to the proposed program.

Points are awarded relative to other developments being scored during each application cycle and are awarded in IHCDA's sole and absolute discretion. The following chart sets forth the anticipated percentage of applications that will receive points using a maximum of five points.

Percentage of Applications	Points
10%	5
40%	4
40%	3
10%	2

To receive points in this category, the applicant must submit the following in **Tab P_Unique Features**

- Provide a narrative summary of the proposed unique features. Features receiving points in other sections of this application will not be considered for Unique Feature points.

2) *Bonus* — *Maximum Number of Points: 5*

Points will be awarded to applications that are submitted according to IHCDA's submittal guidelines (see list below), and which pass Threshold without any technical errors or incomplete information.

To receive points in this category, the applicant must:

- Submit a searchable PDF of the application on the FTP site;
- Submit an Excel file of the application on the FTP site;
- Answer all questions in the policy and application;
- Submit all required threshold in the correct tabs;
- Submit all required threshold in the correct form (mailed and/or on the FTP site); and
- Label and include all tabs on the FTP site as described in the Application Policy. All tabs must be included regardless of whether documentation is required in each tab.

6.6 Scoring Items Table

Scoring Items	Location
Area Median Income (AMI) Served • Commit that at least 20% of beneficiaries served are at or below 30% AMI.	Application, Sheet 04
Community Without Recent OOR Award • Fill out application section.	Application, Sheet 09
Client Intake • Submit the Client Intake List to demonstrate income verified clients interested in participating in the program have been identified.	Tab L_Client Intake
Contractor Solicitation • Submit a copy of letter inviting contractors to participate in the bidding of the development. • Provide proof of delivery of invitation letter, either an email read receipt or a mail delivery receipt, for five contractors. • For the 20% of letters sent to contractors certified as state MBE, WBE, DBE, VOSB, or SDVOSB, submit copies of the applicable and current certifications or a print out from the State's certification list clearly indicating the entities who were contacted and the date the certification list was printed.	Tab M_Contractors
Certifications • Submit documentation of certification completions or confirmation of attendance.	Tab N_Certifications
New Administrator Experience • Provide a written narrative explaining previous relevant experience. • Provide a third party reference of experience.	Tab O_Experience
Administering Entity's IHCDA Award Performance • Provide award number of the most recently monitored IHCDA HOME or CDBG/-D award.	Application, Sheet 11
Timely Expenditure of Funds • Provide award number of the most recently completed IHCDA HOME or CDBG/-D award, which was completed by the award expiration date.	Application, Sheet 11
Public Monetary Participation • Provide a letter from the appropriate authorized official approving the funds. The letter must include (a) a description of the type of approved funding for the proposed development and (b) the amount of funding.	Tab D_Letters of Commitment
Non-Public Monetary Participation • Provide a letter from the appropriate authorized official approving the funds. The letter must include (a) a description of the type of approved funding for the proposed development and (b) the amount of funding.	Tab D_Letters of Commitment
Unique Features • Provide a narrative summary of the proposed unique features. Features receiving points in other sections of this application will not be considered for Unique Feature points.	Tab P_Unique Features

Bonus • Submit a searchable PDF of the application on the FTP site; • Answer all questions in the policy and application; • Label and include all tabs on the FTP site as described in the Application Policy, regardless of whether documentation is required in each tab or not. • Submit all required threshold and scoring items in the correct tabs on the FTP site; and • Submit all required threshold and scoring items in the correct form (mailed and/or on the FTP site).	Application and all Tabs

Part 7: FTP Site Tab Directory

When uploading supporting documentation to the FTP site, please create and name the tabs (file folders) as seen above and place correct documentation, as described throughout the Application Policy, in each tab.

Owner-Occupied Rehabilitation Program TAB Directory
Tab A_SAM Registration
Tab B_Targeted Market
Tab C_Grievance Procedures
Tab D_Letters of Commitment
Tab E_Not-for-Profit
Tab F_Administrator
Tab G_Subrecipient
Tab H_Public Hearing
Tab I_HUD & RD
Tab J_ERR
Tab L_Client Intake
Tab M_Contractors
Tab N_Certifications
Tab O_Experience
Tab P_Unique Features
Tab Q_Displacement

Part 8: Glossary of Terms

Below are definitions for commonly used terminology found throughout the CDBG and CDBG-D OOR Application policy and forms and applicable to the OOR program.

Administrator: A procured entity that will assist carrying out the OOR program.

Administering Entity: This is the organization that will be carrying out the requirements of the award through the life of the affordability period. Since this entity will be doing the work required by the award, they are eligible for certain point categories. The applicant can administer its own award; however, it is also possible to procure a grant administrator or to have a subrecipient.

Beneficiary: The household or unit that receives homeowner repair work as a result of a CDBG/CDBG-D OOR grant.

CDBG: The Community Development Block Grant (CDBG) program is a federally-funded program that provides states and communities with resources to address a wide range of unique community development needs. The CDBG program provides annual grants on a formula basis to 1209 general units of local government and States. The Indiana Housing and Community Development Authority (IHCDA) is a State Administered CDBG program. The IHCDA allocates awards in the form of grants to Local Units of Government that carry out CDBG OOR developments.

Children: Children are defined as those persons ages 18 years of age or younger. The child must reside in the home that will benefit from the OOR program.

Development: The CDBG OOR activity proposed in the application.

Disabled: The Fair Housing Act defines disability as a person who has/is:

- A physical or mental impairment which substantially limits one or more of such person's major life activities; or
- A record of having such an impairment; or
- Is regarded as having such an impairment, but such term does not include current, illegal use of or addiction to a controlled substance (as defined in section 102 of the Controlled Substances Act).

Elderly: A person 55 years of age or older. This target population category also includes families with a person living in their home that is 55 years of age or older and modifications to the home are needed so this person may age in place in the home benefitting from the OOR program with the family.

Entitlement Community: The CDBG entitlement program allocates annual grants to larger cities and urban counties to develop viable communities by providing decent housing, a suitable living environment, and opportunities to expand economic opportunities, principally for low- and moderate-income persons.

IHCDA: Indiana Housing and Community Development Authority

Income Limits: Maximum incomes as published by HUD for developments giving the maximum Income Limits per unit for beneficiary (30%, 40%, 50%, 60% and 80% of median) units.

Inspection: A scheduled visit made by an Inspector to the households units that received IHCDA CDBG/CDCG-D OOR grant dollars. All IHCDA-assisted households/units that receive CDBG/CDBG-D must be inspected twice during the award period. The first inspection must occur within four weeks of the completion of the documented scope of work and prior to the IHCDA Inspector's final physical inspection. The second inspection will be conducted upon completion of the construction for the award. The IHCDA Inspector will conduct the physical inspections.

Median Income: A determination made through statistical methods establishing a middle point for determining Income Limits. Median is the amount that divides the distribution into two equal groups, one group having income above the median and one group having income below the median.

MOU: A Memorandum of Understanding (MOU) is a document describing a bilateral or multilateral agreement between two or more parties.

Narrative: A written description by the applicant that describes the application question and generally supports the need of the development.

OOR: Owner-Occupied Rehabilitation

Home Investment Partnerships Program
Rental Application Policy
July 2017

Contents

Available Online

IHCDA HOME Program Webpage

SUMMARY

The purpose of this HOME Investment Partnerships Program (HOME) application is to provide subsidies in the form of grants and loans to selected applicants for the acquisition, rehabilitation and/or new construction of rental housing for low and moderate-income people. Through this program, the Indiana Housing and Community Development Authority (IHCDA) seeks to improve the quality of existing housing stock in Indiana.

This program is designed to allocate HOME funds to be used for the rehabilitation and/or new construction rental housing among selected applicants having projects that meet the requirements of the program and IHCDA's goals for the program.

1. Demonstrate they are meeting the needs of their specific community;
2. Reach low and very low-income levels of area median income;
3. Proceed with the activity upon receipt of the award and begin construction within 12 months of receipt of the award;
4. 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);
5. Advance projects that promote aging-in-place strategies for seniors, persons with disabilities, and families with seniors or persons with disabilities;
6. Propose projects that are energy-efficient and are of the highest quality attainable within a reasonable cost structure; and,
7. Propose the use of state certified Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Federal Disadvantaged Business Enterprise (DBE) Participation, Veteran-Owned Small Business (VOSB), and/or Service Disabled Veteran Owned Small Business (SDVOSB) contractors, employees, and products when applicants are planning and undertaking their housing activities.

Part 1: Application Process

1.1 Overview and Funding Priorities:

The purpose of this HOME Investment Partnerships Program (HOME) application is to provide subsidies in the form of grants and loans to selected applicants for the acquisition, rehabilitation and/or new construction of rental housing for low and moderate-income people. Through this program, the Indiana Housing and Community Development Authority (IHCDA) seeks to improve the quality of existing housing stock in Indiana.

This program is designed to allocate HOME funds to be used for the rehabilitation and/or new construction rental housing among selected applicants having projects that meet the requirements of the program and IHCDA's goals for the program.

1. Demonstrate they are meeting the needs of their specific community;
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3. Proceed with the activity upon receipt of the award and begin construction within 12 months of receipt of the award;
4. 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);
5. Advance projects that promote aging-in-place strategies for seniors, persons with disabilities, and families with seniors or persons with disabilities;
6. Propose projects that are energy-efficient and are of the highest quality attainable within a reasonable cost structure; and,
7. Propose the use of state certified Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Federal Disadvantaged Business Enterprise (DBE) Participation, Veteran-Owned Small Business (VOSB), and/or Service Disabled Veteran Owned Small Business (SDVOSB) contractors, employees, and products when applicants are planning and undertaking their housing activities.

1.2 HOME Application Forms and HOME Policy Discrepancies

In the event of a conflict or inconsistency between the HOME Rental Policy and the HOME Application Form and/or Appendices, the procedures described in the HOME Application Policy will prevail.

1.3 Funding Round Timeline

Note: This is an anticipated schedule and is subject to change or extension.

Application Available / Round Begins	July 14 2017
Application Webinar	August 2017 (date and time TBD)
Application Due Date	September 11 2017, 5 p.m. Eastern Time
Tentative Award Announcements	November 16, 2017

1.4 Application Webinar

An application webinar will be conducted prior to the application deadline. During the webinar, the IHCDA Real Estate Production Department staff will describe the requirements of the HOME program, threshold and scoring criteria, how to complete the required forms, and how to submit the application documents. Local Units of Government (LUGs) and not-for-profit entities intending to apply are *strongly encouraged* to attend.

1.5 Technical Assistance

The applicant may schedule a technical assistance meeting with its regional IHCDA Real Estate Production Analyst to discuss both the proposed project and IHCDA's application process. Technical assistance may be required at IHCDA's discretion if the recipient does not have experience with IHCDA awards or if past performance was poor. Applicants are urged to contact their Real Estate Production Analyst early in the planning process to obtain guidance and technical assistance.

1.6 Application Submission

The applicant must submit the following items to IHCDA's Real Estate Production Coordinator

- Via IHCDA's Syncplicity site:
    - One completed copy of the HOME application forms.
    - All supporting documents required in the tabs. Please submit this information as separate, labeled PDF documents under the required labeled tabs. Do not send one PDF containing all of the supporting documentation.
- Via hard copy:
    - One completed copy of the final application forms with original signatures.
    - Completed environmental review forms.
    - Application fee of $250.

Application fees should be made payable to IHCDA. If a check is returned for insufficient funds, the application will be denied. The application fee is non-refundable. If the applicant applies, and is certified as a Community Housing Development Organization (CHDO) this check will be refunded.

All required application items are due no later than 5:00 p.m. Eastern time on the due date. Applications received after the deadline will be returned to the applicant via certified mail. Faxed applications will not be accepted.

Instructions on how to utilize the Syncplicity site will be explained during the application webinar. The hard copy of the final application forms, completed environmental review forms, and application fee of $250 should be sent to:

Indiana Housing and Community Development Authority
ATTN: Real Estate Department Coordinator
RE: HOME Application
30 South Meridian Street, Suite 1000
Indianapolis, IN 46204

All applicants must retain a copy of this application package. Applicants that receive funding will be bound by the information contained herein.

IHCDA will send an email confirmation to the applicant contact within one week of submission notifying the applicant that the application was received by IHCDA. Please notify the Real Estate

Department Coordinator if the applicant would like to add an additional contact person for communications regarding its application.

1.7 Application Review

Each application must address only one development. Applications are reviewed in a three step process:

Step One - Completeness	On or before the application deadline, the applicant must provide all required documents, signatures and attachments.
Step Two - Threshold	The application must meet each of the applicable threshold criteria, including underwriting guidelines found in Section 6.5 below. After initial threshold review, IHDCA staff may contact an applicant to request clarification of threshold information contained in the pending application. The applicant will have the opportunity to respond on or before the due date provided by IHCDA. If the applicant does not respond to the threshold clarification letter and therefore threshold item(s) are still in question, the application will be disqualified. Points will be awarded to those applications where no clarifications are required.
Step Three - Scoring	Applications that pass the completeness and threshold reviews are then scored according to IHCDA's published scoring criteria. After initial score review, IHCDA staff may contact the applicant for further clarification of a scoring item. Failure to respond to the requested scoring clarification items by the due date and in the manner requested may result in application denial. Supporting documentation for scoring categories will not have the opportunity to be submitted after the initial application submission.

Applications proposing rental activities will be scored separately from, and will not compete with, applications proposing homebuyer activities in following the Annual Action Plan. An amount of funding, determined at the discretion of IHCDA, will be set aside for rental projects each year as prescribed in IHCDA's Consolidated Plan. If additional funds are available after this round that were originally reserved for homebuyer activities (either due to lack of sufficient number of homebuyer applications in general or lack of homebuyer applications meeting threshold requirements), these funds will be redirected and used for rental development.

Funded applications will be announced at the published IHCDA board meeting date. Confirmation letters and score sheets will be uploaded to the Syncplicity site by the close of business on the day of the board meeting. Applications that are not funded will be notified by IHCDA via denial letters and final score sheets being uploaded to the FTP site by the close of business on the day of the board meeting. Applications not funded will not be rolled over into the next funding round.

1.8 HOME Past Awards

Before an Applicant can apply for a new HOME award, any other HOME awards that the applicant has received from IHCDA must be drawn by a minimum of 25% of the award's total funding amount; those funded during the 2017 HOME Supplemental Round are exempt from this provision. HOME funds awarded within the last six months (from the last day signed on the contract agreement) are exempt from this requirement.

1.9 Minimum Score Requirement

An application must score at least 75 points to be considered for funding.

1.10 IHCDA CDBG & HOME Program Manual

The IHCDA CDBG & HOME Program Manual outlines the requirements for administering IHCDA's CDBG & HOME awards. A complete copy of the CDBG & HOME Program Manual and all exhibits is available on IHCDA's website at http://www.in.gov/myihcda/2490.htm

1.11 IHCDA Waiver Policy

IHCDA, in its sole discretion, will consider a waiver request from any Applicant, Owner and/or Developer in regards to Section 5.1 (Subsidy Limitations **only**) and Section 6.5 (Underwriting guidelines). IHCDA does not accept waiver requests for any Federal Regulation or scoring requirements. Requests for additional funding will not be accepted.

IHCDA must receive the waiver request no later than 30 days prior to the application deadline. The waiver request must include the following:

- The details of the specific threshold requirement for which the Applicant is requesting a waiver,
- A detailed description as to why the Applicant cannot meet the threshold requirement,
- Any additional information the Applicant would like IHCDA to consider with the request.

1.12 CDBG-DR availability for HOME Preservation Applications

IHCDA has made available $1 million of CDBG-DR funding to be used as supplemental funding in the form of a grant for projects preserving affordable housing – this may include former HOME,LIHTC, HUD or RD units. This supplemental funding is limited to preservation projects having a minimum of 25 units, and is not eligible in the following counties: Blackford, Clinton, Delaware, Howard, Lagrange, Miami, Steuben, Tipton, Warren and Wells.

Applicants may apply for a maximum of $500,000 of CDBG-DR. Please note that the use of these funds will trigger Davis Bacon requirements.

Interested applicants should submit a Letter of Intent with their application with HOME Funding and include the request for CDBG-DR funding in the sources and uses.

1.13 Development Fund

Applicants may apply for the Development Fund with their HOME application. Applicants must provide documentation and explanation on an alternative source of finding if the Development Fund application is denied, or if Development Fund is not available.

More information on the Development Fund may be found in Part 10.

Part 2: Eligible Applicants

2.1 Eligible Applicants

HOME Investment Partnerships Program (HOME)	Cities, Town, and Counties (Non-HOME Participating Jurisdiction)	Community Housing Development Organizations (CHDO)	501(c)3 and 501(c)4 Not-For-Profit Organizations and PHAs	Joint Venture Partnerships	For Profit Entities Organized Under the State of Indiana
Rental Housing Rehabilitation	✓	✓	✓	✓	Not eligible
Acquisition and Rental Housing Rehabilitation	✓	✓	✓	✓	Not eligible
Rental Housing New Construction	✓	✓	✓	✓	Not eligible

Eligible applicants include cities, towns, or counties that are located within Indiana but outside of the following participating jurisdictions. Applications from, or housing activities located within, the following participating jurisdictions are NOT eligible for HOME funds:

Anderson	Gary	Muncie
Bloomington	Hammond	South Bend Consortium***
East Chicago	Indianapolis*	Terre Haute
Evansville	Lake County	
Fort Wayne	Lafayette Consortium**	

*Excluding the Marion County Cities of Beech Grove, Lawrence, Speedway, and Southport. The Town of Cumberland is excluded when the housing activity is outside of Marion County.

**Lafayette Consortium is made up of the Cities of Lafayette and West Lafayette and the unincorporated areas of Tippecanoe County. Other incorporated areas are eligible to receive assistance.

***South Bend Consortium is made up of the Cities of South Bend and Mishawaka and the unincorporated areas of St. Joseph County. Other incorporated areas are eligible to receive assistance.

2.2 Ineligible Applicants

Per 24 CFR 92.214 (a)(4) HOME funds may not be invested in public housing projects.

IHCDA reserves the right to disqualify from funding any application that has an applicant, sub-recipient, administrator, preparer, or related party of any of the aforementioned, with a history of disregarding the policies, procedures, or staff directives associated with administering any IHCDA program or program administered by any other State, Federal, or affordable housing entity. This includes, but is not limited to, the Indiana Office of Community and Rural Affairs, the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Agriculture - Rural Development, and the Federal Home Loan Bank.

Additionally, any entity currently on IHCDA's suspension or debarment list is ineligible to submit an application. IHCDA's Suspension and Debarment Policy can be found in the Program Manual Chapter 17.

2.3 Religious and Faith-Based Organizations

- *Equal treatment of program participants and program beneficiaries.* (1) *Program participants.* Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the HOME program. Neither the Federal Government nor a State or local government receiving funds under the HOME program shall discriminate against an organization on the basis of the organization's religious character or affiliation. Recipients and subrecipients of program funds shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.
- *Beneficiaries.* In providing services supported in whole or in part with federal financial assistance, and in their outreach activities related to such services, program participants shall not discriminate against current or prospective program beneficiaries on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.
- *Separation of explicitly religious activities.* Recipients and subrecipients of HOME program funds that engage in explicitly religious activities, including activities that involve overt religious content such as worship, religious instruction, or proselytization, must perform such activities and offer such services outside of programs that are supported with federal financial assistance separately, in time or location, from the programs or services funded under this part, and participation in any such explicitly religious activities must be voluntary for the program beneficiaries of the HUD-funded programs or services.
- *Religious identity.* A faith-based organization that is a recipient or subrecipient of HOME program funds is eligible to use such funds as provided under the regulations of this part without impairing its independence, autonomy, expression of religious beliefs, or religious character. Such organization will retain its independence from Federal, State, and local government, and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct program funds to support or engage in any explicitly religious activities, including activities that involve overt religious content, such as worship, religious instruction, or proselytization, or any manner prohibited by law. Among other things, faith-based organizations may use space in their facilities to provide program-funded services, without removing or altering religious art, icons, scriptures, or other religious symbols. In addition, a HOME program-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.
- *Alternative provider.* If a program participant or prospective program participant of the HOME program supported by HUD objects to the religious character of an organization that provides services under the program, that organization shall, within a reasonably prompt time after the objection, undertake reasonable efforts to identify and refer the program participant to an alternative provider to which the prospective program participant has no objection. Except for services provided by telephone, the Internet, or similar means, the referral must be to an alternate provider in reasonable geographic proximity to the organization making the referral. In making the referral, the organization shall comply with applicable privacy laws and regulations.

Recipients and subrecipients shall document any objections from program participants and prospective program participants and any efforts to refer such participants to alternative providers in accordance with the requirements of §92.508(a)(2)(xiii). Recipients shall ensure that all subrecipient agreements make organizations receiving program funds aware of these requirements.

- *Structures.* Program funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for explicitly religious activities. Program funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. When a structure is used for both eligible and explicitly religious activities, program funds may not exceed the cost of those portions of the acquisition, new construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to the HOME program. Sanctuaries, chapels, or other rooms that a HOME program-funded religious congregation uses as its principal place of worship, however, are ineligible for HOME program-funded improvements. Disposition of real property after the term of the grant, or any change in the use of the property during the term of the grant, is subject to government wide regulations governing real property disposition (see 24 CFR parts 84 and 85).
- *Supplemental funds.* If a State or local government voluntarily contributes its own funds to supplement federally funded activities, the State or local government has the option to segregate the federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.

Part 3: Eligible Activities & HOME Program Requirements

3.1 Eligible Activities

This program is intended to have a long-term impact on the availability and quality of the affordable housing stock in Indiana. The program is intended for the rehabilitation and/or new construction of rental housing. Acquisition only is not an eligible activity; however acquisition in conjunction with another activity is permitted.

- Rehabilitation, new construction, and acquisition/rehabilitation or acquisition/new construction of rental housing in the form of traditional apartments, single room occupancy units (SROs), or single family housing.
    - SRO housing consists of single room dwelling units that are the primary residence of the occupant(s). Neither kitchen nor bathroom facilities are required to be in each unit. However, if individual units do not contain bathroom facilities, the building must contain bathroom facilities that are shared by tenants. SRO housing does not include facilities for students.
- Rental Housing Tax Credit (RHTC) Developments with compliance periods or existing HOME developments with affordability periods that have expired prior to the due date for this application.
- If HOME funds are used for acquisition of vacant land or demolition in conjunction with another activity, then construction must commence within 9 months of the demolition or acquisition.
- Manufactured homes are eligible if they meet IHCDA's Manufactured Housing Policy or if rehabilitation will bring the unit up to these standards:
    - A single dwelling unit designed and built in a factory, installed as a permanent residence, which bears a seal certifying that it was built in compliance with the Federal Manufactured Housing Construction and Safety Standards law and which also complies with the following specifications:
        - Shall have been constructed after January 1, 1981, and must exceed 950 square feet of occupied space per I.C. 36-7-4-1106 (d);
        - Is attached to a permanent foundation of masonry construction and has a permanent perimeter enclosure constructed in accordance with the One and Two Family Dwelling Code;
        - Has wheels, axles, and towing chassis removed;
        - Has a pitched roof;
        - Consists of two or more sections which, when joined, have a minimum dimension of 20' X 47.5' enclosing occupied space; and
        - Is located on land held by the beneficiary in fee-simple title or 99-year leasehold and is the principal residence of the beneficiary.
        - All other manufactured or mobile homes that do not meet the aforementioned criteria are ineligible to receive rehabilitation assistance funded by IHCDA.

3.2 Ineligible Activities

The following are ineligible activities:

- Per 24 CFR 92.214 (a)(4) HOME funds may not be invested in public housing projects.
- Owner-occupied rehabilitation;
- Group homes;

- Creation of secondary housing attached to a primary unit;
- Acquisition, rehabilitation, or construction of nursing homes, convalescent homes, hospitals, residential treatment facilities, correctional facilities, or student dormitories;
- Rehabilitation of mobile homes;
- Acquisition, rehabilitation, refinancing, or new construction if any part of a development or its land is located within the boundaries of a 100-year floodplain. A flood determination must be provided for each parcel associated with the project;
- Acquisition, rehabilitation, or construction of any developments that will be applying for RHTC. These developments must apply for HOME funds as part of the RHTC application (also called the Qualified Allocation Plan);
- Any housing activity funded under Title VI of NAHA, prepayment of mortgages insured under the National Housing Act, public housing developments, or acquisition, rehabilitation, or construction of any developments funded under HUD's former Rental Rehabilitation Program;
- Costs for supportive services, homeless prevention activities, operating expenses, or for the use of commercial facilities for transient housing;
- Acquisition, rehabilitation, or construction of transitional housing;
- Acquisition, rehabilitation, or construction of emergency shelters that are designed to provide temporary daytime and/or overnight accommodations for homeless persons;
- Payment of HOME loan servicing fees or loan origination costs;
- Tenant-based rental assistance;
- Payment of back taxes.

In addition, IHCDA **does <u>not</u>** fund:

- Requests from individuals, political, social, or fraternal organizations;
- Endowments, special events, or international projects;
- Scholarships requested by individuals;
- Institutions that discriminate on the basis of race, color, national origin, sex, religion, familial status, disability, sexual orientation, gender identity, or against victims of domestic violence, dating violence, sexual assault, or stalking in policy or in practice;
- Projects in furtherance of sectarian religious activities, impermissible lobbying, legislative or political activities;
- Medical research or medical profit-making enterprises.

3.3 HOME Program Requirements

The proposed HOME project must follow these minimum requirements, and all other requirements laid forth in the Program Manual, to be eligible for funding. For further details on each requirement, please see IHCDA's Program Manual at http://www.in.gov/myihcda/2490.htm.

- Recipients must comply with all regulatory requirements listed in 24 CFR Part 92.

Applicants should familiarize themselves with IHCDA's CDBG & HOME Program Manual. Requirements include, but are not limited to the following:

- **Lead Based Paint**:
    - Each recipient of a HOME award is subject to the HUD requirements of addressing lead-based paint hazards pursuant to 24 CFR Part 35. If a risk assessment is required, then all lead-based paint issues must be addressed.

- **Section 504**:
  - Housing must meet the accessibility requirements of 24 CFR Part 8 which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and covers multifamily dwellings, as defined in 24 CFR Part 100.201. It must also meet the design and construction requirements of 24 CFR 100.205 and implement the Federal Fair Housing Act Amendments of 1988 (42 U.S.C. 3601-3619).
- **Uniform Relocation Act:**
  - Each recipient of a HOME award is subject to the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA). See IHCDA's Program Manual Chapter 4 for guidance on the regulatory requirements of the URA, as amended, the Federal regulations at 49 CFR Part 24, and the requirements of Section 104(d) of Title I of the Housing and Community Development Act of 1974, as amended.
- **Affirmative Marketing Procedures:**
  - Rental housing with five or more HOME-assisted units must adopt IHCDA's Affirmative Marketing Procedures. See the IHCDA Program Manual Chapter 5 for guidance on Affirmative Marketing Procedures.
- **Section 3**:
  - Any recipient receiving an aggregate amount of $200,000 or more from one (1) or more of the HUD CPD programs (i.e. CDBG, HOME, NSP, HOPWA, ESG, etc.) in a program year must comply with the Section 3 requirements. Section 3 provides preference to low- and very-low-income residents of the local community (regardless of race or gender) and the businesses that substantially employ these persons, for new employment, training, and contracting opportunities resulting from HUD-funded projects.
- **Income Verification:**
  - An income verification is valid for a period of six months. If more than six months pass between income verification and contract execution/lease execution/purchase agreement, then a new income verification must be completed.
- **Procurement Procedures:**
  - Each recipient of a HOME award will be required to provide proof of adequate builder's risk insurance, property insurance, and/or contractor liability insurance during construction and property insurance following construction for the assisted property throughout the affordability period of the award.
  - Each recipient of a HOME award must follow competitive procurement procedures when procuring all materials, supplies, equipment, and construction or professional services related to the HOME award.
- **Environmental Review:**
  - To help facilitate timely expenditure of HOME funds, all applicants are required to complete the Environmental Review Record (ERR) and Section 106 Review and submit it, in hardcopy, at the time of application. If awarded HOME funds, the HOME recipient must receive an IHCDA Release of Funds before the fully executed award documents are released and any funds are drawn. (IHCDA Program Manual, Environmental Review Chapter 11). For more information, contact the IHCDA Placemaking Manager.
  - Applicants may not purchase any property to be assisted with HOME funds, sign contracts, or begin rehab/construction until the ERR/Release of Funds process has been completed and approved.
- **Construction Standards and Physical Inspections:**

    - All IHCDA-assisted units must be inspected twice during the award period. The first inspection will occur when 50% of the funds drawn for single site projects, or when half the units are complete for scattered site projects. The second inspection will be conducted upon completion of the construction for the award. Site visits during construction may be conducted to monitor progress of all projects. The IHCDA Inspector will conduct the physical inspections.
- **Match:**
    - The match requirement for the HOME program is 25% of the total amount of HOME funds requested except HOME funds used for environmental review costs (pursuant to §92.206(d)(8)), planning costs (pursuant to §92.207); CHDO operating expenses (pursuant to §92.208); capacity building (pursuant to §92.300(b)) of CHDOs; and predevelopment or seed money loans to CHDOs (pursuant to §92.301) when IHCDA waives repayment under the provisions of §92.301(a)(3) or §92.301(b)(3).
- **Davis Bacon:**
    - Each recipient of a HOME award must follow the Davis Bacon requirements found in 29 CFR Parts 1, 3, and 5 to ensure workers receive no less than the prevailing wages being paid for similar work for the following type of projects:
    - Rehabilitation or new construction of a residential property containing twelve or more HOME-assisted units; and
    - Affordable housing containing twelve or more units assisted with HOME funding regardless of whether HOME funding is used for construction or non-construction activities.
    - Such properties may be one building or multiple buildings owned and operated as a single development.
    - Public Housing Authorities (PHAs) using PHA funds in conjunction with IHCDA funds are subject to Davis Bacon requirements.
- **Meaningful Access for Limited English Proficient Persons**
    - Persons who, as a result of national origin, do not speak English as their primary language and who have limited ability to speak, read, write, or understand English ("limited English proficient" or "LEP") may be entitled to language assistance under Title VI in order to receive a particular service, benefit, or encounter. In accordance with Title VI of the Civil Rights Act of 1964 and its implementing regulations, the recipient must agree to take reasonable steps to ensure meaningful access to activities funded by federal funds for LEP persons. Any of the following actions could constitute "reasonable steps", depending on the circumstances: acquiring translators to translate vital documents, advertisements, or notices; acquiring interpreters for face to face interviews with LEP persons; placing advertisements and notices in newspapers that serve LEP persons; partnering with other organizations that serve LEP populations to provide interpretation, translation, or dissemination of information regarding the project; hiring bilingual employees or volunteers for outreach and intake activities; contracting with a telephone line interpreter service; etc.
- **Registering Vacancies:**
    - Applicants that are proposing to develop rental housing must register vacancies for assisted housing in the IndianaHousingNow.org affordable housing database.
- **Other HOME Construction Standards**:
    - Units must, at a minimum, meet the stricter of the local rehabilitation standards or the Indiana State Building Code.

    - Any units utilizing gas appliances must provide carbon monoxide detectors in addition to standard smoke detectors.
    - Recipients of HOME funds must meet additional energy efficiency standards for new construction as described in 24 CFR 92.251.
- **Capital Needs Assessment:**
    - Projects performing the rehabilitation activity with a total of 26 or more units (the total of HOME-assisted and non-HOME assisted units) must complete and provide a Capital Needs Assessment (CNA).
- **Federal Programs Ongoing Rental Compliance:**
    - Recipient must ensure that each owner of a HOME-assisted rental project enters tenant events into IHCDA's Indiana Housing Online Management System at https://ihcdaonline.com/ within 30 days of the tenant's event date. Tenant events include move-ins, move-outs, recertification, unit transfers, and rent and income changes. In addition, Annual Owner Certification Rental Reports must be submitted electronically using the Indiana Housing Online Management System throughout the affordability period in the Annual Rental Report. See IHCDA's Program Manual for further guidance.
    - Recipient must ensure that there is a written lease between any tenant and the owner of rental housing assisted with HOME funds. The term of the lease may not be less than one year, unless a shorter period is specified upon mutual agreement between the tenant and the owner. The lease may not contain any of the prohibited provisions set forth in 24 CFR 92.253 (b).
    - Recipient shall ensure that written tenant selection policies and criteria for the project are adopted and followed that comply with 24 CFR 92.253 (d) and the additional requirements as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual, as amended from time to time by IHCDA.
    - In accordance with 92.504(d)(2), the recipient must provide IHCDA with the financial documentation and/or reports needed by IHCDA to conduct its examination of the financial condition of the project, if project has 10 or more HOME-assisted units.
    - Rental housing developments must assist households at or below 60% of the Area Median Income for the county, as published by HUD and distributed by IHCDA. Additionally, those developments with five or more HOME-assisted units must set-aside at least 20% of the units for households at or below 50% of the Area Median Income. Households must also meet the definition of "low-income families" at 24 CFR 92.2 which limits occupancy based on certain student status rules (see Part 4.1G of the Federal Programs Ongoing Rental Compliance Manual).
    - Recipient must follow the non-discrimination requirements of the Fair Housing Act, the Violence Against Women Reauthorization Act of 2013, and the Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity rule.

3.4 Affordability Requirements

HOME subsidized activities must be secured throughout the affordability period by a recorded lien and restrictive covenant agreement created by IHCDA. The recipient shall comply with the following requirements of the HOME Program throughout the affordability period:

1. Ensuring that the property meets the Property Standards set forth in 24 CFR 92.251;

2. Ensuring that the tenants meet the affordability requirements set forth in 24 CFR 92.252 by documenting and verifying the income of tenants as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual, as amended from time to time by IHCDA;
3. Submitting annual tenant events and annual owner certifications to IHCDA through its online reporting system as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual;
4. Participating in periodic monitoring and inspections of the Property by IHCDA and/or the U. S. Department of Housing and Urban Development ("HUD");
5. Complying with the Federal income and rent limits issued by HUD and published annually on IHCDA's website;
6. Providing IHCDA with information regarding unit substitution and filling vacancies, if the Project has floating units; and
7. Ensuring that each tenant enters into a lease that does not contain HUD prohibited lease language as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual. The affordability period begins after the project has been completed and the completion forms have been submitted to and approved by IHCDA. During the affordability period all HOME program rental requirements apply to the property. See IHCDA's *Federal Programs Ongoing Rental Compliance Manual* for a full discussion of affordability period compliance.

The following affordability periods apply to all HOME rental housing and homebuyer projects:

Amount of HOME subsidy per unit:	Affordability Period
Under $15,000	5 years
$15,000 - $40,000	10 years
Over $40,000 - or any rehabilitation/refinance combination activity	15 years
New construction or acquisition of newly constructed transitional, permanent supportive, or rental housing	20 years

3.5 Lien and Restrictive Covenant Agreement

Each recipient of a HOME award must ensure that a lien and restrictive covenant is executed and recorded against every property constructed, rehabilitated, or acquired, in whole or in part, with HOME funds. Upon the occurrence of any of the following events during the Affordability Period, the entire sum secured by the lien shall be due and payable by developer and/or owner upon demand. Repayment may be demanded upon: (1) Transfer or conveyance of the real estate by deed, land contract, lease, or otherwise, during the Affordability Period; (2) Commencement of foreclosure proceedings by any mortgagee (or deed in lieu of foreclosure), within the Affordability Period; (3) The real estate no longer meets the property standards set forth in 24 CFR 92.251; (4) HOME-assisted units are not being used by qualifying tenants as their principal residence; (5) annual tenant events and annual owner certifications are no longer being submitted to IHCDA through its online reporting system as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual; (6) non-compliance with the federal income and rent limits issued by HUD; and (7) units are not leased in accordance with the requirements set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual.

The recipient of the HOME award will be responsible for repaying IHCDA any HOME funds utilized for any housing constructed, rehabilitated, or acquired that does not remain affordable and in compliance in accordance with 24 CFR 92.252 for the entire Affordability Period. The Affordability Period is based upon the total amount of HOME funds invested into the HOME-assisted units as depicted in the chart above. (IHCDA Program Manual, Lien and Restrictive Covenants & Affordability Requirements Chapter 15)

Part 4: CHDO

4.1 IHCDA CHDO Set-Aside
IHCDA must allocate at least 15% of its HOME funds for CHDO projects.

4.2 CHDO Eligible Activities
Permanent rental and homebuyer housing are considered CHDO-eligible activities for purposes of the CHDO set-aside as long as the activity takes place within the CHDO's state-certified service area and the CHDO owns, develops, or sponsors the activity.

CHDOs must certify at time of application and identify which of the three roles the CHDO will undertake with the project:

- The CHDO "**owns**" the activity when the CHDO holds valid legal title in fee simple or has a long-term (99-year minimum) leasehold interest in a rental property. The CHDO may hire and oversee a project manager or contract with a developer to perform the rehabilitation or new construction.
- The CHDO "**develops**" the activity when the CHDO is the owner in fee simple or through a long term ground lease during both the development and the affordability period. As developer, the CHDO must be in sole charge of all aspects of the development process, including obtaining zoning, securing non-HOME funds, selecting contractors, overseeing the progress of work, and determining reasonableness of costs.
- The CHDO "**sponsors**" rental projects through one of two processes:
  - Rental housing is developed by a CHDO affiliate, defined as a CHDO's wholly owned subsidiary (non-profit or for-profit); a limited partnership, of which the CHDO or its wholly owned subsidy is the sole general partner; or a limited liability company, of which the CHDO or its wholly-owned subsidiary must be the sole managing member. If the limited partnership or limited liability company agreement permits the CHDO to be removed as general partner or sole managing member, the agreement must provide that the removal must be for cause and that the CHDO must be replaced with another CHDO.
  - The CHDO develops housing on behalf of another non-profit. The rental housing is transferred by the CHDO to the other nonprofit upon completion. The nonprofit receiving the property upon completion must be identified by the CHDO, not be created by a governmental entity, and assume ownership and all HOME obligations, including any loan repayment. The CHDO must own the property during the development period and be in sole charge of the development process.

4.3 CHDO Program Requirements
CHDOs must adhere to all HOME requirements listed in this Application Package and the additional CHDO specific program requirements:

- Applicants that would like to apply as a CHDO must apply for CHDO certification at the time of submitting a HOME application. The CHDO application can be found as a separate document on the IHCDA website here: http://www.in.gov/myihcda/2541.htm. The CHDO application must be submitted at the same time as submittal of the HOME application.
- Treatment of Program Income by a CHDO:
  - Proceeds generated from a Community Housing Development Organization ("CHDO") development activity may be retained by the CHDO but must be used for housing

activities that benefit low-income families as provided in 24 CFR 92.300(a)(2). Such proceeds are not considered program income and are not subject to HOME Program requirements. However, funds recaptured because housing no longer meets affordability requirements are not considered CHDO proceeds and are subject to the requirements of 24 CFR 92.503(b) and must be returned to IHCDA.

- An application for a CHDO eligible undertaking must demonstrate the following:
  - Low- and moderate-income persons have had the opportunity to advise the CHDO in its decision regarding the design, site, development, and management of the affordable housing undertaking.
  - Certify that the organization continues to meet the definition of a CHDO by being a certified CHDO by IHCDA.
  - Complete the CHDO related sections in the HOME Application Forms.

4.4 CHDO Operating Supplement

CHDOs may apply for supplemental funds in the HOME application forms. A CHDO may receive CHDO operating supplement funds in an amount not to exceed $50,000 within one program year.

Eligible costs include:

- Accounting Services/Audit
- Communication Costs
- Education/Training
- Equipment/Software
- Insurance
- Lead-Based Paint Equipment
- Legal Fees
- Postage
- Professional Dues/Subscriptions
- Rent
- Staff Salary/Fringe
- Taxes
- Travel
- Utilities

CHDOs can be eligible for a second year of CHDO Operating Support. CHDOs funded within the past 12-24 months for a HOME project can apply for additional supplemental operating support of up to $25,000, if they have met the following criteria:

- Have begun construction within the first 12 months of the executed agreement with IHCDA;
- Have drawn a minimum of 25% of the IHCDA housing development award; and
- Have drawn 100% of the original CHDO Operating Support award.

CHDO Operating Support cannot exceed the greater of $50,000 within one program year.

4.5 CHDO Predevelopment and Seed Money Loans

CHDOs are eligible for development specific predevelopment or seed money loans. Applicants may request up to $30,000 in loans for special project-specific pre-development expenses. All loans may not exceed customary and reasonable project preparation costs and must be repaid from construction loan proceeds or other program income. The CHDO must apply for the predevelopment or seed money through a separate application process. Please contact your Real Estate Production Analyst for more details.

Part 5: Subsidy Limitations & Eligible Activity Costs

5.1 Subsidy & Budget Limitations

The maximum request amount per application is $1,000,000 for eligible rental projects.

Subsidy Limitations

HOME funds used for acquisition, rehabilitation, new construction, soft costs, relocation, rent-up reserve, and developer's fee combined cannot exceed:

For units designated 50% AMI or higher:

Bedroom Size	Per Unit Subsidy Limit
0	$66,000
1	$75,000
2	$92,000
3	$117,000
4+	$128,000

For units designated 40% AMI or lower:

Bedroom Size	Per Unit Subsidy Limit
0	$69,000
1	$79,000
2	$96,000
3	$122,000
4+	$134,000

Minimum amount of HOME funds to be used for rehabilitation or new construction is $1,001 per unit.

Budget Limitations

- HOME funds cannot be used for reserve accounts for replacement or operating costs, but may be used as a Rent-Up Reserve.
- All subsidies must be secured throughout the affordability period by a written, legally binding, recorded restrictive covenant.
- HOME funds budgeted for developer's fee cannot exceed 15% of the HOME award.
- HOME funds budgeted for soft costs, environmental review, and developer's fee together cannot exceed 20% of the HOME award.

5.2 Form of Assistance

HOME funds will be awarded to the recipient in the form of a grant or loan. Award documents must be executed in order to access funds and will include, but are not limited to: award agreement, resolution, and a lien and restrictive covenant agreement.

The applicant may then provide the HOME award as a forgivable, amortized, or deferred loan to as many other entities as it chooses, known as subgrantees (beneficiaries if a homebuyer award). However, subgrantees must be identified in the application and approved by IHCDA.

A title company is required to be used for all loans that occur between the IHCDA recipient and the beneficiary or subgrantee of the program. For example, an IHCDA recipient providing funds for a homebuyer activity must use a title company when the loan is made to the homeowner. Another example is when an IHCDA recipient is assisting a property that it does not own. When the loan is made from the IHCDA recipient to the subgrantee, a title company must be used.

The IHCDA recipient must execute a promissory note, mortgage, lien and restrictive covenant agreement, security agreement, UCC Financing Statement(s), and other documents as directed by IHCDA in order to secure IHCDA's investment in the assisted property. The recipient is required to deliver these documents to the county recorder's office for recording. These documents will be reviewed during monitoring visits.

5.3 Eligible Activity Costs

The bolded items listed below are included in the application budget. If you have a question about which line item an expense goes under, contact your IHCDA Real Estate Production Analyst.

ACQUISITION – Limited to the purchase price and related costs associated with the acquisition of real property. Recipients must use a title company when purchasing or selling assisted properties.

DEMOLITION – Costs associated with the demolition and clearance of existing structures.

DEVELOPER'S FEE – Developer's fees are only available with HOME funded activities and cannot exceed 15% of the HOME award. Additionally, the total of developer's fee, soft costs, and environmental review cannot exceed 20% of the HOME request.

ENVIRONMENTAL REVIEW – This line item includes expenses associated with the NEPA compliance Environmental Review, which is a requirement of the Release of Funds process. This does not refer to a Phase I Environmental Assessment. Those expenses should be included in the soft costs line item. This line item along with developer's fee, and soft costs cannot exceed 20% of the HOME request. Eligible costs for this line item are generally between $2,000 and $5,000 and include professional services, publication costs, photocopying, and postage. For further information regarding this activity, please read the Environmental Review Guide found in Chapter 11 of the IHCDA CDBG & HOME Program Manual.

LEAD HAZARD TESTING – Costs associated with lead hazard testing includes Risk Assessment, Clearance Test, etc. The limits for this line item are $1000 per unit.

NEW CONSTRUCTION

Eligible costs include:

- Hard costs associated with new construction activities;
- Utility connections including off-site connections from the property line to the adjacent street;
- Site work related to driveways, sidewalks, landscaping, etc.

- Related infrastructure costs - improvements to the development site that are in keeping with improvements of surrounding, standard developments. Site improvements may include on-site roads and water and sewer lines necessary to the development
- Stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners

SOFT COSTS – Soft costs are those costs that can be directly tracked by address. They include client-related costs that are reasonable and necessary for the implementation and completion of the proposed activity. This line item along with or developer's fee and environmental review cannot exceed 20% of the HOME request. Recipients are allowed to draw down this line item as costs are incurred. Additionally, soft costs may be used to pay off a HOME CHDO Predevelopment or CHDO Seed Money loan but may not exceed the 20% line item cap.

Eligible costs include:

- Appraisals
- Builders risk insurance
- Building permits
- Client in-take / Income verification
- Closing costs paid on behalf of homebuyer
- Consultant fees
- Cost estimates
- Credit reports
- Demolition permits
- Engineering/Architectural Plans
- Financing costs
- Impact fees
- Inspections
- Legal and accounting fees
- Other professional services
- Phase I Environmental Assessments
- Plans, specifications, work write-ups
- Private lender origination fees
- Realtor fees
- Recording fees
- Title Searches
- Travel to and from the site Lead hazard testing
- Utilities of assisted units

REHABILITATION
Eligible costs include:

- Hard costs associated with rehabilitation activities
- Lead-based paint interim controls and abatement costs.
- Mold remediation
- Site work related to driveways, sidewalks, landscaping, etc.
- Stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners
- Utility connections and related infrastructure costs - off-site connections from the property line to the adjacent street are eligible when it is deemed a threat to health and safety. Improvements to infrastructure when there will be no rehabilitation work done on the actual house to be served

RELOCATION - This includes relocation payments and other relocation assistance for permanently and/or temporarily relocated individuals, families, businesses, not-for-profit organizations, and farm operations where assistance is required and appropriate. Relocation payments include replacement housing payments, payments for moving expenses, and payments for reasonable out-of-pocket expenses for temporary relocation purposes. For additional information on relocation and displacement, please refer to the information provided in the IHCDA's Program Manual Chapter 4.

RETAINAGE POLICY - IHCDA will hold the final $5,000 of an award until all match documentation, closeout documentation, and completion reports are received and approved. Closeout documentation will not be approved until the final monitoring and inspection is completed and all associated findings and/or concerns are resolved.

5.4 Ineligible Activity Costs

- Annual contributions for operation of public housing
- Commercial development costs **-** All costs associated with the construction or rehabilitation of space within a development that will be used for non-residential purposes such as offices or other commercial uses. This does not include the common area used by tenants of rental property or the leasing office of the apartment manager. HOME awards cannot be used to underwrite any portion of commercial development costs. The expenses incurred and income to be generated from commercial space must be reported in a separate "Annual Expense Information" sheet and 15-year proforma.
- Costs associated with any financial audit of the recipient.
- Costs associated with preparing an application for funding through IHCDA
- Cost of supportive services
- General operating expenses or operating subsidies
- Loan guarantees
- Mortgage default/delinquency correction or avoidance
- Providing tenant based rental assistance
- Purchase or installation of equipment, furnishings, tools, or other personal property that is not an integral structural feature, such as window air conditioner units or washers and dryers.
- Purchase or installation of luxury items, such as swimming pools or hot tubs

5.5 Program Income

Income generated by CHDOs acting as owners, sponsors, or developers of HOME units may be retained by the CHDOs but it must be used for housing activities that benefit low-income families as provided in 24 CFR 92.300(a)(2). However, funds recaptured because housing no longer meets affordability requirements is not considered CHDO proceeds and must be returned to IHCDA.

Income generated by not-for-profits or for-profits, acting as developers of HOME units, may be retained by the developer and is not subject to HOME Program requirements.

Additionally, all legal documents, such as mortgages, security agreements, UCC financing statements, and liens executed by the IHCDA recipient, beneficiary, or subrecipient receiving assistance, must be recorded at the county recorder's office. These documents must be submitted to IHCDA at closeout along with the IHCDA recipient's completion reports and will be reviewed during monitoring visits conducted by IHCDA staff.

Part 6: Rental Housing Requirements

6.1 Eligible Projects

HOME projects can propose rental activities with this policy and corresponding application forms. Homebuyer activities are eligible using the Homebuyer policy and corresponding application forms.

6.2 Eligible Rental Activities

Eligible activities include new construction, rehabilitation only, or acquisition/rehabilitation. Acquisition is allowed only in conjunction with the rehabilitation activity and is ineligible as a stand-alone activity. Permanent rental housing units may not be used for temporary or emergency housing at any time. Eligible rental activities also include the rehabilitation or acquisition/rehabilitation of assisted-living facilities as long as they meet IHCDA's definition. IHCDA defines an assisted living facility as living arrangements in which some optional services are available to residents (meals, laundry, medication reminders), but residents still live independently within the assisted-living complex. Residents of such facilities pay a regular monthly rent, and then pay additional fees for the services that they desire.

All households occupying HOME-assisted rental units must be income and student status qualified based on HOME regulations. See the Federal Programs Ongoing Rental Compliance Manual for more information on household qualification.

6.3 Rent Restrictions

HOME-assisted rental units will be rent-restricted throughout the affordability period to ensure that the units are affordable to low- and moderate-income households. Please refer to the most recent HOME rent limits, which can be found on IHCDA's website under RED Notices. The following restrictions apply:

- Published rent limits include the cost of any tenant-paid utilities. For all utilities that the tenant will be responsible for you must subtract any IHCDA or HUD approved utility allowance from the published rent limit. For example, if the rent limit in a given county is $300 with a utility allowance for gas heat of $28, $20 for other electric, and $13 for water, the maximum allowable rent would be $239 for a unit where the tenant pays all the above utilities ($300 - $28 - $20 - $13 = $239).
- All units must be leased for initial occupancy within 18 months.
- If a SRO-unit has both food preparation and sanitary facilities, then use the HOME zero bedroom (efficiency) unit rent or 30% of the household's adjusted income, whichever is most restrictive.
- If a SRO-unit has neither food preparation nor sanitary facilities, or only one of either, then the rent may not exceed 75% of the fair market rent (FMR) for a zero bedroom unit. For example, if the FMR for a zero bedroom unit in a given county is $300, then the 40% rent limit in that county for a SRO unit that only has a bathroom and not a kitchen would be $225 ($300 x .75 = $225).
- Gross rent must be at or below the published rent limit. Gross rent = tenant-paid rent + tenant-based rental assistance + utility allowance + non-optional charges.
- If the applicant proposes to receive all or a portion of the rent payment via a tenant-based voucher (rental subsidy), the gross rent (including the rental assistance amount) cannot exceed the published rent limits for the applicable income level. For example, a tenant residing in a unit set-aside for households at or below 40% of the area median income has a voucher that pays $100 of his/her rent, and the published utility allowance for tenant paid utilities for the unit is $50. If the published 40% rent limit is $300, the tenant paid portion of rent cannot exceed $150

($300 rent limit - $100 Section 8 Voucher - $50 utility allowance = $150 maximum tenant paid portion).

- If the development receives a federal or state project-based rent subsidy and the unit is designated as 50% or below and the household is at or below 50% AMI and the household pays no more than 30% of his/her adjusted income for rent, then the maximum rent may be the rent allowable under the project-based rental subsidy program as set forth in 24 CFR 92.252(b)(2).
- If the development charges non-optional fees for food or the costs of supportive services, then these costs must be included in the gross rent calculation
- All tenants who occupy HOME-assisted rental housing units must be income recertified on an annual basis. The Section 8 definition of household income applies.

6.4 Affordability Periods and Resale/Recapture Requirements

All rental projects are subject to an affordability period as defined in Part 3.4 of this document.

The recipient is subject to recapture provisions through a recorded lien and restrictive covenant agreement as described in Parts 3.5 of this document.

6.5 Underwriting Guidelines for Rental Projects

The following underwriting guidelines must be followed for any rental development. The numbers submitted should accurately reflect the true nature and cost of the proposed activity. IHCDA will consider underwriting outside of these guidelines, if supporting documentation is provided.

TOTAL OPERATING EXPENSES – All developments must be able to underwrite with a minimum operating expense of $2,500 per unit per year (net of taxes and reserves).

MANAGEMENT FEE – The maximum management fee allowed is described in the table below, based on the number units within the project. The percentage is based on the “effective gross income” (i.e. gross income for all units, less vacancy rate).

Number of Units	Maximum Management Fee Percentage
1 – 50	7%
51 - 100	6%
101 or more	5%

VACANCY RATE – All developments must be able to underwrite with a vacancy rate between 6% and 8%.

RENTAL INCOME GROWTH – All developments must be able to underwrite with a rental income growth between 0% and 2% per year.

OPERATING RESERVES – All developments must be able to underwrite with operating reserves using **the greater of** four-to-six months of expenses (i.e. operating expenses plus debt service) OR $1,500 per unit. Operating Reserves are not an eligible HOME expense and must come from other eligible sources.

RENT-UP RESERVE – HOME funds may be used to fund a rent-up reserve for new construction and rehabilitation rental housing developments. This reserve can be used to meet shortfalls in development income during the rent-up period and may only be drawn down after all construction is completed at the development. The following terms apply:

- The term of the rent-up reserve account may not exceed six months after all construction is completed, after which time any unused reserves left in the account will be de-obligated by IHCDA.
- These funds can be used only for development operating expenses, scheduled payments to replacement reserves, and/or debt service payments.
- The recipient must receive IHCDA's approval prior to accessing its rent-up reserve funding.
- The amount of HOME funds that can be utilized for a rent-up reserve is limited to three months development operating expenses plus three months of development debt service.

REPLACEMENT RESERVES – All developments are required to have replacement reserves. Replacement reserves must be included in the operating budget but are not included as part of the operating reserves. Contributions must be made to the reserve account starting at or before the conversion date of the construction loan to permanent loan and must be funded for the term of the loan. Replacement reserve funds must only be used for capital improvements (substantial improvements to the real estate such as re-roofing, structural repairs, or major projects to replace or upgrade existing furnishings, but not including replacement of individual appliances or minor repairs) and must **not** be used for general maintenance expenses. Less restrictive provisions required by lenders must be approved by IHCDA.

Replacement reserves must escalate at a rate of 3% per year.

IHCDA will, at its discretion, adjust the replacement reserve to reflect reasonable and customary capital and replacement expenditures. The following minimum contributions must be used.

Development Type	Minimum Contribution per unit per year
Rehabilitation*	$350
New Construction	$250

* For rehabilitation developments, the Capital Needs Assessment will be reviewed to determine whether sufficient reserves have been established.

OPERATING EXPENSE GROWTH – All developments must be able to underwrite with operating expense growth between 1% and 3% per year.

IHCDA requires operating expense growth to be at least 1% higher than rental income growth.

STABILIZED DEBT COVERAGE RATIO – All developments must be able to underwrite with a stabilized debt coverage ratio (DCR) within the following standards:

Development Location	Minimum Acceptable Debt Coverage Ratio
Large or Small City	1.15 – 1.40
Rural	1.15 – 1.50

- Stabilization usually occurs in year two; however, the debt coverage ratio for a development must not go below 1.10 during the affordability period to be considered financially feasible.

- IHCDA recognizes that some deals may have higher debt coverage at the beginning of the affordability period in order to remain feasible for the duration of the affordability period. Documentation to support these higher debt coverage ratios must be provided.
- Developments without hard debt are allowed, but will be subject to additional scrutiny from IHCDA. Developments with no debt will not have a debt coverage ratio, but will be required to have cash flow without an undue profit. This will be determined by a ratio of Effective Gross Income to Total Annual Expenses (including Replacement Reserves). A ratio of 1.10 shall be the minimum required to be considered feasible by IHCDA, throughout the affordability period.
- Tax abatement may cause the DCR to be higher than these guidelines.

The following documentation is required for Stabilized Debt Coverage Ratio:

- Documentation of estimated property taxes and insurance for the proposed development (i.e. a statement of how the applicant determined the estimated taxes and insurance for the development); AND

- If the underwriting is outside these guidelines, the applicant must provide a written detailed explanation with third party documentation supporting the explanation (approval of underwriting from other financing institutions/funding sources will not constitute acceptable supporting documentation).

6.6 Market Assessment Guidelines for Rental Projects

The following market assessment guidelines must be followed for any rental development. The numbers submitted should accurately reflect the market feasibility of the proposed activity. Only responses to these narrative questions are necessary, a full market study is not required.

MARKET AREA – Describe the market area from which the majority of the development's tenants are likely to come and provide a map with a scale. Describe how the market area was determined to be appropriate for the development.

SOCIOECONOMIC PROFILE AND TRENDS – Describe the trends in population and households by age and income and estimate the number of eligible tenants for the development.

HOUSING STOCK – Describe the existing housing stock within the market area including the number of housing units, type (single family or multifamily), percent vacant, percent owner-occupied and renter-occupied, etc. In addition, provide a list of all other rent restricted properties in the market area and indicate whether they are age restricted.

CAPTURE RATE AND ABSORPTION PERIOD – Provide an estimate of the capture rate for the development (project's units divided by the number of eligible tenants from the market area), and estimate the absorption period to ensure lease-up within 18 months of project completion.

NEEDS ASSESSMENT – Describe how the development addresses the community's housing needs, given the market area's socioeconomic profile, trends, and housing stock.

DEVELOPMENT SITE DESCRIPTION – Explain how the site is adequate in size, exposure, and contour to accommodate the number and type of units proposed. In addition, describe whether there are adequate utilities (water, sewer, gas, and electricity) to accommodate the development.

Part 7: Completeness & Threshold Requirements

Each proposed project must satisfy the Federal requirements of the HOME program listed in 24 CFR Part 92 and any additional requirements established by IHCDA. To be considered for funding, an applicant must meet all of the completeness and threshold requirements listed below.

7.1 Completeness Requirements

- Timeliness – All documentation must be turned in by the application due date.
  - On or before the application deadline, the applicant must provide all documentation as instructed in this application policy as well as required documentation listed in the HOME Application Forms.
  - If IHCDA requests additional information from the applicant, all requests are due on or before the date provided by IHCDA staff.
  - Any forms that are late will be denied review and will be sent back to the applicant.
- Responsiveness – All questions must be answered and all supporting documentation must be provided.
  - The applicant must provide all documentation as instructed in this application policy as well as required documentation listed in the HOME Application Forms.
  - The applicant must provide all documentation as requested (i.e. uploaded or hard copies, labeled correctly, etc.)
  - Required signatures must be originally signed.

7.2 Threshold Requirements

Completeness	Location
Application and Supporting Documents • Submit two copies of fully-completed HOME Rental application, one as an Excel file and one as a searchable PDF. • Submit all required supporting documents via the IHCDA FTP Site. Mail one complete original copy of the signed application and the signed Environmental Review Record (ERR) to IHCDA by the application deadline. Do not submit paper copies of any other supporting documents.	Uploaded to Syncplicity and mailed to IHCDA
Threshold	**Location**
SAM Status • Submit a copy of the applicant's System of Award Management (SAM) status. https://www.sam.gov/portal/SAM/#1	Tab A_SAM Status
Debarment Information • Submit a copy of the debarment information for each development team entity identified in the application.	Tab B_Debarment
Grievance Procedures • Submit applicant's Grievance Procedures. Grievance Procedures must address both current and prospective tenants and provide guidance on (1) how grievances will be submitted, (2) who will review them, (3) timeframe for the review, and (4) the appeal process.	Tab C_Grievance Procedures

<table>
<tr><td>Area Need
HUD requires that IHCDA certify that there is adequate need for each home based on the neighborhood’s housing market. In order to help make this determination please answer all of the questions in the Market narrative in the application. A formal market study is not required. Attach any relevant support material such as previously completed market studies, planning documents, or maps.</td><td>Tab D_Area Need</td></tr>
<tr><td>Home-Assisted Households at or Below 60% AMI
Commit to assisting households at or below 60% of the area median income for the county.</td><td>Application</td></tr>
<tr><td>Not-for-Profit Applicant Documentation (if applicable)
Submit an IRS determination letter for 501(c)3 status.
Provide a copy of the Certificate of Existence from the Indiana Secretary of State to provide proof that the organization is in good standing.</td><td>Tab E_Not-for-Profit</td></tr>
<tr><td>Audited Financial Statements
Submit the most recent copy of audited financial statements.</td><td>Tab F_Capacity</td></tr>
<tr><td>Local Unit of Government Notification
Provide a copy of the notification letter sent to the Local Unit of Government.
Provide proof of delivery of the local government notification letter, by submitting either an email read receipt or a mail delivery receipt.</td><td>Tab G_LUG Notification</td></tr>
<tr><td>Owner Authorization (if applicable)
If the applicant is different from the owner of the development, provide a letter from the owner authorizing the applicant to apply for funding for the owner’s property.</td><td>Tab H_Notifications</td></tr>
<tr><td>Administrator Documentation (if applicable)
If the applicant has hired an administrator, please provide documentation demonstrating that the administrator has been properly procured using the Competitive Negotiation (RFP) Procedure.
Submit a copy of the Request for Proposals (RFP).
Submit the published advertisement that was put in a general circulation newspaper for the RFP.
Submit a copy of the signed contract between applicant and administrator.</td><td>Tab I_Administrator</td></tr>
<tr><td>Previous HUD or USDA-RD Funding
If development received funding directly from HUD or Rural Development, the applicant must send a notification letter to the appropriate HUD or Rural Development Office and provide proof of sending.</td><td>Tab H_Notifications</td></tr>
</table>

Visitability Mandate • Any development involving the new construction of single family homes, duplexes, triplexes, or townhomes must meet the following visitability mandate: Visitability is defined as design concepts that allow persons with mobility impairments to enter and stay, but not necessarily live, in a residence. There are three specific design elements that must be incorporated to satisfy the visitability mandate: • Each unit must contain at least one zero-step entrance on an accessible route. This can be any entrance to the unit; • All main floor interior doors (including bathroom doors and walk-in closets) in each unit must provide at least at least 31 ¾ inches of clear opening width; • Each unit must contain at least one half or full bathroom on the main level that is accessible per ICC A117.1.Section 1004.11.	Application
Site Map and Photos • Submit a clear, colored, site map. • Submit clear, recent, color site photos including views from all cardinal directions.	Tab K_Site Map
Title Search • Submit evidence of clear title with a title insurance commitment, title search documentation, or an attorney's opinion letter.	Tab L_Readiness
Construction Cost Estimate • Submit detailed construction cost estimate for the development.	Tab L_Readiness
Site Control • Submit a purchase option or purchase agreement that expires no less than 30 days subsequent to the award announcement date.	Tab L_Readiness
Zoning Approval • Provide a letter no older than six months from the local planning official that certifies the current zoning allows for construction and operation of the proposed homes and any required variances that have been approved.	Tab L_Readiness
Capital Needs Assessment • For developments proposing 26 or more total units, a Capital Needs Assessment is required.	Tab L_Readiness
Environmental Review • Submit completed environmental review forms. Instructions and forms can be found in Chapter 11 of the IHCDA CDBG & HOME Program Manual. • A FIRM floodplain map must be submitted with each parcel identified on the map. (Any property located in any variation of zone "A" on the map is ineligible for funding). Maps may be downloaded from the FEMA website here: https://msc.fema.gov/portal.	Tab M_Environmental Review

Affirmative Fair Marketing Plan (if applicable) • In accordance with 24 CFR 200.620 and 24 CFR 92.351 (a), the recipient must adopt an Affirmative Fair Housing Marketing Plan for rental and homebuyer developments containing five or more HOME-assisted housing units. Submit form HUD 935.2A.	Tab N_Fair Housing
Development Fund • Developments requesting a Development Fund loan must designate at least 50% of the Development Fund-assisted units for households at or below 50% AMI with the remaining Development Fund-assisted units designated for households at or below 80% AMI.	Application
Funding Committed Prior to Application • All other development funding must be committed prior to submitting an application for HOME funding to IHCDA except if the applicant has applied for 2017 AHP Funding through the Federal Home Loan Bank of Indianapolis. If applying for AHP, please include a narrative describing how any funding gap will be filled if the applicant does not receive an AHP award. Please complete the sources and uses tab in the application.	Tab O_Financial Commitments
Letters of Commitment • Submit signed letters of commitment for all funding sources with funding terms and amounts.	Tab O_Financial Commitments
CHDO Operating Supplement • If applying for a CHDO Operating Supplement, fill out Section F of the Sources and Uses tab and the CHDO Operating Supplement tab in the Application Forms.	Application
Rental Proforma • Complete Rental Proforma tab in the IHCDA HOME Rental Application Forms.	Application
Match Requirement • The match requirement for the HOME programs is 25% of the total amount of HOME funds requested minus environmental review costs. Match must be committed prior to submitting an application for HOME funding to IHCDA. o Submit the relevant sections of the Match Spreadsheet. o Submit letters of commitment for each source of Match.	Tab O_Financial Commitments

Senior Developments
• New Construction:
  ○ 100% of the units must be accessible or adaptable, as defined by the ADA and the Indiana Accessibility Code.
• Rehabilitations:
  ○ 100% of the ground floor units must be accessible or adaptable, as defined by the ADA and the Indiana Accessibility Code, and all units above the ground floor must be adaptable as defined by the ADA and the Indiana Accessibility Code unless the building(s) contained elevator(s)/Lift(s) prior to rehabilitation, in which case the elevators/lifts will need to be maintained and 100% of the units above the ground floor will need to be accessible and adaptable.
	The originally signed HOME application will serve as certification that the development will comply with these requirements.

Services
• Applicants must commit to at least three services in each of the three levels listed on the Tenant Investment Plan Matrix. Developments planning to incorporate services not referenced in the Tenant Investment Plan Matrix or that exceed the minimum requirements may merit consideration for additional scoring under the Unique Features category. Applicants must submit:
  ○ One Form C: Tenant Investment Plan Matrix listing all services for the entire proposed project (found in the HOME Application Appendices);
  ○ One Form D: Tenant Investment Plan Service Agreement (MOU) for each service provider with original or a copy of original signatures (found in the HOME Application Appendices);
    ▪ If the HOME applicant is providing services, an MOU must still be executed in order for the commitment to provide services to be on file in our application records. Applicants are required to use the IHCDA provided Tenant Investment Plan Service Agreement (MOU) unless the IHCDA legal department has provided written approval of an alternate MOU prior to application submittal.
	Tab P_Project Characteristics

Universal Design Features • Applicants must adopt a minimum of two universal design features from each universal design column below. Features found in Column A are regarded as being of high cost and/or high burden of inclusion to the development. Features found in Column B are regarded as being of moderate cost and/or moderate burden of inclusion to the development. Features found in Column C are regarded as being of low cost and/or low burden of inclusion to the development. Applicants must identify which features they will be undertaking on the Universal Design Form.	Application

Universal Design Features		
Column A	**Column B**	**Column C**
Front loading washer and dryer with front controls, raised on platforms or drawers in each unit or all laundry facilities	At least one entrance to the ground floor of a unit shall be on a circulation path from a public street or sidewalk, a dwelling unit driveway, or a garage. That circulation path shall be a ramp or sloped walking surface. Changes in elevation shall not exceed ½" (All one & two family dwellings only)	Audible and visible smoke detectors in each unit
Walk-in Bathtub or shower with a folding or permanent seat (Senior Living Facilities 10% of the units, and 5% of the units for non-senior)	In kitchens, provide pull out shelves or Lazy Susan storage systems in base corners cabinets	Light switches located 48" maximum above the finished floor in each unit
Range/oven with controls located to not require reaching over burners in 10% of the units	All interior doors shall have a minimum clear width opening of 31-3/4"	Lighting controls are rocker, or touch sensitive control
Wall oven with 27" minimum knee clearance under the door in the open position and controls 48" maximum above the floor in 10% of the units	Adjustable height shelves in kitchen wall cabinets in each unit	Over bathroom lavatories, mirrors with the bottom edge of the reflecting surface 40 inches maximum above the floor or a tilt mirror that provides a similar view in each unit
Toilets that meet the provisions for location, clearance, height and grab bars in 2009 ICC A117.1 Section 604.5 in one bathroom in each unit	Where provided, telephone entry systems shall comply with ANSI.SASMA 303.-2006, Performance Criteria for Accessible Communication Entry Systems	Lever handle faucets on lavatories and sinks in each unit
Provide an accessible route from the garage into the dwelling in 10% of the units with attached private garages	Provide one of the following in one bathroom within each unit: 1. Adjustable height shower head that allows for a shower head to be located below 48" above the tub or shower floor; or 2. Hand-held showerhead with a flexible hose 59" minimum in length	Full length mirrors with the bottom of the reflecting surface lower than 36" and top to be at least 72" above the floor in each unit

Curb cuts along an accessible route throughout the development in accordance with 2009 ICC A117.1 Sections 406.13	Remote control heating and cooling in each unit	Where provided, signage identifying unit numbers shall be visual characters, raised characters and braille
Side by side refrigerators in each unit	In the kitchen, provide a 30" x 48" clear floor space adjacent to the sink, dishwasher, cooktop, oven, refrigerator/freezer and trash compactor	Where room lighting is provided, provide remote controls or motion sensor controls
Where private garages are provided, automatic garage door openers on the garage doors	At least one section of the counter or a pull out surface shall provide a work surface with knee and toe clearances in accordance with ICC A117.1 Section 1003.12.3	Bathtub/shower controls located 48" maximum above the tub floor in each unit
Provide in the kitchen a sink and a work surface in accordance with ICC A117.1 Sections 1003.12.3.2 and 1003.12.4.2 in 10% of the units	Built in microwave with an adjacent clear floor space and controls located 48" maximum above the floor in each of the units	Pulls on drawers & cabinets in each unit
Provide Motion detector controls for the outside lights at least on entrance in each unit	For kitchen and bathroom countertops, provide a visual contrast at the front edge of the counter or between the counter and the cabinet in all units	At least one garden area raised to a minimum of 15" above the adjacent grade
A removable base cabinet in kitchens at the sink and one work surface and at the lavatory in at least one bathroom in accordance with ICC A117.1 Sections 1003.12.3.1, 1003.12.4.1 and 1003.11.2 in all bottom level units	Provide a 30" x 48" clear floor space in each bathroom. Where bathroom doors swing in, the clear floor space must be beyond the swing of the door	Provide 10 fc lighting for at least one work surface in each unit
In kitchens, provide pull out shelving for all standard base cabinets in each unit	All hallways 42" or wider in each unit	Controls for bathtubs or showers located between the centerline of the bathtub or shower stall and the front edge of the opening in at least one bathroom in each unit
Provide a roll-in shower in at least one bathroom in accordance with ICC A117.1 Section 608.2.2 or 608.2.3 in each unit	All wall reinforcements for a second handrail at stairways in each unit	All closet rods adjustable or provide a portion of each closet with two clothes rods at different heights in each unit

In 10% of the units, provide cook top with toe & knee clearance underneath in accordance with ICC A117.1 Section 1003.12.5.4.2. The underside of the cook top shall be insulated or otherwise configured to protect from burns, abrasions or electric shock	Where walls are provided adjacent to toilets, bathtubs or showers, provide blocking for a future installation of grab bars in accordance with ICC A117.1 Section 1004.11.1	Slide or bi-folding closet doors for reach-in closets in all units
Dishwasher unit with all operable parts and shelving between 15" and 48" above the flooring 10% of the units	All doors intended for user passage shall have a minimum clear width opening of 31-3/4"	Levers hardware doors intended for user passage in each unit
A fixed or fold down seat in the shower or a bathtub with a seat in at least one bathroom of 10% of the units	Kitchen Faucet with pull out spout in lieu of side mount sprayer in each unit	Electric outlets raised 15" minimum above the finished floor in each unit. Dedicated outlets and floor outlets are not required to comply with this section
Grab bars in bathroom and shower in 10% of the units (1st bathroom only for two bathroom units)	Provide a means of identifying visitors without opening the door in accordance with ICC A117.1 Section 1006.5.2	Provide a lighted doorbell at the outside of the primary entrance door to each unit in accordance with ICC A117.1 Section 1006.5.1
Remote controlled drape, blinds and/or curtains in 5% of the units	Significant color contrast between floor surfaces and trim in each unit	Countertop lavatories with lavatories located as close to the front edge as possible in 10% of the units
Carpet complying with ICC A117.1 Section 302.2 or slip resistant flooring	Visual contrast between stair risers and stair treads in each unit that contains stairways	Self-closing drawers on kitchen cabinets
		Mailboxes located between 24"-48" above the ground

Part 8: Scoring

If an application meets all applicable requirements, it will be evaluated and scored based on:

Scoring Category	Points Possible
Development Characteristics	28
Development Features	34
Readiness	8
Capacity	23
Leveraging of Other Sources	6
Unique Features & Bonus	10
Total Possible Points	**109**

When there is a scoring criteria based on the county being served and there are multiple counties, the applicant should add up the scores from each county and average them, rounding to the nearest whole number. An application must score at least 75 points to be considered for funding.

8.1 Development Characteristics Category Maximum Points Possible: 28

This scoring category describes the proposed project. The points can be achieved through the following sub-categories: Constituency Served, Targeted Population, Comprehensive Community Development, Opportunity Index, and Services.

1) *Constituency Served* *Maximum Number of Points: 5*

If the development commits to serving beneficiaries in IHCDA-assisted units with maximum incomes lower than required by the HOME program and maintains housing costs at affordable rates, points will be awarded in accordance with the following chart. Percentages are of the area median income (AMI) for the county in which the development is to be located. Awarded recipients will be held to the unit commitment in their award agreement. The AMI level selected applies to both the income and rent restriction on the unit. Changes to the AMI levels will require prior IHCDA approval.

Constituency Served	Points
20% of Population served at or below 40% AMI; **OR**	3
20% of Population served at or below 30% AMI	5

2) *Mixed-Income Housing* *Maximum Number of Points: 1*

Community Integration	Points
10% of development units are Market Rate	1

3) *Targeted Population* *Maximum Number of Points: 4*

Points will be awarded to applicants that target populations with special housing needs under IHCDA's priority in accordance with the following guidelines and charts.

Target Population	Points
OPTION 1: Age-restricted housing in which at least 80% of the units in the development are restricted for occupancy by households in which at least one member is age 55 or older OR 100% of the units are restricted for households in which all members are age 62 or older.; OR	2
OPTION 2: At least 25% of units are set-aside for households that meet one the "special needs population" definitions in Indiana Code 5-20-1-4.5 listed below* • Persons with physical or developmental disabilities • Persons with mental impairments • Persons with chemical addictions *Elderly are included in the Code definition but are excluded in this option as this target population is addressed in Option 1 above. A household with a disability will be defined as a household in which at least one member is a person with a disability using the Fair Housing definition of disabled (see glossary). Applicants electing this targeting option must enter into a referral agreement with a qualified organization that provides services for the target population. See part 4.1(F) of the *Federal Programs Ongoing Rental Compliance Manual* for more information on referral agreements. *Submit Referral Agreement Form in "**Tab P_Project Characteristics**". A boilerplate Referral Agreement can be found in the Appendices at the end of this application package.*	4
OPTION 3: At least 30% of units are set-aside for households meeting at least one of the following designations: • Single parent households • Victims of domestic violence • Abused children • Families with children six and under	4

In order to receive points under Option 1 above, developments must satisfy the following criteria:

New Construction:

- All common areas must be accessible and 100% of the units must be Accessible units, Type A units, or Type B units in accordance with Chapter 10 of the ICC A117.1, and elevators must be installed for access to all units above the ground floor.

- *The originally signed HOME application will serve as certification that the development will comply with these requirements.*

For Rehabilitations:

- All common areas on the main floor must be accessible and 100% of the ground floor units must be Accessible units, Type A units, or Type B units in accordance with Chapter 10 of the ICC A117.1. If the building(s) contained elevator(s)/lift(s) prior to rehabilitation, the elevators/lifts will need to be maintained and all common areas must be accessible and 100% of the units above the ground floor will need to be Accessible units, Type A units, or Type B units in accordance with Chapter 10 of the ICC A117.1.
  - *The originally signed HOME application will serve as certification that the development will comply with these requirements.*

4) *Opportunity Index* *Maximum Number of Points: 10*

Applicants may earn up to 10 points (with two points for each feature) for developments located within areas of opportunity.

- Public Transportation (2 points): Points will be awarded to developments located within a half-mile of a public transit station or bus stop. For communities with a population of 14,999 or less, point-to-point transportation is eligible as long as it is provided by a public or not-for-profit organization and is available to all residents of the development. Taxis, Uber, or other ride-sharing programs are not eligible for points. For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

  In order to receive points for this scoring subcategory, the applicant must submit a map in **Tab P_Project Characteristics** including:
  - Specific development location,
  - Transit station or bus stop location, and
  - A half-mile radius drawn from the development location.

- Unemployment Rate (2 points): Points will be awarded to developments located within a county that has an unemployment rate below the state average. (http://opportunityindex.org/). For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- Job Growth (2 points): Points will be awarded to developments located within a county that has a 12 month change in employment percentage in the top half of the state using the Department of Labor's Quarterly Census of Employment and Wages as listed on https://beta.bls.gov/maps/cew/us. For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- Employer Proximity (2 points): Points will be awarded to developments located within five miles of at least one of a county's top 10 employers. County employer data can be found at http://www.hoosierdata.in.gov/buslookup/BusLookup.aspx.

  In order to receive points for this scoring subcategory, the applicant must submit a map in Tab P_Project Characteristics including:
    i. Specific development location;
    ii. The location of the qualifying employer(s)
    iii. A five mile radius drawn from the project location.

- Poverty Rate (2 points): Points will be awarded to developments located within a county that has a poverty rate below the state average (http://opportunityindex.org/). For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- County Median Household Income (2 points): Points will be awarded to developments located within a county that has a median household income above the state average (http://opportunityindex.org/). For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- Census Tract Income Level (2 points): Points will be awarded to applicants proposing developments located in higher income neighborhoods compared to surrounding areas. Points will be determined according to the Federal Financial Institutions Examination Council's (FFIEC) income level of its census tract. Find the census tract income level by entering the project address at the FFIEC website (https://geomap.ffiec.gov/FFIECGeocMap/GeocodeMap1.aspx) and clicking "Census Demographic Data" below the matched address. For scattered site developments, points will be averaged according to the number of units within each income level.

FFIEC Income Level	Points
Upper	2
Middle	1
Moderate	.5
Low	0

5) *Health and Quality of Life Factors* *Maximum Number of Points: 8*

Applicants may earn up to 8 points for developments located in counties with high health outcomes or in areas in close proximity to fresh produce and other positive land uses.

- Health Factors (2 points): Points will be awarded to developments located within a county that has a ratio of population to primary care physicians of 2,000:1 or lower. http://www.countyhealthrankings.org/app/indiana/2017/measure/factors/4/data) (For scattered site developments, at least 50% of the proposed units must meet this requirement to be eligible for points.

- Fresh Produce (2 points): Points will be awarded to applicants proposing developments located within a mile of a supermarket or grocery store with fresh produce. For scattered site developments, at least 75% of the proposed homes must meet this requirement to be eligible for points.

  Stores with fresh produce must:
  - Be currently established;
  - Have a physical location; and
  - Have regular business hours.

  Staff will independently verify that the location meets the above requirements. As part of the clarification process, the applicant may be required to provide additional information. For the purposes of this scoring subcategory, farmers' markets, produce stands, gas stations, convenience stores, and drug stores do not qualify.

  In order to receive points for this scoring subcategory, the applicant must submit a map in **Tab P_Project Characteristics** including:
  - Specific development location;
  - Store or market location; and
  - A mile radius drawn from the project location.

- Proximity to Positive Land Uses (4 points): Points will be awarded to applicants proposing developments located within three miles of the locations listed in the table below. A maximum of four points is available in this category. For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

Site	Points
Community or recreation center	1 point
Park or public greenspace	1 point
Primary care physician or urgent care facility	1 point
Pharmacy	1 point
Sidewalks or Trails	.5 point
Clothing, department store	.5 point
Bank	.5 point
International or ethnic food market	.5 point
Education facility	.5 point
Licensed child care facility	.5 point
Social service center	.5 point
Government office (i.e. town hall, trustee's office)	.5 point
Post Office	.5 point
Public Library	.5 point
Cultural arts facility	.5 point

In order to receive points for this scoring subcategory, the applicant must submit a map in Tab P_Project Characteristics including:

i. Specific development location;
ii. The location of the qualifying site(s)
iii. A three mile radius drawn from the project location.

8.2 Development Features **Category Maximum Points Possible: 34**

This category describes the features of the overall proposed HOME project.

1) *Existing Structures* *Maximum Number of Points: 6*

Points will be awarded to developments that utilize existing structures on at least 50% of the HOME assisted units.

Existing Structure	Points
Project is rehabbing at least 50% of the square footage of a vacant structure(s) for housing; OR	5
Development is rehabbing at least 50% of the units or square footage, whichever is greater, of existing housing stock; OR	5
Development is rehabbing existing Federally Assisted Affordable Housing	6

In order to receive points, the applicant must submit in **Tab Q_Development Features:**

- Documentation of whether or not the building is occupied.
- For existing Federally Assisted Affordable Housing rehabilitation, submit documentation from the entity enforcing affordable housing requirements evidencing the rent and income restrictions applicable to such property including the term of such restrictions.

**Note: Developments receiving points in the Infill New Construction category are not eligible for points in the Existing Structure category.*

2) *Historic Preservation* *Maximum Number of Points: 2*

Points will be awarded to a development that contains at least one unit that is a historic resource to the neighborhood.

In order to receive points, the applicant must submit in **Tab Q_Development Features:**

- Either a letter or report from the National Park Services, or Department of Natural Resources Division of Historic Preservation and Archaeology that specifically identifies the site as a historic resource or contributing to a historic district; or
- A photocopied page from the most recent county Indiana Sites and Structures Interim Historic Report showing the structure is Contributing, Notable, or Outstanding in the County's Interim Report.

3) *Infill New Construction* *Maximum Number of Points: 5*

Points will be awarded to demolition and new construction developments that meet IHCDA's HOME criteria for infill. For the HOME program, IHCDA defines infill housing as the process of developing on vacant or underused parcels of land within existing areas that are already largely developed or previously developed. At least two sides of the project must be adjacent to occupied residential development, operating commercial development, active public space, or another active community activity.

For purposes of this category, the following will not qualify as infill housing:

- Existing agricultural land,
- Land where agriculture was the last use and it was within the last 5years except within corporate limits,
- Undeveloped Master Planned Communities, or
- Existing structures that will be rehabilitated.

In order to receive points, the applicant must submit in **Tab Q_Development Features:**

- Aerial photos of the proposed site(s) with the site labeled;
- For scattered site projects, all of the proposed development sites must meet the infill attribute scoring criteria to receive points.

**Note: Developments receiving points in the Existing Structure category are not eligible for points in the Infill New Construction category.*

4) *Provision of Additional Bedrooms* — *Maximum Number of Points: 4*

Points will be awarded to developments where at least 20% of the HOME assisted units contain three or more bedrooms.

In order to receive points, the applicant must submit in **Tab Q_Development Features:**

- Preliminary floor plans that clearly identify the units with three or more bedrooms.

5) *Design Features* — *Maximum Number of Points: 4*

Points will be awarded for each design feature chosen, for a maximum of four points in this category.

Design Feature	Points
Exterior walls are at least 50% durable material (brick, stone, or cement board)	1
Includes LED lighting	1
Roofing system has at least a 30-year warranty (must provide supporting documentation from the manufacturer to qualify)	1
Porch with a minimum of 48 square feet with a roof that is permanently attached to the residence	1

Deck or patio with a minimum of 64 square feet that is made of wood or other approved materials	1
Framing consists of 2" X 6" studs to allow for higher R-Value insulation in walls	1
Garage with a minimum of 200 square feet that is made of approved materials, has a roof, is enclosed on all sides and has at least one door for vehicle access	1
Crawl space or basement	1
Security system	1
Carport with a minimum of 200 square feet that is made of approved materials, has a roof, and is open on at least two sides	1
Attached or unattached storage space measuring at least 5' x 6' (not a mechanical closet)	1
Playground	1
Community room	1

6) Universal Design Features *Maximum Number of Points: 5*

Points will be awarded for applicants that propose developments that go beyond the minimum threshold requirement for universal design features. Please refer to the universal design features chart in the threshold section of this policy. The applicant will be required to submit the Building Form identifying the Universal Design Features of the project. The applicant will be awarded points as follows:

Number of Universal Design Features in Each Column	Points
5	5
4	4
3	3

Please refer to the table of universal design features on page 29.

7) Smoke-Free Housing *Maximum Number of Points: 3*

Points will be awarded if the development commits to operate as smoke-free housing.
In order to receive points, the applicant must submit in **Tab Q_Development Features:**

A smoke-free housing policy that addresses (at a minimum) the following items:
- Definition of who the rule applies to (e.g. not only residents but also their guests on the property, staff, etc.);
- Definition of smoking;
- Explanation of where smoking is prohibited on the property. Smoking must be prohibited in individual units and all interior common space. The plan should also designate a smoking area on the property. The designated smoking area must prohibit smoking within a minimum of 15 feet of any buildings;
- Explanation of how the smoke-free rules will be communicated and enforced;

- If the development is the preservation of existing housing that is not currently smoke-free, then the plan must include an explanation of how the property will transition to a smoke-free environment; and
- Draft smoke-free housing lease addendum that will be signed by all households.

IHCDA recommends the American Lung Association of Indiana's "Smoke-free Housing Indiana Toolkit" as a resource to create a smoke-free housing policy. See http://insmokefreehousing.com for more information.

8) *Green Building* *Maximum Number of Points: 5*

Up to five points will be awarded for the green building techniques listed below. The signed application forms will be proof of these commitments.

Green Building Technique	Points
Orient structures on East/West axis for solar exposure	1
Include new trees in landscaping to curb winter winds and provide shade	1
Low VOC paints and finish materials	1
Install flow reducers in faucets and showers	1
Minimize the disruption of existing plants and trees	1
Include recycling bins in the kitchen	1
Install recycled content flooring and underlayment	1
Install a light colored roofing material	1
Low flow toilets or dual flush toilets	1
R-Value insulation exceeding Indiana State Building Code	1
Recycle deconstructed building material	1
Incorporate permeable paving	2
Install high-efficiency, tank-less water heaters	2
Use on-site solar energy to reduce resident utility costs	2

8.3 Readiness **Category Maximum Points Possible: 8**

This category describes the applicant's ability to begin and timely execute an awarded project.

1) *Predevelopment Activities* *Maximum Number of Points: 5*

Points will be awarded to applicants that have completed some predevelopment activities according to the chart below. Applicants are eligible to receive up to five points. Points will only be awarded if the required supporting documentation, italicized below the activity description, is included in **Tab L_Readiness.**

For scattered site developments, documentation for each site must be submitted in order to receive the points. Documents should be clearly labeled with the site addresses for ease in reviewing the documentation.

Predevelopment Activity Completed	Points

Asbestos Testing *Submit a copy of the assessment report.*	1
Lead Testing *Submit a copy of the assessment report.*	1
Appraisal *Provide an appraisal that is no older than 6 months.*	1
Preliminary Design Plans *Provide electronic copies of architectural and/or engineering plans.*	1
Property Survey *Provide an electronic copy of the property survey.*	1
Capital Needs Assessment/Structural Needs Report *Provide a copy of the report performed by a licensed professional.*	1
CHDO Predevelopment Loan *Applicants that fully utilized a CHDO Predevelopment Loan for the current HOME application are eligible for one point.*	1
Comprehensive Community Plan *Provide a copy of ONE plan for each jurisdiction that meets all of the following criteria:* • *Specific references to the creation of or need for housing* • *No older than 15 years* • *Public participation and narrative about efforts leading to the creation of the plan* • *A target area map with the proposed development sites labeled* • *Resolution showing adoption by the highest local unit of government*	2

2) *Contractor Solicitation* *Maximum Number of Points: 3*

Points will be awarded to applicants who invite material participation in the proposed development by Indiana contractors. To qualify for these points, a minimum of five letters inviting contractors to participate in the bidding of the project must be sent, with at least 20% of these letters going to state certified Minority Business Enterprises (MBE), Women Business Enterprises (WBE), Federal Disadvantaged Business Enterprises (DBE), Veteran- Owned Small Businesses (VOSB), and/or Service Disable Veteran Owned Small Businesses (SDVOSB).

In order to receive points, the applicant must submit in **Tab L_Readiness**

- A copy of the letter inviting the various contractors to participate in the bidding of the project,
- Evidence of received receipt of invitation by five contractors, and
- A copy of each of the 20% of applicable and current state certifications or a print out from the State's certification list clearly indicating the entities and when the certification list was printed.

Eligible Certification Summary Table

Certification	Certifying Agency	Website
MBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
	Indiana Minority Supplier Development Council	http://midstatesmsdc.org/
WBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
DBE	Indiana Department of Transportation	http://www.in.gov/indot/2576.htm
VOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/
SDVOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/

8.4 Capacity **Category Maximum Points Possible: 23**

This category evaluates the applicant's ability to successfully carry out the proposed project based on certifications and/or experience in affordable housing development.

1) *Certification* *Maximum Number of Points:* 5

Points will be awarded for a member of the development team, property management team, applicant, and/or administrator staff who has completed the following certifications. Five points will be awarded for the completion of two of the six certifications listed below. The completion of only one of the certifications below will receive three points. If two staff members hold the same certification, points will be awarded for two certifications.

If you do not see a certification you have received on the list that you believe would be relevant, please consult with your Real Estate Production Analyst at least one week prior to the application due date to request that it be eligible for points.

Required IHCDA Compliance Trainings, IHCDA application and policy webinars, IHCDA application and policy trainings, and IHCDA feedback sessions are not eligible for points in this category.

Attach copies of the certification completion in **Tab S_Capacity**.

Certification	Sponsoring Organization
CHDO Capacity Building Certification (Must have attended all webinars in either 2016 or 2017)	Indiana Housing and Community Development Authority (IHCDA)/HPG Network
Project Development Training	Prosperity Indiana
Housing Development Finance Professional	National Development Council (NDC)
Certified Aging-in-Place Specialist	National Association of Home Builders (NAHB)
Home Sweet Home: Modifications for Aging in Place	University of Indianapolis / Indiana Housing and Community Development Authority

Grant Administration Certification	Indiana Housing and Community Development Authority (IHCDA)
Certified HOME Program Specialist	HUD/CPD

2) *Overall IHCDA Award Performance of the Applicant* *Maximum Number of Points: 8*

Applicants with an IHCDA award monitored within the past five years may be eligible for points based on the applicant's overall performance. Only the most recently monitored award is eligible for points. An award may be eligible, whether it is closed or open, as long as an official IHCDA monitoring has occurred. Please list the most recently monitored award number in the application forms.

Applicants cannot qualify for points under both the New Administrator Experience and IHCDA Award Performance.

Description of Overall Award Performance	**Points**
Applicant's most recently monitored HOME award had no findings and no concerns.	8
Applicant's most recently monitored HOME award had no findings, but concerns were noted. **OR** No HOME experience, but **Applicant's** most recently monitored CDBG award had no findings and no concerns.	6
Applicant's most recently monitored HOME award had only one finding. **OR** No HOME experience, but **Applicant's** most recently monitored CDBG award had no findings but concerns were notes.	4
No HOME experience, but **Applicant's** most recently monitored CDBG award had only one finding.	2

Does not meet any category above. Examples: • More than one finding on most recently monitored award. • Applicant has no experience with IHCDA within the past five years.	0

3) *Administrator Experience* *Maximum Number of Points:* 5

Only applicants without an IHCDA award in the past five years that have properly procured an administrator with previous IHCDA HOME experience may receive points in this category. Five points will be awarded if the administrator has successful experience administering an IHCDA HOME award that has been monitored within the past five years. In order to qualify for points, the most recently monitored award must not have had any findings. An award may be eligible, whether it is closed or open, as long as an official IHCDA monitoring has occurred. Please list the most recently monitored award number in the application forms.

Experience	Points
Administrator's most recently monitored HOME award had no findings.	5

4) *Timely Expenditure of Funds* *Maximum Number of Points:* 5

Points will be awarded to an applicant or administrator that has expended their most recent IHCDA award (HOME or CDBG) funds by the award expiration date without requesting award extensions. The award must be from within the past five years. Please list the award number in the application forms.

Award Length	Points
Applicant or administrator's most recent IHCDA award (HOME or CDBG) completed by the award expiration date.	5

5) *IHCDA Award Inspection Performance of the Applicant* *Maximum Number of Points:* 2

Applicants or administrators with an IHCDA award inspected within the past five years may be eligible for points based on their IHCDA inspection results. Points will be awarded if zero building code issues were noted on their last monitored inspection of their most recent award.

6) *CHDO Certification* *Maximum Number of Points:* 3

An applicant that applies and is certified as a Community Housing Development Organization will receive three points.

8.5 Leveraging of Other Sources **Category Maximum Points Possible: 6**

Points will be awarded to applicants whose proposed project has received either a firm commitment to leverage other funding sources. A “firm commitment” means that the funding does not require any further approvals.

“Other Funding Sources” include (but are not limited to) private funding, funds from a local community foundation, volunteer labor, Federal Home Loan Bank funding, federal, state or local government funds, in-kind donations for labor or professional services, sweat equity, donated material and equipment. Banked or shared match is not eligible.

Points will be awarded based on the Amount of Funding divided by the Total Development Costs:

Percentage of Total Development Costs	Points
.50% to 1.99%	1
2.00% to 3.99%	2
4.00% to 5.99%	3
6.00% to 7.99%	4
8.00% to 9.99%	5
Greater than 10%	6

To receive points in this category, the applicant must submit the following in **Tab O_Financial Commitments:**

- Provide a letter from the appropriate authorized official approving the funds. The letter must include a description of the type of approved funding for the proposed development and the amount of funding.
- In-Kind Donations – Labor or Professional Services: Submit commitment letter from donor(s) specifying number of hours they intend to donate and their professional service pay rate.
- In-Kind Donations – Sweat Equity: Submit a copy of sweat equity policy.
- In-Kind Donations – Donated Material and Equipment: Submit commitment letter from donor(s) specifying either the total value of the donated materials or the rental equipment rate and number of hours the equipment will be donated.
- Banked Match: Submit commitment letter signed by non-profit Board President.

8.6 Unique Features & Bonus **Category Maximum Points Possible: 10**

1) *Unique Features* *Maximum Number of Points: 5*

Points will be awarded to applicants that offer unique features that contribute to each of the beneficiary units of the proposed project. Unique features should be a creative addition to the proposed program. They should enhance the overall character of the proposed development, improve the beneficiary units and the community's quality of life, health, and/or safety. Unique features can be included in the financial structure of the project, involve members of the community, or include items specific to the target area/project location.

Points are awarded relative to other projects being scored during each application cycle and are awarded in IHCDA's sole and absolute discretion. The following chart sets forth the anticipated percentage of applications that will receive points using a maximum of five points.

Percentage of Applications	Points
10%	2
40%	3
40%	4
10%	5

In order to receive points in this category, the applicant must submit the following in **Tab Q_Development Features:**

- Provide a narrative summary of the proposed unique features. Features receiving points in other sections of this application will not be considered for Unique Feature points.

2) *Bonus* *Maximum Number of Points: 5*

Points will be awarded to applications that are submitted according to IHCDA's submittal guidelines (see list below), and which pass Threshold with one or less technical errors or incomplete information.

To receive points in this category, the applicant must:

- Submit a searchable PDF of the application on the Syncplicity site;
- Submit an Excel file of the application on the Syncplicity site;
- Answer all questions in the policy and application;
- Submit all required threshold items in the correct tabs;
- Submit all required threshold items in the correct form (mailed and/or on the Syncplicity site); and
- Label and include all tabs on the Syncplicity site as described in the Application Policy. All tabs must be included regardless of whether documentation is required in each tab.

Part 9: Glossary of Terms

Below are definitions for commonly used terminology found throughout the IHCDA HOME application policy and forms and applicable to the IHCDA HOME program.

Administrator: A procured entity that will assist carrying out the HOME award.

Aging in Place: - Aging in Place (AIP) refers to adapting our collective living environment so it is safer, more comfortable, and increases the likelihood a person can live independently and remain at home as circumstances change. Primary target populations for aging in place strategies are seniors, families with seniors, and persons with disabilities.

Beneficiary: The household or unit that received homeowner repair work as a result of the HOME award.

CHDO: A Community Housing Development Organization. A non-profit, community- based organization with the capacity to develop affordable housing for the community it serves, as defined in the HOME rule and as certified by IHCDA. Participating Jurisdictions (IHCDA) must set aside a minimum of 15% of their HOME allocations for activities in which CHDOs are the owners, developers, and/or sponsors of the housing.

Comprehensive Community Development: Every community strives to be a place where people choose to live, work, and play. Comprehensive development means that a community's potential lies in the identification and creation of a shared vision, planned by local leadership, and carried out by an array of partners. When successful, it yields results beyond what can be achieved by individual organizations or disparate programs because of the unique synergy they generate. A thriving community is a community with job opportunities, strong schools, safe neighborhoods, a full range of housing choices, and a vibrant culture. Comprehensive development marshals resources and deploys coordinated strategies in a concentrated area to create opportunities for others in the community to take prudent risks and reap the rewards. The demolition of blighted structures, the rehabilitation of long-vacant housing and the creation of new community amenities and retail opportunities serve as a tipping point for future development through market forces.

Development: The HOME activity proposed in the application.

Disabled: The Fair Housing Act defines disability as a person who has/is:

- A physical or mental impairment which substantially limits one or more of such person's major life activities; or
- A record of having such an impairment; or
- Is regarded as having such an impairment, but such term does not include current, illegal use of or addiction to a controlled substance (as defined in section 102 of the Controlled Substances Act).

Elderly: Elderly can have one of two definitions as elected by the applicant:

- A person 55 years of age or older. This target population category also includes families with a person living in their home that is 55 years of age or older. For housing using this definition of elderly, at least 80% of the units must be age restricted; OR
- A person 62 years of age or older. This target population only includes households in which all household members are 62 years of age or older. For housing using this definition of elderly, 100% of the units must be age restricted.

HOME: The Home Investment Partnerships Program as created by the National Affordable Housing Act of 1990.

IHCDA: Indiana Housing and Community Development Authority

Income Limits: Maximum incomes as published by HUD for projects giving the maximum income limits per unit for beneficiary (30%, 40%, 50%, 60% and 80% of median) units.

Large City: For purposes of this policy, a large city is defined as a city with a population of 75,000 or more. To qualify as being located within a large city, the project must be located within one mile of the zoning jurisdiction and/or use city utility services (water and sewer).

Median Income: A determination made through statistical methods establishing a middle point for determining income limits. Median is the amount that divides the distribution into two equal groups, one group having income above the median and one group having income below the median.

MOU: A Memorandum of Understanding (MOU) is a document describing a bilateral or multilateral agreement between two or more parties.

Narrative: A written description by the applicant that describes the application question and generally supports the need of the project.

Referral Agreement: An agreement in which the recipient and a qualified organization enter into an agreement in which the recipient agrees to (a) set aside a number of units at the project for a special needs population and (b) notify the qualified organization when vacancies occur, and in which the qualified organization agrees to (a) refer qualified households to the project and (b) notify clients of vacancies at the project.

Rent Limits: The HUD published maximum rent amount, including a utility allowance and any non-optional fees. Rent limits are published by bedroom size and by AMI level.

Rural: A project is considered to be rural if it meets one of the following criteria:

a. The project is located within the corporate limits of a city or town with a population of 14,999 or less; or

b. The development is located in an unincorporated area of a county that does not contain a city or town that meets the definition of large city or small city as set forth in this glossary; or

c. The project is located in an unincorporated area of a county whereas;

i. The project is outside the 2-mile jurisdiction of either a large city or small city as defined in this glossary; and

ii. The project does not have access to public water or public sewer from either the large city or small city as defined in this glossary.

Small City: For purposes of this policy, a small city is defined as a city with a population of between 15,000 and 74,999. To qualify as being located within a small city, the development must be located within one mile of the zoning jurisdiction and/or use city utility services (water and sewer).

Visitability: Visitability is defined as design concepts that allow persons with mobility impairments to enter and stay, but not necessarily live, in a residence. There are three specific design elements that must be incorporated to satisfy the visitability mandate:

- Each unit must contain at least one zero-step entrance on an accessible route. This can be any entrance to the unit;
- All main floor interior doors (including bathroom doors and walk-in closets) in each unit must provide at least at least 31 ¾ inches of clear opening width; and
- Each unit must contain at least one (1) half or full bathroom on the main level that is accessible per ICC A117.1.Section 1004.11.

Part 10: Development Fund

10.1 Overview

The Indiana Affordable Housing and Community Development Fund ("Development Fund") was established in 1989 to provide financing options for the creation of safe, decent, and affordable housing and for economic development projects in Indiana communities. Development Fund regulations may be found in Indiana Code 5-20-4. Developments also involving federal funding (e.g. HOME Investment Partnership Program or Community Development Block Grant), tax-exempt bonds, or Low-Income Housing Tax Credits ("LIHTC") must comply with the requirements of those programs.

The Development Fund provides a loan of up to $500,000 for eligible activities as defined within this policy.

For more detailed information on the Development Fund program please consult the Development Fund Manual.

10.2 How to Apply

Development Fund awards are approved through the supplemental application with the HOME Investment Partnership Program application. IHCDA may request more information for the Development Fund application.

Applicants must provide documentation on how they will fill the financial gap, should the Development Fund not be approved, or if the Development Fund is not available. Applicants who cannot provide adequate documentation or explanation on how all sources are to be committed will not be considered for funding for this round.

10.3 Eligible Applicants

Applicants eligible to apply in conjunction with a HOME application include nonprofit corporations and local units of government. IHCDA must allocate at least 50% of the fund to recognized nonprofit corporations under Section 501(c)(3) of the U.S. Internal Revenue Code.

Awardees with current Development Fund awards are eligible to apply for additional funding. All outstanding awards must be current (if loans), in compliance with all program requirements, and otherwise in good standing in order to be considered for additional awards. However, no individual project sponsor or its affiliates may hold more than 20% of the Development Fund's total portfolio at any one time.

Individuals or organizations currently on IHCDA's suspension or debarment list are not eligible to apply for Development Fund awards.

10.4 Eligible Beneficiaries

The Development Fund can be used to finance assisted units for occupancy by households earning up to 80% of the area median income, as published annually by HUD. Indiana Code governing the

Development Fund requires at least 50% of the dollars allocated to be used to serve “very low-income households” (households earning less than 50% of the area median income). **Therefore, at least 50% of the Development Fund assisted units must be designated for households at or below 50% AMI, and the remaining Development Fund assisted units must be designated for households at or below 80% AMI.**

10.5 Eligible Residential Activities

Eligible HOME activities include, but are not limited to, acquisition, new construction, and/or rehabilitation of homes for sale, permanent rental units, and permanent supportive housing projects that have successfully completed the Indiana Supportive Housing Institute.

10.6 Eligible Activity Costs

For more information on eligible and ineligible activity costs please see §1.8 and §1.9 of the Development Fund Manual. Questions about eligible vs. ineligible soft costs under the Development Fund program can be directed to the IHCDA Underwriting and Closing Manager.

10.7 Match Requirements

Applicants for Development Fund must be able to document a local match in an amount of at least 10%. Acceptable match sources include in-kind donations, donated land, owner equity, building materials, loans, cash grants, or any combination of both in-kind and cash. Other sources of match may also qualify, **except for funds administered by IHCDA**.

10.8 Development Fund Activity Provisions

The Development Fund may provide loans or grants up to $500,000 per development. Development Fund grants will only be made in conjunction with special IHCDA initiatives as announced by IHCDA. Except for these special initiatives, IHCDA will only accept Development Fund applications for loans.

The Development Fund may be used for the following types of loans:

- Pre-development: to pay project pre-development expenses;
- Acquisition: to pay for purchase and closing costs for property acquisition;
- Construction: to pay for hard and soft costs of new construction and rehab projects;
- Permanent: to provide permanent financing to the project; and/or
- Bridge: financing to bridge the timing gap between project or program costs and cash from committed sources not yet available (equity).

Homebuyer projects are not eligible for permanent or bridge financing.

10.9 Loan Terms

The base interest rate for loans is 3%. The interest rate offered by IHCDA will be determined during underwriting. **Underwriting will start at 3% and make a final determination based on financial capacity. The final interest rate will not be less than 3%, but may exceed 3% based on capacity.**

10.10 Underwriting Guidelines

For more information on underwriting guidelines please see §2.4 of the Development Fund Manual. Questions about these guidelines can be directed to the IHCDA Director of Real Estate Lending.

10.11 Affordability Period/Lien and Restrictive Covenants

Rental developments will be subject to a Lien and Restrictive Covenant Agreement that must be executed against every residential property constructed, rehabilitated, or acquired, in whole or in part, with Development Fund funds. If the award is made in conjunction with HOME or CDBG funding, the development will be subject to the applicable program affordability period.

Upon occurrence of any of the following events during the affordability period, the entire sum secured by the lien, without interest, shall be due and payable by developer and/or owner upon demand. Repayment may be demanded upon: (1) transfer or conveyance of the real estate by deed, land contract, lease, or otherwise, during the affordability period; (2) commencement of foreclosure proceedings by any mortgagee (or deed in lieu of foreclosure), within the affordability period; or (3) determination that units are not being used as a residence by a qualifying tenant or not leased according to the program affordability requirements. The award recipient will be responsible for repaying IHCDA. At the end of the affordability period, if the borrower/recipient has met all conditions, the lien will be released.

10.12 Income and Rent Restrictions/Ongoing Compliance

All Development Fund-assisted units in residential developments must be income and rent restricted. If the award is made in conjunction with HOME funding or is Development Fund only, then the HOME program income and rent limits will apply. Developments with Development Fund combined with another program must follow the recertification requirements of that program.

Please note the Development Fund requires 50% of the development funds units to be at 50% or below AMI.

When Development Fund is combined with other funding sources, the audit/inspection cycle will occur based on the cycle and frequency prescribed by that program.

10.13 Modifications

IHCDA may consider requests for changes to the characteristics of a development. **A modification fee of $500 will be imposed if loan documentation has been finalized. Additionally, a $1,500 fee will be required if any legal documents, such as the recorded Lien and Restrictive Covenant, need to be amended as a result of the request.**

Approval of modification requests is at the sole discretion of IHCDA. IHCDA must evaluate each request to see how the change would have affected original funding and underwriting of the development as well as to ensure that the proposed change will not cause noncompliance.

When submitting a modification request, please provide the following:

a. Formal written request from the Owner/Developer detailing the specific request and the reason the request is needed
b. The impact to the project in the event the modification request is not approved
c. Modification fee of $500.00 if loan documentation has been finalized
d. Updated HOME application pages that reflect changes to the original application based on the current closing projections and/or proposed modification

At its discretion, IHCDA may request additional supporting documentation.

Part 1: Application Process

1.1 Overview and Funding Priorities

The purpose of this HOME Investment Partnership Program (HOME) application is to provide subsidies in the form of grants and loans to selected applicants for the acquisition, rehabilitation and/or new construction of single-family housing to serve low and moderate-income beneficiaries. Through this program, the Indiana Housing and Community Development Authority (IHCDA) seeks to improve the quality of existing housing stock in Indiana.

This program is designed to allocate HOME funds to be used for the rehabilitation and/or new construction of single-family homebuyer housing among selected applicants having developments that meet the requirements of the program and IHCDA's goals for the program.

1. Demonstrate they are meeting the needs of their specific community;
2. Serve low-income households (at or below 80% of area median income);
3. Proceed with the activity upon receipt of the award and begin construction within 12 months of receipt of the award;
4. 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);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; and,
6. Propose the use of state certified Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Federal Disadvantaged Business Enterprise (DBE) Participation, Veteran-Owned Small Business (VOSB), and/or Service Disabled Veteran Owned Small Business (SDVOSB) contractors, employees, and products when applicants are planning and undertaking their housing activities.

1.2 HOME Application Forms and HOME Policy Discrepancies

In the event of a conflict or inconsistency between the HOME Homebuyer Policy and the HOME Application Form and/or Appendices, the procedures described in the HOME Homebuyer Application Policy will prevail.

1.3 Funding Round Timeline

For PY 2017, IHCDA is accepting applications under the Homebuyer policy on a rolling basis until funds are expended. If no funds are expended, the funding will be made available for eligible rental projects.

1.4 Technical Assistance

The applicant may schedule a technical assistance meeting with its regional IHCDA Real Estate Production Analyst to discuss both the proposed development and IHCDA's application process. Technical assistance may be required at IHCDA's discretion if the recipient does not have experience with IHCDA awards or if the applicant's past performance was poor. Applicants are urged to contact their Real Estate Production Analyst early in the planning process to obtain guidance and technical assistance.

1.5 Application Submission

The applicant must submit the following items to IHCDA's Real Estate Department Coordinator:

- Via IHCDA's FTP site:
  - One completed copy of the HOME application forms.
  - All supporting documents required in the tabs. Please submit this information as separate, labeled PDF documents under the required labeled tabs. Do not send one PDF containing all of the supporting documentation.
- Via hard copy:
  - One completed copy of the final application forms with original signatures.
  - Completed environmental review forms.
  - Application fee of $250.

Application fees should be made payable to IHCDA. If a check is returned for insufficient funds, the application will be denied. The application fee is non-refundable. If the applicant applies, and is certified a Community Housing Development Organization (CHDO) this check will be refunded.

Faxed applications will not be accepted.

The hard copy of the final application forms, completed environmental review forms, and application fee of $250 should be sent to:

Indiana Housing and Community Development Authority
ATTN: Real Estate Department Coordinator
RE: HOME Application
30 South Meridian Street, Suite 1000
Indianapolis, IN 46204

All applicants must retain a copy of this application package. Applicants that receive funding will be bound by the information contained herein.

IHCDA will send an email confirmation to the applicant contact within one week of submission notifying the applicant that the application was received by IHCDA. Please notify the Real Estate Department Coordinator if the applicant would like to add an additional contact person for communications regarding its application.

1.6 Application Review

Each application must address only one development. Applications are reviewed in a three step process:

Step One - Completeness	On or before the application deadline, the applicant must provide all required documents, signatures and attachments.
Step Two - Threshold	The application must meet each of the applicable threshold criteria. After initial threshold review, IHDCA staff may contact an applicant to request clarification of threshold information contained in the pending application. The applicant will have the opportunity to respond on or before the due date provided by IHCDA. If the applicant does not respond to the threshold clarification letter and therefore threshold item(s) are still in question, the application will be disqualified. Points will be awarded to those applications where no clarifications are required.
Step Three - Scoring	Applications that pass the completeness and threshold reviews are then scored according to IHCDA's published scoring criteria. After initial score review, IHCDA staff may contact the applicant for further clarification of a scoring item. Failure to respond to the requested scoring clarification items by the due date and in the manner requested may result in application denial. Supporting documentation for scoring categories will not have the opportunity to be submitted after the initial application submission.

Applications proposing homebuyer activities will be scored separately from, and will not compete with, applications proposing rental activities. An amount of funding, determined at the discretion of IHCDA, will be set aside for homebuyer projects each year. This round has a maximum of $1,000,000 available for homebuyer activities. If additional funds are available after this round that were originally reserved for homebuyer activities (either due to lack of sufficient number of homebuyer applications in general or lack of homebuyer applications meeting threshold requirements), these funds will be redirected and used for rental development.

Funded applications will be announced at the published IHCDA board meeting date. Confirmation letters and score sheets will be uploaded to the FTP site by the close of business on the day of the board meeting. Applications that are not funded will be notified by IHCDA via denial letters and final score sheets being uploaded to the FTP site by the close of business on the day of the board meeting. Applications not funded will not be rolled over into the next funding round.

1.7 HOME Past Awards
Before an Applicant can apply for a new HOME award, any other HOME awards that the applicant has received from IHCDA must be drawn by a minimum of 25% of the award's total funding amount. HOME funds awarded within the last six months (from the last day signed on the contract agreement) are exempt from this requirement.

1.8 Minimum Score Requirement
An application must score at least 55 points to be considered for funding.

1.9 IHCDA CDBG & HOME Program Manual
The IHCDA CDBG & HOME Program Manual outlines the requirements for administering IHCDA's CDBG & HOME awards. A complete copy of the CDBG & HOME Program Manual and all exhibits is available on IHCDA's website at http://www.in.gov/myihcda/2490.htm

1.10. IHCDA Waiver Policy
IHCDA will not accept waivers on underwriting, subsidy limitations, federal regulations or scoring requirements with this round.

1.11 Development Fund
Applicants may apply for the Development Fund with their HOME application. Applicants must provide documentation and explanation on an alternative source of finding if the Development Fund application is denied, or if Development Fund is not available.

More information on the Development Fund may be found in Part 10.

Part 2: Eligible Applicants

2.1 Eligible Applicants

HOME Investment Partnerships Program (HOME)	Cities, Town, and Counties (Non-HOME Participating Jurisdiction)	Community Housing Development Organizations (CHDO)	501(c)3 and 501(c)4 Not-for-Profit Organizations and PHAs	Joint Venture Partnerships	For Profit Entities organized under the State of Indiana
Homebuyer New Construction and/or Homebuyer Rehabilitation	✓	✓	✓	✓	Not eligible

Eligible applicants include cities, towns, or counties that are located within Indiana but outside of the following participating jurisdictions. Applications from, or housing activities located within, the following participating jurisdictions are NOT eligible for HOME funds:

Anderson	Gary	Muncie
Bloomington	Hammond	South Bend Consortium***
East Chicago	Indianapolis*	Terre Haute
Evansville	Lake County	
Fort Wayne	Lafayette Consortium**	

*Excluding the Marion County Cities of Beech Grove, Lawrence, Speedway, and Southport. The Town of Cumberland is excluded when the housing activity is outside of Marion County.

**Lafayette Consortium is made up of the Cities of Lafayette and West Lafayette and the unincorporated areas of Tippecanoe County. Other incorporated areas are eligible to receive assistance.

***South Bend Consortium is made up of the Cities of South Bend and Mishawaka and the unincorporated areas of St. Joseph County. Other incorporated areas are eligible to receive assistance.

2.2 Ineligible Applicants

IHCDA reserves the right to disqualify from funding any application that has an applicant, sub-recipient, administrator, preparer, or related party of any of the aforementioned, with a history of disregarding the policies, procedures, or staff directives associated with administering any IHCDA program or program administered by any other State, Federal, or affordable housing entity. This includes, but is not limited to, the Indiana Office of Community and Rural Affairs, the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Agriculture - Rural Development, or the Federal Home Loan Bank.

Additionally, any entity currently on IHCDA's suspension or debarment list is ineligible to submit an application. IHCDA's Suspension and Debarment Policy can be found in the Program Manual Chapter 17.

2.3 Religious and Faith-Based Organizations

- *Equal treatment of program participants and program beneficiaries.* (1) *Program participants.* Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the HOME program. Neither the Federal Government nor a State or local government receiving funds under the HOME program shall discriminate against an organization on the basis of the organization's religious character or affiliation. Recipients and subrecipients of program funds shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.
- *Beneficiaries.* In providing services supported in whole or in part with federal financial assistance, and in their outreach activities related to such services, program participants shall not discriminate against current or prospective program beneficiaries on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.
- *Separation of explicitly religious activities.* Recipients and subrecipients of HOME program funds that engage in explicitly religious activities, including activities that involve overt religious content such as worship, religious instruction, or proselytization, must perform such activities and offer such services outside of programs that are supported with federal financial assistance separately, in time or location, from the programs or services funded under this part, and participation in any such explicitly religious activities must be voluntary for the program beneficiaries of the HUD-funded programs or services.
- *Religious identity.* A faith-based organization that is a recipient or subrecipient of HOME program funds is eligible to use such funds as provided under the regulations of this part without impairing its independence, autonomy, expression of religious beliefs, or religious character. Such organization will retain its independence from Federal, State, and local government, and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct program funds to support or engage in any explicitly religious activities, including activities that involve overt religious content, such as worship, religious instruction, or proselytization, or any manner prohibited by law. Among other things, faith-based organizations may use space in their facilities to provide program-funded services, without removing or altering religious art, icons, scriptures, or other religious symbols. In addition, a HOME program-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.
- *Alternative provider.* If a program participant or prospective program participant of the HOME program supported by HUD objects to the religious character of an organization that provides services under the program, that organization shall, within a reasonably prompt time after the objection, undertake reasonable efforts to identify and refer the program participant to an alternative provider to which the prospective program participant has no objection. Except for services provided by telephone, the Internet, or similar means, the referral must be to an alternate provider in reasonable geographic proximity to the organization making the referral. In making the referral, the organization shall comply with applicable privacy laws and regulations.

Recipients and subrecipients shall document any objections from program participants and prospective program participants and any efforts to refer such participants to alternative providers in accordance with the requirements of §92.508(a)(2)(xiii). Recipients shall ensure that all subrecipient agreements make organizations receiving program funds aware of these requirements.

- *Structures.* Program funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for explicitly religious activities. Program funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. When a structure is used for both eligible and explicitly religious activities, program funds may not exceed the cost of those portions of the acquisition, new construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to the HOME program. Sanctuaries, chapels, or other rooms that a HOME program-funded religious congregation uses as its principal place of worship, however, are ineligible for HOME program-funded improvements. Disposition of real property after the term of the grant, or any change in the use of the property during the term of the grant, is subject to government wide regulations governing real property disposition (see 24 CFR parts 84 and 85).
- *Supplemental funds.* If a State or local government voluntarily contributes its own funds to supplement federally funded activities, the State or local government has the option to segregate the federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.

Part 3: Eligible Activities & HOME Program Requirements

3.1 Eligible Activities

This program is intended to have a long-term impact on the availability and quality of the affordable housing stock in Indiana. The program is intended for the rehabilitation and/or new construction of single-family housing for homebuyer activities. Acquisition only is not an eligible activity; however acquisition in conjunction with another activity is permitted.

- Acquisition, rehabilitation and/or new construction of single-family housing.
- If HOME funds are used for acquisition of vacant land or demolition in conjunction with another activity, then construction must commence within 9 months of the demolition or acquisition.
- Manufactured homes are eligible if they meet IHCDA's Manufactured Housing Policy or if rehabilitation will bring the unit up to these standards:
    - A single dwelling unit designed and built in a factory, installed as a permanent residence, which bears a seal certifying that it was built in compliance with the Federal Manufactured Housing Construction and Safety Standards law and which also complies with the following specifications:
        - Shall have been constructed after January 1, 1981, and must exceed nine hundred fifty (950) square feet of occupied space per I.C. 36-7-4-1106 (d);
        - Is attached to a permanent foundation of masonry construction and has a permanent perimeter enclosure constructed in accordance with the One and Two Family Dwelling Code;
        - Has wheels, axles and towing chassis removed;
        - Has a pitched roof;
        - Consists of two or more sections which, when joined, have a minimum dimension of 20' X 47.5' enclosing occupied space; and
        - Is located on land held by the beneficiary in fee-simple title or 99-year leasehold and is the principal residence of the beneficiary.
        - All other manufactured or mobile homes that do not meet the aforementioned criteria are ineligible to receive rehabilitation assistance funded by IHCDA.

3.2 Ineligible Activities

The following are ineligible activities:

- Rental housing;
- Performing owner-occupied rehabilitation;
- Permanent Supportive Housing developments except for proposed developments that have successfully completed the Indiana Permanent Supportive Housing Institute. Permanent Supportive Housing developments will also be funded through the Rental Housing Tax Credit (RHTC) program.
- Group homes;
- Creation of secondary housing attached to a primary unit;
- Acquisition, rehabilitation, or construction of nursing homes, convalescent homes, hospitals, residential treatment facilities, correctional facilities, or student dormitories;
- Rehabilitation of mobile homes;

- Acquisition, rehabilitation, refinancing, or new construction if any part of a home or its land is located within the boundaries of a 100-year floodplain. A flood determination must be provided for each parcel associated with the development;
- Acquisition, rehabilitation, or construction of any developments that will be applying for RHTC. These developments must apply for HOME funds as part of the RHTC application (also called the Qualified Allocation Plan);
- Any housing activity funded under Title VI of NAHA, prepayment of mortgages insured under the National Housing Act, public housing developments, or acquisition, rehabilitation or construction of any developments funded under HUD's former Rental Rehabilitation Program;
- Costs for supportive services, homeless prevention activities, operating expenses, or for the use of commercial facilities for transient housing;
- Acquisition, rehabilitation, or construction of transitional housing or emergency shelters that are designed to provide temporary daytime and/or overnight accommodations for homeless persons;
- Payment of HOME loan servicing fees or loan origination costs;
- Tenant-based rental assistance;
- Payment of back taxes.

In addition, IHCDA **does not** fund:

- Requests from individuals, political, social, or fraternal organizations;
- Endowments, special events, arts, or international developments;
- Scholarships requested by individuals;
- Institutions that discriminate on the basis of race, color, national origin, sex, religion, familial status, disability, sexual orientation, gender identity, or against victims of domestic violence, dating violence, sexual assault, or stalking in policy or in practice;
- Developments in furtherance of sectarian religious activities, impermissible lobbying, legislative or political activities;
- Medical research or medical profit-making enterprises.

3.3 HOME Program Requirements

The proposed HOME development must follow these minimum requirements, and all other requirements laid forth in the Program Manual, to be eligible for funding. For further details on each requirement, please see IHCDA's Program Manual at http://www.in.gov/myihcda/2490.htm.

- Recipients must comply with all regulatory requirements listed in 24 CFR Part 92.

Applicants should familiarize themselves with IHCDA's CDBG & HOME Program Manual. Requirements include, though are not limited to the following

- **Policy Requirements**:
    - Homebuyer activities must assist households at or below 80% of the Area Median Income for the county, as published by HUD and distributed by IHCDA. Households must also meet the definition of "low-income families" at 24 CFR 92.2 which limits occupancy based on certain student status rules..
- **Lead Based Paint:**

  - Each recipient of a HOME award is subject to the HUD requirements of addressing lead-based paint hazards pursuant to 24 CFR Part 35. If a risk assessment is required, then all lead-based paint issues must be addressed.
- **Section 504:**
  - Housing must meet the accessibility requirements of 24 CFR Part 8 which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and covers multifamily dwellings, as defined in 24 CFR Part 100.201. It must also meet the design and construction requirements of 24 CFR 100.205 which implement the Federal Fair Housing Act Amendments of 1988 (42 U.S.C. 3601-3619).
- **Uniform Relocation Act:**
  - Each recipient of a HOME award is subject to the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA). See IHCDA's Program Manual Chapter 4 for guidance on the regulatory requirements of the URA, as amended, the Federal regulations at 49 CFR Part 24, and the requirements of Section 104(d) of Title I of the Housing and Community Development Act of 1974, as amended.
- **Affirmative Marketing Procedures**
  - Rental and homebuyer housing with five or more HOME-assisted units must adopt IHCDA's Affirmative Marketing Procedures.
- **Section 3:**
  - Any recipient receiving an aggregate amount of $200,000 or more from one (1) or more of the HUD CPD programs (i.e. CDBG, HOME, NSP, HOPWA, ESG, etc.) in a program year must comply with the Section 3 requirements. Section 3 provides preference to low- and very-low-income residents of the local community (regardless of race or gender) and the businesses that substantially employ these persons, for new employment, training, and contracting opportunities resulting from HUD-funded projects.
- **Income Verification**:
  - An income verification is valid for a period of six months. If more than six months pass between income verification and contract execution/purchase agreement, then a new income verification must be completed.
- **Procurement Procedures:**
  - Each recipient of a HOME award will be required to provide proof of adequate builder's risk insurance, property insurance, and/or contractor liability insurance during construction and property insurance following construction for the assisted property throughout the affordability period of the award.
  - Public Housing Authorities (PHA's) using PHA funds in conjunction with IHCDA funds are subject to Davis Bacon requirements. Each recipient of a HOME award must follow competitive procurement procedures when procuring all materials, supplies, equipment, and construction or professional services related to the HOME award. (IHCDA Program Manual, Procurement Procedures Chapter 10)
- **Environmental Review:**
  - To help facilitate timely expenditure of HOME funds, all applicants are required to submit the Environmental Review Record (ERR) and Section 106 Review at the time of application. If awarded HOME funds, the HOME recipient must receive an IHCDA Release of Funds before the fully executed award documents are released and any funds are drawn. For more information, contact the IHCDA Placemaking Manager.

- Applicants may not purchase any property to be assisted with HOME funds, sign contracts, or begin rehab/construction until the ERR/Release of Funds process has been completed and approved.

- **Construction Standards:**

  All IHCDA-assisted units must be inspected twice during the award period. The first inspection will occur when 50% of the funds drawn for single site projects, or when half the units are complete for scattered site projects. The second inspection will be conducted upon completion of the construction for the award. Site visits during construction may be conducted to monitor progress of all projects. The IHCDA Inspector will conduct the physical inspections.
- **Match:**
  - The match requirement for the HOME program is 25% of the total amount of HOME funds requested except HOME funds used for environmental review costs (pursuant to §92.206(d)(8)), administrative and planning costs (pursuant to §92.207); CHDO operating expenses (pursuant to §92.208); capacity building (pursuant to §92.300(b)) of CHDOs; and predevelopment or seed money loans to CHDOs (pursuant to §92.301) when IHCDA waives repayment under the provisions of §92.301(a)(3) or §92.301(b)(3).
- **Davis Bacon:**
  - Each recipient of a HOME award must follow the Davis Bacon requirements found in 29 CFR Parts 1, 3 and 5 to ensure workers receive no less than the prevailing wages being paid for similar work for the following type of projects:
  - Rehabilitation or new construction of a residential property containing twelve (12) or more HOME-assisted units; and
  - Affordable housing containing twelve (12) or more units assisted with HOME funding regardless of whether HOME funding is used for construction or non-construction activities.
  - Such properties may be one (1) building or multiple buildings owned and operated as a single development.
- **Other HOME Required Construction Standards:**
  - Units must, at a minimum, meet the stricter of the local rehabilitation standards or the Indiana State Building Code.
  - Any units utilizing gas appliances must provide carbon monoxide detectors in addition to standard smoke detectors.
  - Recipients of HOME funds must meet additional energy efficiency standards for new construction as described in 24 CFR 92.251.
- **Housing Counseling:**
  - The recipient of HOME funds must ensure that every HOME-assisted homebuyer receives housing counseling before purchasing a home. The counseling can be provided by the recipient, an organization under contract with the recipient, or a qualified third party independent recipient (e.g., a HUD-approved housing counseling agency). The counseling should be comprehensive by including post-purchasing counseling, if feasible.
- **Selling unit to eligible buyer:**
  - Any HOME-assisted homeownership unit that has not been sold by the recipient to an eligible homebuyer within **nine months** of completion must be converted to a HOME-assisted rental unit.

  - 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 IHCDA's form of Homebuyer Recapture Agreement.

- Persons who, as a result of national origin, do not speak English as their primary language and who have limited ability to speak, read, write, or understand English ("limited English proficient persons" or "LEP") may be entitled to language assistance under Title VI in order to receive a particular service, benefit, or encounter. In accordance with Title VI of the Civil Rights Act of 1964 (Title VI) and its implementing regulations, the recipient must agree to take reasonable steps to ensure meaningful access to activities funded by federal funds by LEP persons. Any of the following actions could constitute "reasonable steps", depending on the circumstances: acquiring translators to translate vital documents, advertisements, or notices, acquiring interpreters for face to face interviews with LEP persons, placing advertisements and notices in newspapers that serve LEP persons, partnering with other organizations that serve LEP populations to provide interpretation, translation, or dissemination of information regarding the development, hiring bilingual employees or volunteers for outreach and intake activities, contracting with a telephone line interpreter service, etc.
- Recipient must follow the non-discrimination requirements of the Fair Housing Act, the Violence Against Women Reauthorization Act of 2013, and the Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity rule.

3.4 Affordability Requirements

HOME subsidized activities must be secured throughout the affordability period by a recorded lien and restrictive covenant agreement created by IHCDA. The affordability period begins after development completion. The affordability period begins on the date the activity is completed in IDIS. To be completed in IDIS, the project must be completed, completion and close out documents submitted and approved, final monitoring is completed and, when any findings or concerns are resolved, all of the funds are drawn and/or de-obligated. For more information, see IHCDA Program Manual, Lien and Restrictive Covenants & Affordability Requirements Chapter 15.

The following affordability periods apply to all HOME homebuyer activities:

Amount of HOME subsidy per unit:	Affordability Period
Under $15,000	5 years
$15,000 - $40,000	10 years
Over $40,000 or any rehabilitation/refinance combination activity	15 years

Annual Certification of Compliance:

In order to ensure compliance with the Affordability Period and principal place of residency requirements of the HOME Program for HOME-assisted homebuyer units, the recipient must submit a

"Homebuyer Activity Annual Certification of Compliance" annually throughout the Affordability Period. Confirmation that the buyer is using the property as his or her principal residence can often be accomplished by verifying that the buyer's name appears on utility company records and/or insurance company records for the home. In addition, postcards or letters mailed with "do not forward" instructions can demonstrate whether the buyer is receiving mail at the home.

This will require the recipient to certify compliance to IHCDA annually, under penalties of perjury, for each year of the Affordability Period. The recipient must certify that each home/homeowner assisted with HOME funds under this Award meets the affordability requirements. This will require the recipient to request each homeowner to sign the "Exhibit A: Principal Place of Residency Certification."

The "Homebuyer Activity Annual Certification of Compliance" is due on or before January 31st of each year and will certify information for the preceding twelve (12) month period. The first annual owner certification is due by January 31st of the year following closeout date (i.e. the first year of the affordability period) of this Award.

A complete submission includes the Certification, Exhibit A, and Exhibit B. The "Homebuyer Activity Annual Certification of Compliance" and related exhibit forms are made available on the compliance and asset management page of IHCDA's website at http://www.in.gov/myihcda/2342.htm. IHCDA will not send these forms to the recipient annually. Rather, it is the responsibility of the recipient to download the necessary forms and to contact IHCDA if there are any questions or concerns.

If the annual certification is not submitted for the Award by the January 31st due date, IHCDA will contact the recipient with a reminder letter. Failure to submit reports by the deadline will result in a $100 late fee. This fee will be requested in the reminder letter sent by IHCDA.

Repeated failure to submit reports or to comply with requests for reports could result in repayment of HOME funds associated with these home-assisted homebuyer units or suspension or debarment of the recipient. For more information on IHCDA's suspension and debarment policy, refer to Chapter 17 of IHCDA's Program Manual.

3.4 Homebuyer Resale Provisions

Applicants are encouraged to structure homebuyer projects to include a direct subsidy which can be achieved by reducing the sales price below the fair market value of the property. IHCDA does not recommend the use of resale provisions due to the risks associated with foreclosure, non-compliance and the administrative burdens associated with ensuring a fair return.

When a homebuyer property is constructed, redeveloped, rehabilitated, or acquired, in whole or in part, with HOME funds and the HOME funds are provided to the homebuyer property in the form of a development subsidy and there is no homebuyer subsidy the recipient must implement resale requirements. 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 ("homebuyer subsidy"). The development subsidy consists of the difference between the cost of producing the unit and the market value of the property.

There are two different consequences that may be associated with a resale provisions (1) the resale provision can be triggered and its requirements must be met (as described below) or (2) an event of non-compliance can occur (as described further below).

The resale 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 resale provision requires that the property:

1. Be marketed to families at or below 80% AMI;
2. Be resold to another individual or family whose income is at or below 80% of the area median income;
3. Be occupied by that individual or family as its primary residence for the remainder of the Affordability Period;
4. Be resold at a price that does not exceed 29% of the reasonable range of low income buyer's income towards the principal, interest, taxes and insurance for the property on a monthly basis ("Affordable Price"); and
5. Be affordable for a reasonable range of low income families between 50% and 80% of the median area income for the geographic area published annually by HUD.

The homebuyer is entitled to a fair return on its investment (as described below) upon the sale of the property. The fair return will be based on the percentage change in the Consumer Price Index for All Urban Consumers Owners' Equivalent Rent of Primary Residence category in Table I of the CPI Detailed Report (the "CPI Index") during the period of the homebuyer's ownership of the property. Accordingly, the CPI Index during the month the residence was completed (the month during which the completion reports were received by and approved by IHCDA) will be compared to the CPI Index during the month the homebuyer sells the residence to determine the percentage of the return. This percentage will be multiplied by the homebuyer's investment. Here is an example:

Original sales price = $100,000
Initial homebuyer investment = $5,000
Capital investment = $9,000
Percentage change in CPI = 3.5%

($5,000 + $9,000) x 3.5% = $490 fair return
$5,000 + $9,000 + $490 = $14,490 total return to original homebuyer at sale

$100,000 + $14,490= maximum allowable subsequent sales price.

The homebuyer's investment will include any down payment, plus any capital improvements. A capital improvement is any property enhancement that increases the overall value of the property, adapts it to new uses, or extends its life such as: adding windows, insulation, a new drive way, a new furnace, a garage, bedroom, new roof, remodeling kitchen, etc. Any capital improvement will be valued based on actual cost as documented by the homebuyer's receipts submitted to, and approved by IHCDA.

Generally, replacing worn or dated components such as appliances or carpet would not be considered an improvement that adds value or adapts it to new uses. In certain circumstances, such as a declining housing market where home values are depreciating, the homebuyer may not receive a return on his or her investment because the home sold for less or the same price as the original purchase price and a loss on investment may constitute a fair return.

IHCDA will provide HOME assistance to the subsequent homebuyer to ensure that the original homebuyer received a fair return and that the unit is affordable to the defined low-income population.

The recipient will be required to ensure that a lien and restrictive covenant agreement, drafted by IHCDA 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 IHCDA's form of Homebuyer Resale Agreement.

Non-Compliance - Occurs during the Affordability Period when an owner (1) vacates the unit or rents the unit to another household, (2) sells the unit to a buyer that is not income-eligible, (3) sells the unit to a buyer that will not agree to use the property as its principle residence for the remainder of the Affordability Period (will not sign a lien and restrictive covenant agreement), or (4) does not sell it to the buyer at a reasonable price. In the event of noncompliance, the recipient must repay the entire amount of HOME funds invested in the housing.

Under resale guidelines the Affordability Period is based upon the total amount of HOME funds invested into the property and this is the amount that would need to be repaid by the recipient in the event of non-compliance or foreclosure that occurs during the affordability period.

Applicants are encouraged to structure homebuyer projects to include a direct subsidy which can be achieved by reducing the sales price below the fair market value of the property. IHCDA does not recommend the use of resale provisions due to the risks associated with foreclosure, non-compliance and the administrative burdens associated with ensuring a fair return.

3.6 Homebuyer Recapture Guidelines

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 IHCDA 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 IHCDA'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).

Non-Compliance - Occurs during the Affordability Period when any of the following occur: 1) the original homebuyer no longer occupies the unit as his or her principal residence (i.e., unit is rented or vacant), or 2) the home was sold during the Affordability Period and the recapture provisions were not enforced. In the event of noncompliance, the recipient must repay the entire amount of the HOME funds invested in the property. Net Proceeds ("as defined above") and the Forgiven Ratio ("as defined above") are not applicable when there is a non-compliance.

Part 4: CHDO

4.1 IHCDA CHDO Set-Aside

IHCDA must allocate at least 15% of its HOME funds for CHDO developments.

4.2 CHDO Eligible Activities

For this round, single-family homebuyer housing is considered a CHDO-eligible activity for purposes of the CHDO set-aside as long as the activity takes place within the CHDO's state-certified service area and the CHDO develop the homeownership activity. As Developer, the CHDO must solely own the property in fee simple during the development period. The CHDO must further arrange financing for the development and be in sole charge of construction.

4.3 CHDO Program Requirements

CHDOs must adhere to all HOME requirements listed in this Application Package and the additional CHDO specific program requirements:

- Applicants that would like to apply as a CHDO must apply for CHDO certification at the time of submitting a HOME application. The CHDO application can be found as a separate document on the IHCDA website here: http://www.in.gov/myihcda/2541.htm. The CHDO application must be submitted at the same time as submittal of the HOME application.
- Treatment of Program Income by a CHDO:
  - CHDOs receiving loan repayments back from homebuyers during the affordability period may retain these funds. The funds must be utilized for housing activities that benefit low-income families as provided in 24 CFR 92.300(a)(2). However, if at any time during the affordability period, the CHDO becomes decertified or no longer has a mission of providing affordable housing then all CHDO proceeds must immediately be remitted to IHCDA. Additionally, funds recaptured because housing no longer meets affordability requirements are not considered CHDO proceeds and are subject to the requirements of 24 CFR 92.503(b) and must be returned to IHCDA. Please contact your Compliance Monitor for further assistance in this area.
- An application for a CHDO eligible undertaking must demonstrate the following:
  - Low- and moderate-income persons have had the opportunity to advise the CHDO in its decision regarding the design, site, development, and management of the affordable housing undertaking.
  - Certify that the organization continues to meet the definition of a CHDO by being a certified CHDO by IHCDA.
  - Complete the CHDO related sections in the HOME 2016 FY Application Forms.
- Homebuyer provision for CHDO-eligible activities: HOME funds may be provided as a homebuyer deferred payment or forgivable loan and must carry a 0% interest rate and the term must not exceed the affordability period. The Single Family proforma that is submitted to IHCDA at set-up must include:
  - The affordable payment (principal, interest, taxes, insurance, and utilities) must have a front-end ratio of 29% of gross income.
  - Applicants should not allow a mortgage payment that exceeds the back-end affordable payment ratio calculated at 41% of gross monthly income.

- If the activity is for new construction, at least $50 per month must be budgeted for property taxes, unless documentation is provided that indicates that taxes will be lower than this amount.
- Applicants must include a utility allowance between $125 and $200, unless documentation is provided that indicates utilities will be lower than this amount.
- Donations toward a home must be counted at 100% of the value; however, in the financial analysis 75% of this value must be counted toward either development and/or homebuyer subsidy. But if including a developer fee this is not eligible and 100% of the value must be counted.

4.4 CHDO Operating Supplement

CHDOs may apply for supplemental funds in the HOME application forms. A CHDO may not receive CHDO operating supplement funds in an amount to exceed $50,000 within oneprogram year.

Eligible costs include:

- Accounting Services/Audit
- Communication Costs
- Education/Training
- Equipment/Software
- Insurance
- Lead-Based Paint Equipment
- Legal Fees
- Postage
- Professional Dues/Subscriptions
- Rent
- Staff Salary/Fringe
- Taxes
- Travel
- Utilities

CHDOs can be eligible for a second year of CHDO Operating Support. CHDOs funded within the past 12-24 months for a HOME project can apply for additional supplemental operating support of up to $25,000, if they have met the following criteria:

- Have begun construction within the first 12 months of the executed agreement with IHCDA;
- Have drawn a minimum of 25% of the IHCDA housing development award;
- Have drawn 100% of the original CHDO Operating Support award.

CHDO Operating Support cannot exceed to greater of $50,000 within one program year.

4.5 CHDO Predevelopment and Seed Money Loans

CHDOs are eligible for development specific predevelopment or seed money loans. Applicants may request up to $30,000 in loans for special project-specific pre-development expenses. All loans may not exceed customary and reasonable project preparation costs and must be repaid from construction loan proceeds or other program income. The CHDO must apply for the predevelopment or seed money through a separate application process. Please contact your Real Estate Production Analyst for more details.

Part 5: Subsidy Limitations & Eligible Activity Costs

5.1 Subsidy & Budget Limitations

The maximum request amount per application is $500,000 for homebuyer activities.

Subsidy Limitations

HOME funds used for acquisition, rehabilitation, new construction, program delivery, relocation, rent-up reserve, and developer's fee combined cannot exceed $40,000 per unit.

Minimum amount of HOME funds to be used for rehabilitation or new construction is $1,001 per unit.

Budget Limitations

- All subsidies must be secured throughout the affordability period by a written, legally binding, recorded restrictive covenant.
- HOME funds budgeted for developer's fee cannot exceed 15% of the HOME award.
- HOME funds budgeted for soft costs and environmental review, or soft costs, environmental review and developer's fee together cannot exceed 20% of the HOME award.

5.2 Form of Assistance

HOME funds will be awarded to the recipient in the form of a grant or loan. Award documents must be executed in order to access funds and may include, but are not limited to: award agreement, resolution, and a lien and restrictive covenant agreement.

The applicant may then provide the HOME award as a forgivable, amortized, or deferred loan to as many other entities as they choose, known as subgrantees (beneficiaries if a homebuyer award). However, subgrantees must be identified in the application and approved by IHCDA.

A title company is required to be used for all loans that occur between the IHCDA recipient and the beneficiary or subgrantee of the program. For example, an IHCDA recipient providing funds for a homebuyer activity must use a title company when the loan is made to the homeowner. Another example is when an IHCDA recipient is assisting a property that that it does not own. When the loan is made from the IHCDA recipient to the subgrantee, a title company must be used.

The IHCDA recipient must execute a promissory note, mortgage, lien and restrictive covenant agreement, security agreement, UCC Financing Statement(s), and other documents as directed by IHCDA in order to secure IHCDA's investment in the assisted property. The recipient is required to deliver these documents to the county recorder's office for recording. These documents will be reviewed during monitoring visits.

The homebuyer must execute a lien and restrictive covenant agreement and in accordance with CPD Notice 12-003, the recipient must 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.), and assists the recipient in enforcing those requirements.

5.3 Eligible Activity Costs

The bolded items listed below are included in the application budget. If you have a question about which line item an expense goes under, contact your IHCDA Real Estate Production Analyst.

ACQUISITION – Limited to the purchase price and related costs associated with the acquisition of real property. Recipients must use a title company when purchasing or selling assisted properties.

DEMOLITION – Costs associated with the demolition and clearance of existing structures.

DEVELOPER'S FEE – Developer's fees are only available with HOME funded activities and cannot exceed 15% of the HOME award. Additionally, the total of developer's fee, soft costs, and environmental review cannot exceed 20% of the HOME request.

DOWN PAYMENT ASSISTANCE – Down payment assistance may include closing costs, principal reduction, or interest rate buy-downs provided to program participants, or any assistance that reduces the purchase price from the fair market value to an affordable price.

ENVIRONMENTAL REVIEW – This line item includes expenses associated with the NEPA compliance Environmental Review, which is a requirement of the Release of Funds process. This does not refer to a Phase I Environmental Assessment. Those expenses should be included in the Program Delivery line item. This line item along with developer's fee, program delivery, and administration cannot exceed 20% of the HOME request. Eligible costs for this line item are generally between $2,000 and $5,000 and include professional services, publication costs, photocopying, and postage. For further information regarding this activity, please read the Environmental Review Guide found in Chapter 11 of the IHCDA CDBG & HOME Program Manual.

HOMEOWNERSHIP COUNSELING – Costs associated with formal training provided to prospective homebuyers. This item is limited to $1,000 per homebuyer. This line item applies to homebuyer developments only.

Eligible costs include:

- Course material development
- Credit reports
- Income verification
- Intake
- Loan processing
- Marketing and advertising
- Postage
- Professional services
- Program management
- Related travel
- Training location
- Underwriting

LEAD HAZARD TESTING – Costs associated with lead hazard testing includes Risk Assessment, Clearance Test, etc. The limits for this line item are $1000 per unit.

NEW CONSTRUCTION – Eligible costs include:

- Hard costs associated with new construction activities;
- Utility connections including off-site connections from the property line to the adjacent street;
- Site work related to driveways, sidewalks, landscaping, etc.
- Related infrastructure costs - improvements to the development site that are in keeping with improvements of surrounding, standard developments. Site improvements may include on-site roads and water and sewer lines necessary to the development
- Stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners

SOFT COSTS – Soft costs are those costs that can be directly tracked by address. They include soft costs and client-related costs that are reasonable and necessary for the implementation and completion of the proposed activity. This line item along with administration and environmental review or developer's fee and environmental review cannot exceed 20% of the HOME request.Recipients are allowed to draw down this line item as costs are incurred. Additionally, program delivery may be used to pay off a HOME CHDO Predevelopment or CHDO Seed Money loan but may not exceed the 20% line item cap.

Eligible costs include:

- Appraisals
- Builders risk insurance
- Building permits
- Client in-take / Income verification
- Closing costs paid on behalf of homebuyer
- Consultant fees
- Cost estimates
- Credit reports
- Demolition permits
- Engineering/Architectural Plans
- Impact fees
- Inspections
- Legal and accounting fees
- Other professional services
- Phase I Environmental Assessments
- Plans, specifications, work write-ups
- Private lender origination fees
- Realtor fees
- Recording fees
- Title Searches
- Travel to and from the site Lead hazard testing
- Utilities of assisted units

REHABILITATION – Eligible costs include:

- Hard costs associated with rehabilitation activities
- Lead-based paint interim controls and abatement costs
- Mold remediation
- Site work related to driveways, sidewalks, landscaping, etc.
- Stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners
- Utility connections and related infrastructure costs - off-site connections from the property line to the adjacent street are eligible when it is deemed a threat to health and safety. Improvements to infrastructure when there will be no rehabilitation work done on the actual house to be served

RELOCATION - This includes relocation payments and other relocation assistance for permanently and/or temporarily relocated individuals, families, businesses, not-for-profit organizations, and farm operations where assistance is required and appropriate. Relocation payments include replacement housing payments, payments for moving expenses, and payments for reasonable out-of-pocket expenses for temporary relocation purposes. For additional information on relocation and displacement, please refer to the information provided in the IHCDA's Program Manual Chapter 4.

RETAINAGE POLICY - IHCDA will hold the final $5,000 of an award until all match documentation, closeout documentation, and completion reports are received and approved. Closeout documentation will not be approved until the final monitoring and inspection is completed and all associated findings and/or concerns are resolved.

5.4 Ineligible Activity Costs

- Annual contributions for operation of public housing
- Commercial development costs **-** All costs associated with the construction or rehabilitation of space within a development that will be used for non-residential purposes such as offices or other commercial uses. This does not include the common area used by tenants of rental property or the leasing office of the apartment manager. HOME awards cannot be used to underwrite any portion of commercial development costs. The expenses incurred and income to be generated from commercial space must be reported in a separate "Annual Expense Information" sheet and 15-year proforma.
- Costs associated with any financial audit of the recipient.
- Costs associated with preparing an application for funding through IHCDA
- Cost of supportive services
- General operating expenses or operating subsidies
- Loan guarantees
- Mortgage default/delinquency correction or avoidance
- Providing tenant based rental assistance
- Purchase or installation of equipment, furnishings, tools, or other personal property that is not an integral structural feature, such as window air conditioner units or washers and dryers.
- Purchase or installation of luxury items, such as swimming pools or hot tubs

5.5 Program Income

Income generated by CHDOs acting as owners, sponsors or developers of HOME units may be retained by the CHDOs but it must be used for housing activities that benefit low-income families as provided in 24 CFR 92.300(a)(2). However, funds recaptured because housing no longer meets affordability requirements are not considered CHDO proceeds, are subject to the requirements of 24 CFR 92.503(b) and must be returned to IHCDA.

Income generated by not-for-profits or for-profits, acting as developers of HOME units, may be retained by the developer and is not subject to HOME Program requirements.

Additionally, all legal documents, such as mortgages, security agreements, UCC financing statements, and liens executed by the IHCDA recipient, beneficiary, or subrecipient receiving assistance, must be recorded at the county recorder's office. These documents must be submitted to IHCDA at closeout along with the IHCDA recipient's completion reports and will be reviewed during monitoring visits conducted by IHCDA staff.

Part 6: Homebuyer Requirements

The purpose of this activity is to provide funding to improve the quality of housing stock while making it affordable for homebuyers. Funding is available for the acquisition, rehabilitation and new construction of housing that will be sold to income-eligible homebuyers.

6.1 Eligible Beneficiaries

Each household must have an annual income equal to or less than 80% of the area median family income (adjusted for household size) at the time the contract to purchase the home is signed. The Section 8 definition of household income applies. See Chapter 8 of the *CDBG and HOME Program Manual* for instructions on calculating and verifying household income. Households must also meet the definition of "low-income families" at 24 CFR 92.2 which limits occupancy based on certain student status rules (see Chapter 1 in the *CDBG and HOME Program Manual*).

To be eligible for homebuyer activities, the prospective purchaser beneficiary must be low-income and must occupy the property as a principal residence upon purchase.

The purchasing household must be low-income at either:

- In the case of a contract to purchase existing housing, at the time of purchase; or
- In the case of a contract to purchase housing to be constructed, at the time the contract is signed.

6.2 Affordability Periods and Resale/Recapture Requirements

All homebuyer developments are subject to an affordability period as defined in Part 3.4 of this document.

The recipient must implement resale or recapture provisions through a recorded lien and restrictive covenant agreement as described in Parts 3.5 and 3.6 of this document.

6.3 Homebuyer Provisions

- All homebuyer units must meet the "visitability" standard (see below). In addition, all units shall be made accessible upon the request of the prospective buyer.
    - Visitability is defined as design concepts that allow persons with mobility impairments to enter and stay, but not necessarily live, in a residence. There are three specific design elements that must be incorporated to satisfy the visitability mandate:
        - Each unit must contain at least one zero-step entrance on an accessible route. This can be any entrance to the unit;
        - All main floor interior doors (including bathroom doors and walk-in closets) in each unit must provide at least at least 31 ¾ inches of clear opening width; and
        - Each unit must contain at least one half or full bathroom on the main level that is accessible per ICC A117.1.Section 1004.11.
- Recipients will be required to provide an "after rehab" or "construction value" appraisal; whichever is appropriate, from a licensed appraiser for all property assisted with the award with the first draw that includes hard costs. If the applicant is acquiring property, an "as-is" appraisal

is required with the first draw request for acquisition reimbursement. See IHCDA's Program Manual for details.

- Applicants also performing rehabilitation on the housing in this activity must purchase:
    - Homebuyer residential units, or
    - Rental units that have been vacant for three or more months.

    See the IHCDA's Program Manual for further guidance.
- According to 24 CFR 92.254(a)(2) in the case of acquisition of newly constructed housing or standard housing, the property must have a purchase price that does not exceed the Homeownership Values as determined by HUD. The HOME-assisted housing unit must be occupied as the homebuyer's principal residence throughout the affordability period.
- Recipients are required to identify and qualify homebuyers prior to acquiring and beginning construction on the HOME-assisted units; however, HOME-assisted units are not considered completed until occupied by an income eligible homebuyer. The Developer Fee cannot be claimed until the unit is occupied by an eligible applicant, and the paperwork is submitted and approved by IHCDA staff.
- Subsidy analysis must be based on a borrower's payment for a minimum of a 20-year mortgage.
- The recipient may not charge servicing, origination, processing, inspection, or other fees for the costs of providing homeownership program assistance.
- If the not-for-profit applicant anticipates selling the HOME-assisted unit to a buyer that will utilize an FHA or VA insured mortgage, they may be required to first be approved by HUD to be a secondary lender. Information on how to become a HUD-approved lender can be obtained at HUD's website or by calling the HUD's Atlanta Homeownership Center toll free at (888) 696-4687 ext. 2055.
- Homebuyer units that are multi-family (four or less units) must meet all program requirements. The owner must be income qualified (income from the rental units must be included). The occupants of the rental units must also be income qualified and impose all rental requirements.
- Any HOME-assisted homeownership unit that has not been sold by the recipient to an eligible homebuyer within nine months of completion of construction or rehabilitation (meaning all necessary title transfer requirements and construction work has been performed and the housing unit complies with the property standards as evidenced by a final inspection) must be converted to a HOME-assisted rental unit subject to all compliance requirements of HOME-assisted rental housing in accordance with 24 CFR 92.252

6.6 Market Assessment Guidelines for Homebuyer Projects

The following market assessment guidelines must be followed for any homebuyer development. The numbers submitted should accurately reflect the market feasibility of the proposed activity.

MARKET AREA – Describe the market area from which the majority of the development's homebuyers are likely to come and provide a map with a scale. Describe how the market area was determined to be appropriate for the development.

SOCIOECONOMIC PROFILE AND TRENDS – Describe the trends in population and households by age and income and estimate the number of eligible homebuyers for the development.

HOUSING STOCK – Describe the existing housing stock within the market area including the number of housing units, type (single family or multifamily), percent vacant, percent owner-occupied and renter-occupied, etc. In addition, provide a list of all other rent restricted properties in the market area and indicate whether they are age restricted.

CAPTURE RATE AND ABSORPTION PERIOD – Provide an estimate of the capture rate for the development (project's units divided by the number of eligible homebuyers from the market area), and estimate the absorption period to ensure the sale of all units within nine months of construction completion.

NEEDS ASSESSMENT – Describe how the development addresses the community's housing needs, given the market area's socioeconomic profile, trends, and housing stock.

DEVELOPMENT SITE DESCRIPTION – Explain how the site is adequate in size, exposure, and contour to accommodate the number and type of units proposed. In addition, describe whether there are adequate utilities (water, sewer, gas, and electricity) to accommodate the development.

Part 7: Completeness & Threshold Requirements

Each proposed development must satisfy the Federal requirements of the HOME program and any additional requirements established by IHCDA. To be considered for funding, an applicant must meet all of the completeness and threshold requirements listed below.

7.1 Completeness Requirements

- Timeliness – All documentation must be turned in by the application due date.
    - On or before the application deadline, the applicant must provide all documentation as instructed in this application policy as well as required documentation listed in the HOME Application Form.
    - If IHCDA requests additional information from the applicant, all requests are due on or before the date provided by IHCDA staff.
    - Any forms that are late will be denied review and will be sent back to the applicant.
- Responsiveness – All questions must be answered and all supporting documentation must be provided.
    - The applicant must provide all documentation as instructed in this application policy as well as required documentation listed in the HOME Application Forms.
    - The applicant must provide all documentation as requested (i.e. uploaded or hard copies, labeled correctly, etc.)
    - Required signatures must be originally signed.

7.2 Threshold Requirements

Completeness	Location
Application and Supporting Documents • Submit two copies of fully-completed HOME Homebuyer application, one as an Excel file and one as a searchable PDF. • Submit all required supporting documents via the IHCDA Syncplicity Site. Mail one complete original copy of the signed application and the signed Environmental Review Record (ERR) to IHCDA by the application deadline. Do not submit paper copies of any other supporting documents.	Syncplicity site and mailed to IHCDA
Threshold	**Location**
SAM Registration • Submit a copy of the applicant's System of Award Management (SAM) registration. https://www.sam.gov/portal/SAM/#1	Tab A_SAM Registration
Debarment Information • Submit a copy of the debarment information for each development team entity identified in the application.	Tab B_Debarment

Grievance Procedures • Submit applicant's Grievance Procedures. Grievance Procedures must address (1) how grievances will be submitted, (2) who will review them, (3) timeframe for the review, and (4) the appeal process.	Tab C_Grievance Procedures
Market Need • HUD requires that IHCDA certify that there is adequate need for each home based on the neighborhood's housing market. In order to help make this determination please answer all of the questions in the Market narrative in the application. Attach any relevant support material such as market studies, planning documents, and maps.	Tab D_Market Need
Home-Assisted Households at or Below 80% AMI • Commit to assisting households at or below 80% of the area median income for the county.	Application
Not-for-Profit Applicant Documentation (if applicable) • Submit an IRS determination letter for 501(c)3 status. • Provide a copy of the Certificate of Existence from the Indiana Secretary of State to provide proof that the organization is in good standing. • Provide a copy of notification letter sent to local unit of government. • Provide proof of delivery of local government notification letter, either an email read receipt or a mail delivery receipt.	Tab E_Not-for-Profit
Audited Financial Statements • Submit the most recent copy of audited financial statements.	Tab F_Capacity
Local Unit of Government Notification • Provide proof of notification of Local Unit of Government.	Tab G_Local Support
Owner Authorization (if applicable) • If the applicant is different from the owner of the development, provide a letter from the owner authorizing the applicant to apply for funding for the owner's property.	Tab H_Notifications

Administrator Documentation (if applicable)
• If the applicant has hired an administrator to administer the award, please provide documentation demonstrating that the administrator has been properly procured using the Competitive Negotiation (RFP) Procedure.
  • Submit a copy of the Request for Proposals (RFP).
  • Submit the published advertisement that was put in a general circulation newspaper for the RFP.
  • Submit a copy of the signed contract between applicant and administrator.
	Tab I_Administrator

Previous HUD or USDA-RD Funding • If development received funding directly from HUD or Rural Development, the applicant must send a notification letter to the appropriate HUD or Rural Development Office and provide proof of sending.	Tab H_Notifications

Homebuyer Identification • All homebuyers must be identified prior to application. Submit the Client Intake Form identifying each income eligible homebuyer. Please note, any HOME-assisted homeownership unit that has not been sold by the recipient to an eligible homebuyer within nine months of completion of construction or rehabilitation (meaning all necessary title transfer requirements and construction work has been performed and the housing unit complies with the property standards as evidenced by a final inspection) must be converted to a HOME-assisted rental unit subject to all compliance requirements of HOME-assisted rental housing.	Tab J_Homebuyer Identification
Visitability Mandate • Any development involving the construction or rehabilitation of single family homes, duplexes, triplexes, or townhomes must meet the following visitability mandate. Visitability is defined as design concepts that allow persons with mobility impairments to enter and stay, but not necessarily live, in a residence. There are three specific design elements that must be incorporated to satisfy the visitability mandate: • Each unit must contain at least one zero-step entrance on an accessible route. This can be any entrance to the unit; • All main floor interior doors (including bathroom doors and walk-in closets) in each unit must provide at least at least 31 ¾ inches of clear opening width; • Each unit must contain at least one half or full bathroom on the main level that is accessible per ICC A117.1.Section 1004.11.	Application
Site Map and Photos • Submit a clear, colored, site map • Submit clear, colored site photos including views from all cardinal directions.	Tab K_Site Map
Title Search • Submit evidence of clear title with a title insurance commitment, title search documentation, or an attorney's opinion letter.	Tab L_Readiness
Construction Cost Estimate • Submit detailed construction cost estimate for the development.	Tab L_Readiness
Site Control • Submit a purchase option or purchase agreement that expires no less than 30 days subsequent to the award announcement date.	Tab L_Readiness
Zoning Approval • Provide a letter no older than 6 months from the local planning official that certifies the current zoning allows for construction and operation of the proposed homes and any required variances that have been approved.	Tab L_Readiness

Environmental Review • Submit completed environmental review forms. Instructions and forms can be found in Chapter 11 of the IHCDA CDBG & HOME Program Manual. • A FIRM floodplain map must be submitted with each parcel identified on the map. (Any property located in any variation of zone "A" on the map is ineligible for funding).	Tab M_Environmental Review
Affirmative Fair Marketing Plan (if applicable) • In accordance with 24 CFR 200.620 and 24 CFR 92.351 (a), the recipient must adopt an Affirmative Fair Housing Marketing Plan for rental and homebuyer developments containing five or more HOME-assisted housing units. Submit form HUD 935.2A.	Tab N_Fair Housing
Development Fund • Developments requesting a Development Fund loan must designate at least 50% of the Development Fund-assisted units for households at or below 50% AMI with the remaining Development Fund-assisted units designated for households at or below 80% AMI.	Application
Funding Committed Prior to Application • All other development funding must be committed prior to submitting an application for HOME funding to IHCDA. Please complete the sources and uses tab in the application.	Application
Letters of Commitment • Submit signed letters of commitment for all funding sources with funding terms and amounts.	Tab O_Financial Commitments
CHDO Operating Supplement • If applying for a CHDO Operating Supplement, fill out Section F of the Sources and Uses tab and the CHDO Operating Supplement tab in the Application Forms.	Application
Homebuyer Proforma • Complete Homebuyer Proforma tab in the IHCDA HOME Homebuyer Application Forms.	Application

Match Requirement
• The match requirement for the HOME program is 25% of the total amount of HOME funds requested minus administration costs and environmental review costs. Match must be committed prior to submitting an application for HOME funding to IHCDA.
  ○ Submit the relevant sections of the Match Spreadsheet.
  ○ Submit letters of commitment for each source of Match.
	Tab O_Financial Commitments

Universal Design Features	Application
• Applicants must adopt a minimum of two universal design features from each universal design column below. Features found in Column A are regarded as being of high cost and/or high burden of inclusion to the development. Features found in Column B are regarded as being of moderate cost and/or moderate burden of inclusion to the development. Features found in Column C are regarded as being of low cost and/or low burden of inclusion to the development. By columnizing such features, IHCDA encourages applicants to diversify their universal design portfolio to the greatest extent possible.	

Universal Design Features		
Column A	**Column B**	**Column C**
Front loading washer and dryer with front controls, raised on platforms or drawers in each unit or all laundry facilities	At least one entrance to the ground floor of a unit shall be on a circulation path from a public street or sidewalk, a dwelling unit driveway, or a garage. That circulation path shall be a ramp or sloped walking surface. Changes in elevation shall not exceed ½” (All one & two family dwellings only)	Audible and visible smoke detectors in each unit
Walk-in Bathtub or shower with a folding or permanent seat (Senior Living Facilities 10% of the units, and 5% of the units for non-senior)	In kitchens, provide pull out shelves or Lazy Susan storage systems in base corners cabinets	Light switches located 48” maximum above the finished floor in each unit
Range/oven with controls located to not require reaching over burners in 10% of the units	All interior doors shall have a minimum clear width opening of 31-3/4”	Lighting controls are rocker, or touch sensitive control
Wall oven with 27” minimum knee clearance under the door in the open position and controls 48” maximum above the floor in 10% of the units	Adjustable height shelves in kitchen wall cabinets in each unit	Over bathroom lavatories, mirrors with the bottom edge of the reflecting surface 40 inches maximum above the floor or a tilt mirror that provides a similar view in each unit

Toilets that meet the provisions for location, clearance, height and grab bars in 2009 ICC A117.1 Section 604.5 in one bathroom in each unit	Where provided, telephone entry systems shall comply with ANSI.SASMA 303.-2006, Performance Criteria for Accessible Communication Entry Systems	Lever handle faucets on lavatories and sinks in each unit
Provide an accessible route from the garage into the dwelling in 10% of the units with attached private garages	Provide one of the following in one bathroom within each unit: 1. Adjustable height shower head that allows for a shower head to be located below 48” above the tub or shower floor; or 2. Hand-held showerhead with a flexible hose 59” minimum in length	Full length mirrors with the bottom of the reflecting surface lower than 36” and top to be at least 72” above the floor in each unit
Detectable Warnings at curb cuts throughout the development in accordance with 2009 ICC A117.1 Sections 406.13 and 705	Remote control heating and cooling in each unit	Where provided, signage identifying unit numbers shall be visual characters, raised characters and braille
Side by side refrigerators in each unit	In the kitchen, provide a 30” x 48” clear floor space adjacent to the sink, dishwasher, cooktop, oven, refrigerator/freezer and trash compactor	Where room lighting is provided, provide remote controls or motion sensor controls
Where private garages are provided, automatic garage door openers on the garage doors	At least one section of the counter or a pull out surface shall provide a work surface with knee and toe clearances in accordance with ICC A117.1 Section 1003.12.3	Bathtub/shower controls located 48” maximum above the tub floor in each unit
Provide in the kitchen a sink and a work surface in accordance with ICC A117.1 Sections 1003.12.3.2 and 1003.12.4.2 in 10% of the units	Built in microwave with an adjacent clear floor space and controls located 48” maximum above the floor in each of the units	Pulls on drawers & cabinets in each unit
Provide Motion detector controls for the outside lights at least on entrance in each unit	For kitchen and bathroom countertops, provide a visual contrast at the front edge of the counter or between the counter and the cabinet in all units	At least one garden area raised to a minimum of 15” above the adjacent grade

A removable base cabinet in kitchens at the sink and one work surface and at the lavatory in at least one bathroom in accordance with ICC A117.1 Sections 1003.12.3.1, 1003.12.4.1 and 1003.11.2 in all bottom level units	Provide a 30" x 48" clear floor space in each bathroom. Where bathroom doors swing in, the clear floor space must be beyond the swing of the door	Provide 10 fc lighting for at least one work surface in each unit
In kitchens, provide pull out shelving for all standard base cabinets in each unit	All hallways 42" or wider in each unit	Controls for bathtubs or showers located between the centerline of the bathtub or shower stall and the front edge of the opening in at least one bathroom in each unit
Provide a roll-in shower in at least one bathroom in accordance with ICC A117.1 Section 608.2.2 or 608.2.3 in each unit	All wall reinforcements for a second handrail at stairways in each unit	All closet rods adjustable or provide a portion of each closet with two clothes rods at different heights in each unit
In 10% of the units, provide cook top with toe & knee clearance underneath in accordance with ICC A117.1 Section 1003.12.5.4.2. The underside of the cook top shall be insulated or otherwise configured to protect from burns, abrasions or electric shock	Where walls are provided adjacent to toilets, bathtubs or showers, provide blocking for a future installation of grab bars in accordance with ICC A117.1 Section 1004.11.1	Slide or bi-folding closet doors for reach-in closets in all units
Dishwasher unit with all operable parts and shelving between 15" and 48" above the flooring 10% of the units	All doors intended for user passage shall have a minimum clear width opening of 31-3/4"	Levers hardware doors intended for user passage in each unit
A fixed or fold down seat in the shower or a bathtub with a seat in at least one bathroom of 10% of the units	Kitchen Faucet with pull out spout in lieu of side mount sprayer in each unit	Electric outlets raised 15" minimum above the finished floor in each unit. Dedicated outlets and floor outlets are not required to comply with this section
Grab bars in bathroom and shower in 10% of the units (1st bathroom only for two bathroom units)	Provide a means of identifying visitors without opening the door in accordance with ICC A117.1 Section 1006.5.2	Provide a lighted doorbell at the outside of the primary entrance door to each unit in accordance with ICC A117.1 Section 1006.5.1

Remote controlled drape, blinds and/or curtains in 5% of the units	Significant color contrast between floor surfaces and trim in each unit	Countertop lavatories with lavatories located as close to the front edge as possible in 10% of the units
Carpet complying with ICC A117.1 Section 302.2 or slip resistant flooring	Visual contrast between stair risers and stair treads in each unit that contains stairways	Self-closing drawers on kitchen cabinets
		Mailboxes located between 24”-48” above the ground

Part 8: Scoring

If an application meets all applicable requirements, it will be evaluated and scored based on:

Scoring Category	Points Possible
Development Characteristics	23
Development Features	25
Readiness	8
Capacity	23
Leveraging of Other Sources	6
Bonus	5
Total Possible Points	**90**

When there is a scoring criteria based on the county being served and there are multiple counties, the applicant should add up the scores from each county and average them, rounding to the nearest whole number. An application must score at least 55 points to be considered for funding.

8.1 Development Characteristics — Category Maximum Points Possible: 23

This scoring category describes the proposed project.

1) *Mixed-Income Housing* — *Maximum Number of Points: 1*

Community Integration	Points
10% of development units are Market Rate	1

2*). Targeted Population* — *Maximum Number of Points: 4*

Points will be awarded to applicants of which 30% or more units target one or more of the following designations:

- Single parent households
- Victims of domestic violence
- Families with children six and under

3) *Opportunity Index* — *Maximum Number of Points: 10*

Applicants may earn up to 10 points (with two points for each feature) for developments located within areas of opportunity.

- Public Transportation (2 points): Points will be awarded to developments located within a half-mile of a public transit station or bus stop. For communities with a population of 14,999 or less, point-to-point transportation is eligible as long as it is provided by a public or not-for-profit organization and is available to all residents of the development. Taxis, Uber, or other ride-sharing programs are not eligible for points. For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

In order to receive points for this scoring subcategory, the applicant must submit a map in **Tab P_Project Characteristics** including:

- Specific development location,
- Transit station or bus stop location, and
- A half-mile radius drawn from the development location.

- Unemployment Rate (2 points): Points will be awarded to developments located within a county that has an unemployment rate below the state average. (http://opportunityindex.org/). For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- Job Growth (2 points): Points will be awarded to developments located within a county that has a 12 month change in employment percentage in the top half of the state using the Department of Labor's Quarterly Census of Employment and Wages as listed on https://beta.bls.gov/maps/cew/us. For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- Employer Proximity (2 points): Points will be awarded to developments located within five miles of at least one of a county's top 10 employers. County employer data can be found at http://www.hoosierdata.in.gov/buslookup/BusLookup.aspx.

  In order to receive points for this scoring subcategory, the applicant must submit a map in Tab P_Project Characteristics including:

  i. Specific development location;
  ii. The location of the qualifying employer(s)
  iii. A five mile radius drawn from the project location.

- Poverty Rate (2 points): Points will be awarded to developments located within a county that has a poverty rate below the state average (http://opportunityindex.org/). For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- County Median Household Income (2 points): Points will be awarded to developments located within a county that has a median household income above the state average (http://opportunityindex.org/). For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- Census Tract Income Level (2 points): Points will be awarded to applicants proposing developments located in higher income neighborhoods compared to surrounding areas. Points will be determined according to the Federal Financial Institutions Examination Council's (FFIEC) income level of its census tract. Find the census tract income level by entering the project address at the FFIEC website (https://geomap.ffiec.gov/FFIECGeocMap/GeocodeMap1.aspx) and clicking "Census Demographic Data" below the matched address. For scattered site developments, points will be averaged according to the number of units within each income level.

FFIEC Income Level	Points
Upper	2
Middle	1
Moderate	.5
Low	0

4) Health and Quality of Life Factors *Maximum Number of Points: 8*

Applicants may earn up to 8 points for developments located in counties with high health outcomes or in areas in close proximity to fresh produce and other positive land uses.

- Health Factors (2 points): Points will be awarded to developments located within a county that has a ratio of population to primary care physicians of 2,000:1 or lower. http://www.countyhealthrankings.org/app/indiana/2017/measure/factors/4/data) (For scattered site developments, at least 50% of the proposed units must meet this requirement to be eligible for points.

- Fresh Produce (2 points): Points will be awarded to applicants proposing developments located within a mile of a supermarket or grocery store with fresh produce. For scattered site developments, at least 75% of the proposed homes must meet this requirement to be eligible for points.

  Stores with fresh produce must:
  - Be currently established;
  - Have a physical location; and
  - Have regular business hours.

  Staff will independently verify that the location meets the above requirements. As part of the clarification process, the applicant may be required to provide additional information. For the purposes of this scoring subcategory, farmers' markets, produce stands, gas stations, convenience stores, and drug stores do not qualify.

  In order to receive points for this scoring subcategory, the applicant must submit a map in **Tab P_Project Characteristics** including:
  - Specific development location;
  - Store or market location; and
  - A mile radius drawn from the project location.

- Proximity to Positive Land Uses (4 points): Points will be awarded to applicants proposing developments located within three miles of the locations listed in the table below. A maximum of four points is available in this category. For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

Site	Points
Community or recreation center	1 point
Park or public greenspace	1 point
Primary care physician or urgent care facility	1 point
Pharmacy	1 point
Sidewalks or Trails	.5 point
Clothing, department store	.5 point
Bank	.5 point
International or ethnic food market	.5 point
Education facility	.5 point
Licensed child care facility	.5 point
Social service center	.5 point
Government office (i.e. town hall, trustee's office)	.5 point
Post Office	.5 point
Public Library	.5 point
Cultural arts facility	.5 point

In order to receive points for this scoring subcategory, the applicant must submit a map in Tab P_Project Characteristics including:

i. Specific development location;
ii. The location of the qualifying site(s)
iii. A three mile radius drawn from the project location.

8.2 Development Features **Category Maximum Points Possible: 25**

This category describes the features of the overall proposed HOME project.

1) *Infill New Construction* *Maximum Number of Points:* 5

Points will be awarded to demolition and new construction developments that meet IHCDA's HOME criteria for infill. For the HOME program, IHCDA defines infill housing as the process of developing on vacant or underused parcels of land within existing areas that are already largely developed or previously developed. At least two sides of the project must be adjacent to occupied residential development, operating commercial development, active public space, or another active community activity.

For purposes of this category, the following will not qualify as infill housing:

- Existing agricultural land,
- Land where agriculture was the last use and it was within the last 5years except within corporate limits,
- Undeveloped Master Planned Communities, or
- Existing structures that will be rehabilitated.

In order to receive points, the applicant must submit in **Tab Q_Development Features:**

- Aerial photos of the proposed site(s) with the site labeled;
- For scattered site projects, all of the proposed development sites must meet the infill attribute scoring criteria to receive points.

2) *Provision of Additional Bedrooms* *Maximum Number of Points: 5*

Points will be awarded to developments where at least 30% of the HOME assisted units contain three or more bedrooms.

In order to receive points, the applicant must submit in **Tab Q_Development Features:**

- Preliminary floor plans that clearly identify the units with three or more bedrooms.

3) *Design Features* *Maximum Number of Points: 5*

Points will be awarded for each design feature chosen, for a maximum of four points in this category.

Design Feature	Points
Exterior walls are at least 50% durable material (brick, stone, or cement board)	1
Includes LED lighting	1
Roofing system has at least a 30-year warranty (must provide supporting documentation from the manufacturer to qualify)	1
Porch with a minimum of 48 square feet with a roof that is permanently attached to the residence	1
Deck or patio with a minimum of 64 square feet that is made of wood or other approved materials	1
Framing consists of 2" X 6" studs to allow for higher R-Value insulation in walls	1
Garage with a minimum of 200 square feet that is made of approved materials, has a roof, is enclosed on all sides and has at least one door for vehicle access	1
Crawl space or basement	1
Security system	1
Carport with a minimum of 200 square feet that is made of approved materials, has a roof, and is open on at least two sides	1
Attached or unattached storage space measuring at least 5' x 6' (not a mechanical closet)	1
Playground	1
Community room	1

4) *Universal Design Features* *Maximum Number of Points: 5*

Points will be awarded for applicants that propose developments that go beyond the minimum threshold requirement for universal design features. Please refer to the universal design features chart in the threshold section of this policy. The applicant will be required to submit the Building Form identifying the Universal Design Features of the project. The applicant will be awarded points as follows:

Number of Universal Design Features in Each Column	Points
5	5
4	4
3	3

Please refer to the table of universal design features on page 29.

5) *Green Building* *Maximum Number of Points:* 5

Up to five points will be awarded for the green building techniques listed below. The signed application forms will be proof of these commitments.

Green Building Technique	Points
Orient structures on East/West axis for solar exposure	1
Include new trees in landscaping to curb winter winds and provide shade	1
Low VOC paints and finish materials	1
Install flow reducers in faucets and showers	1
Minimize the disruption of existing plants and trees	1
Include recycling bins in the kitchen	1
Install recycled content flooring and underlayment	1
Install a light colored roofing material	1
Low flow toilets or dual flush toilets	1
R-Value insulation exceeding Indiana State Building Code	1
Recycle deconstructed building material	1
Incorporate permeable paving	2
Install high-efficiency, tank-less water heaters	2
Use on-site solar energy to reduce resident utility costs	2

8.3 Readiness Category Maximum Points Possible: 8

This category describes the applicant's ability to begin and timely execute an awarded project.

1) *Predevelopment Activities* *Maximum Number of Points:* 5

Points will be awarded to applicants that have completed some predevelopment activities according to the chart below. Applicants are eligible to receive up to five points. Points will only be awarded if the required supporting documentation, italicized below the activity description, is included in **Tab L_Readiness.**

For scattered site developments, documentation for each site must be submitted in order to receive the points. Documents should be clearly labeled with the site addresses for ease in reviewing the documentation.

Predevelopment Activity Completed	Points
Asbestos Testing *Submit a copy of the assessment report.*	1
Lead Testing *Submit a copy of the assessment report.*	1
Appraisal *Provide an appraisal that is no older than 6 months.*	1
Preliminary Design Plans *Provide electronic copies of architectural and/or engineering plans.*	1
Property Survey *Provide an electronic copy of the property survey.*	1
Capital Needs Assessment/Structural Needs Report *Provide a copy of the report performed by a licensed professional.*	1
CHDO Predevelopment Loan *Applicants that fully utilized a CHDO Predevelopment Loan for the current HOME application are eligible for one point.*	1
Comprehensive Community Plan *Provide a copy of ONE plan for each jurisdiction that meets all of the following criteria:* • *Specific references to the creation of or need for housing* • *No older than 15 years* • *Public participation and narrative about efforts leading to the creation of the plan* • *A target area map with the proposed development sites labeled* • *Resolution showing adoption by the highest local unit of government*	2

2) *Contractor Solicitation* *Maximum Number of Points: 3*

Points will be awarded to applicants who invite material participation in the proposed development by Indiana contractors. To qualify for these points, a minimum of five letters inviting contractors to participate in the bidding of the project must be sent, with at least 20% of these letters going to state certified Minority Business Enterprises (MBE), Women Business Enterprises (WBE), Federal Disadvantaged Business Enterprises (DBE), Veteran- Owned Small Businesses (VOSB), and/or Service Disable Veteran Owned Small Businesses (SDVOSB).

In order to receive points, the applicant must submit in **Tab L_Readiness**

- A copy of the letter inviting the various contractors to participate in the bidding of the project,
- Evidence of received receipt of invitation by five contractors, and

- A copy of each of the 20% of applicable and current state certifications or a print out from the State's certification list clearly indicating the entities and when the certification list was printed.

Eligible Certification Summary Table		
Certification	**Certifying Agency**	**Website**
MBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
	Indiana Minority Supplier Development Council	http://midstatesmsdc.org/
WBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
DBE	Indiana Department of Transportation	http://www.in.gov/indot/2576.htm
VOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/
SDVOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/

8.4 Capacity **Category Maximum Points Possible: 23**

This category evaluates the applicant's ability to successfully carry out the proposed project based on certifications and/or experience in affordable housing development.

1) *Certification* *Maximum Number of Points: 5*

Points will be awarded for a member of the development team, property management team, applicant, and/or administrator staff who has completed the following certifications. Five points will be awarded for the completion of two of the six certifications listed below. The completion of only one of the certifications below will receive three points. If two staff members hold the same certification, points will be awarded for two certifications.

If you do not see a certification you have received on the list that you believe would be relevant, please consult with your Real Estate Production Analyst at least one week prior to the application due date to request that it be eligible for points.

Required IHCDA Compliance Trainings, IHCDA application and policy webinars, IHCDA application and policy trainings, and IHCDA feedback sessions are not eligible for points in this category.

Attach copies of the certification completion in **Tab S_Capacity**.

Certification	Sponsoring Organization
CHDO Capacity Building Certification (Must have attended all webinars in either 2016 or 2017)	Indiana Housing and Community Development Authority (IHCDA)/HPG Network
Project Development Training	Prosperity Indiana
Housing Development Finance Professional	National Development Council (NDC)
Certified Aging-in-Place Specialist	National Association of Home Builders

	(NAHB)
Home Sweet Home: Modifications for Aging in Place	University of Indianapolis / Indiana Housing and Community Development Authority
Grant Administration Certification	Indiana Housing and Community Development Authority (IHCDA)
Certified HOME Program Specialist	HUD/CPD

2) *Overall IHCDA Award Performance of the Applicant* *Maximum Number of Points:* *8*

Applicants with an IHCDA award monitored within the past five years may be eligible for points based on the applicant's overall performance. Only the most recently monitored award is eligible for points. An award may be eligible, whether it is closed or open, as long as an official IHCDA monitoring has occurred. Please list the most recently monitored award number in the application forms.

Applicants cannot qualify for points under both the New Administrator Experience and IHCDA Award Performance.

Description of Overall Award Performance	**Points**
Applicant's most recently monitored HOME award had no findings and no concerns.	8
Applicant's most recently monitored HOME award had no findings, but concerns were noted. **OR** No HOME experience, but **Applicant's** most recently monitored CDBG award had no findings and no concerns.	6
Applicant's most recently monitored HOME award had only one finding. **OR** No HOME experience, but **Applicant's** most recently monitored CDBG award had no findings but concerns were notes.	4
No HOME experience, but **Applicant's** most recently monitored CDBG award had only one finding.	2

Does not meet any category above. Examples: • More than one finding on most recently monitored award. • Applicant has no experience with IHCDA within the past five years.	0

3) *Administrator Experience* *Maximum Number of Points:* *5*

Only applicants without an IHCDA award in the past five years that have properly procured an administrator with previous IHCDA HOME experience may receive points in this category. Five points will be awarded if the administrator has successful experience administering an IHCDA HOME award that has been monitored within the past five years. In order to qualify for points, the most recently monitored award must not have had any findings. An award may be eligible, whether it is closed or open, as long as an official IHCDA monitoring has occurred. Please list the most recently monitored award number in the application forms.

Experience	Points
Administrator's most recently monitored HOME award had no findings.	5

4) *Timely Expenditure of Funds* *Maximum Number of Points:* *5*

Points will be awarded to an applicant or administrator that has expended their most recent IHCDA award (HOME or CDBG) funds by the award expiration date without requesting award extensions. The award must be from within the past five years. Please list the award number in the application forms.

Award Length	Points
Applicant or administrator's most recent IHCDA award (HOME or CDBG) completed by the award expiration date.	5

5) *IHCDA Award Inspection Performance of the Applicant* *Maximum Number of Points:* *2*

Applicants or administrators with an IHCDA award inspected within the past five years may be eligible for points based on their IHCDA inspection results. Points will be awarded if zero building code issues were noted on their last monitored inspection of their most recent award.

6) *CHDO Certification* *Maximum Number of Points:* *3*

An applicant that applies and is certified as a Community Housing Development Organization will receive three points.

8.5 Leveraging of Other Sources **Category Maximum Points Possible: 10**

Points will be awarded to applicants whose proposed project has received either a firm commitment to leverage other funding sources. A "firm commitment" means that the funding does not require any further approvals.

"Other Funding Sources" include (but are not limited to) private funding, funds from a local community foundation, volunteer labor, Federal Home Loan Bank funding, federal, state or local government funds, in-kind donations for labor or professional services, sweat equity, donated material and equipment. Banked or shared match is not eligible.

Points will be awarded based on the Amount of Funding divided by the Total Development Costs:

Percentage of Total Development Costs	Points
.50% to 1.99%	1
2.00% to 3.99%	2
4.00% to 5.99%	3
6.00% to 7.99%	4
8.00% to 9.99%	5
Greater than 10%	6

To receive points in this category, the applicant must submit the following in **Tab O_Financial Commitments:**

- Provide a letter from the appropriate authorized official approving the funds. The letter must include a description of the type of approved funding for the proposed development and the amount of funding.
- In-Kind Donations – Labor or Professional Services: Submit commitment letter from donor(s) specifying number of hours they intend to donate and their professional service pay rate.
- In-Kind Donations – Sweat Equity: Submit a copy of sweat equity policy.
- In-Kind Donations – Donated Material and Equipment: Submit commitment letter from donor(s) specifying either the total value of the donated materials or the rental equipment rate and number of hours the equipment will be donated.
- Banked Match: Submit commitment letter signed by non-profit Board President.

8.6 Bonus **Category Maximum Points Possible: 5**

1) *Bonus* *Maximum Number of Points: 5*

Points will be awarded to applications that are submitted according to IHCDA's submittal guidelines (see list below), and which pass Threshold with one or less technical errors or incomplete information.

To receive points in this category, the applicant must:

- Submit a searchable PDF of the application on the Syncplicity site;
- Submit an Excel file of the application on the Syncplicity site;
- Answer all questions in the policy and application;
- Submit all required threshold items in the correct tabs;
- Submit all required threshold items in the correct form (mailed and/or on the Syncplicity site); and
- Label and include all tabs on the Syncplicity site as described in the Application Policy. All tabs must be included regardless of whether documentation is required in each tab.

Part 9: Glossary of Terms

Below are definitions for commonly used terminology found throughout the IHCDA HOME application policy and forms and applicable to the IHCDA HOME program.

Administrator: A procured entity that will assist carrying out the HOME award.

Beneficiary: The household or unit that received homeowner repair work as a result of the HOME award.

CHDO: A Community Housing Development Organization. A non-profit, community- based organization with the capacity to develop affordable housing for the community it serves, as defined in the HOME rule and as certified by IHCDA. Participating Jurisdictions (IHCDA) must set aside a minimum of 15% of their HOME allocations for activities in which CHDOs are the owners, developers, and/or sponsors of the housing.

Comprehensive Community Development: Every community strives to be a place where people choose to live, work, and play. Comprehensive development means that a community's potential lies in the identification and creation of a shared vision, planned by local leadership, and carried out by an array of partners. When successful, it yields results beyond what can be achieved by individual organizations or disparate programs because of the unique synergy they generate. A thriving community is a community with job opportunities, strong schools, safe neighborhoods, a full range of housing choices, and a vibrant culture. Comprehensive development marshals resources and deploys coordinated strategies in a concentrated area to create opportunities for others in the community to take prudent risks and reap the rewards. The demolition of blighted structures, the rehabilitation of long-vacant housing and the creation of new community amenities and retail opportunities serve as a tipping point for future development through market forces.

Development: The HOME activity proposed in the application.

HOME: The Home Investment Partnerships Program as created by the National Affordable Housing Act of 1990.

IHCDA: Indiana Housing and Community Development Authority

Income Limits: Maximum incomes as published by HUD for developments giving the maximum Income Limits per unit for beneficiary (30%, 40%, 50%, 60% and 80% of median) units.

Large City: For purposes of this policy, a large city is defined as a city with a population of 75,000 or more. To qualify as being located within a large city, the development must be located within one mile of the zoning jurisdiction and/or use city utility services (water and sewer).

Median Income: A determination made through statistical methods establishing a middle point for determining income limits. Median is the amount that divides the distribution into two equal groups, one group having income above the median and one group having income below the median.

MOU: A Memorandum of Understanding (MOU) is a document describing a bilateral or multilateral agreement between two or more parties.

Narrative: A written description by the applicant that describes the application question and generally supports the need of the development.

Rural: A development is considered to be rural if it meets one of the following criteria:

a. The development is located within the corporate limits of a city or town with a population of 14,999 or less; or

b. The development is located in an unincorporated area of a county that does not contain a city or town that meets the definition of large city or small city as set forth in this glossary; or

c. The development is located in an unincorporated area of a county whereas;

i. The development is outside the 2-mile jurisdiction of either a large city or small city as defined in this glossary; and

ii. The development does not have access to public water or public sewer from either the large city or small city as defined in this glossary.

Small City: For purposes of this policy, a small city is defined as a city with a population of between 15,000 and 74,999. To qualify as being located within a small city, the development must be located within one mile of the zoning jurisdiction and/or use city utility services (water and sewer).

Visitability: Visitability is defined as design concepts that allow persons with mobility impairments to enter and stay, but not necessarily live, in a residence. There are three (3) specific design elements that must be incorporated to satisfy the visitability mandate:

- Each unit must contain at least one (1) zero-step entrance on an accessible route. This can be any entrance to the unit;

- All main floor interior doors (including bathroom doors and walk-in closets) in each unit must provide at least at least 31 ¾ inches of clear opening width; and
- Each unit must contain at least one (1) half or full bathroom on the main level that is accessible per ICC A117.1.Section 1004.11.

Part 10: Development Fund

1.1 Overview

The Indiana Affordable Housing and Community Development Fund (“Development Fund”) was established in 1989 to provide financing options for the creation of safe, decent, and affordable housing and for economic development projects in Indiana communities. Development Fund regulations may be found in Indiana Code 5-20-4. Developments also involving federal funding (e.g. HOME Investment Partnership Program or Community Development Block Grant), tax-exempt bonds, or Low-Income Housing Tax Credits (“LIHTC”) must comply with the requirements of those programs.

The Development Fund provides a loan of up to $500,000 (or a grant in limited special circumstances) for eligible activities as defined within this policy.

For more detailed information on the Development Fund program please consult the Development Fund Manual.

1.2 How to Apply

Development Fund awards are approved through the IHCDA Development Fund Application or in conjunction with LIHTC applications through the Qualified Allocation Plan (“QAP”), HOME applications through the HOME funding round, or with CDBG applications through the CDBG funding round.

Development Fund requests in conjunction with other funding sources must be submitted in accordance with the application procedures and deadlines for those programs.

1.3 Eligible Applicants

Applicants eligible to apply in conjunction with a HOME application include nonprofit corporations and local units of government. IHCDA must allocate at least 50% of the fund to recognized nonprofit corporations under Section 501(c)(3) of the U.S. Internal Revenue Code.

Awardees with current Development Fund awards are eligible to apply for additional funding. All outstanding awards must be current (if loans), in compliance with all program requirements, and otherwise in good standing in order to be considered for additional awards. However, no individual project sponsor or its affiliates may hold more than 20% of the Development Fund’s total portfolio at any one time.

Individuals or organizations currently on IHCDA’s suspension or debarment list are not eligible to apply for Development Fund awards.

1.4 Eligible Beneficiaries

The Development Fund can be used to finance assisted units for occupancy by households earning up to 80% of the area median income, as published annually by HUD. Indiana Code governing the Development Fund requires at least 50% of the dollars allocated to be used to serve “very low-income households" (households earning less than 50% of the area median income). **Therefore, at least 50% of the Development Fund assisted units must be designated for households at or below 50% AMI, and the remaining Development Fund assisted units must be designated for households at or below 80% AMI.**

1.5 Eligible Residential Activities

Eligible HOME activities include, but are not limited to, acquisition, new construction, and/or rehabilitation of homes for sale, permanent rental units, and permanent supportive housing projects that have successfully completed the Indiana Supportive Housing Institute.

1.6 Eligible Activity Costs

For more information on eligible and ineligible activity costs please see §1.8 and §1.9 of the Development Fund Manual. Questions about eligible vs. ineligible soft costs under the Development Fund program can be directed to the IHCDA Underwriting and Closing Manager.

1.7 Match Requirements

Applicants for Development Fund must be able to document a local match in an amount of at least 10%. Acceptable match sources include in-kind donations, donated land, owner equity, building materials, loans, cash grants, or any combination of both in-kind and cash. Other sources of match may also qualify, **except for funds administered by IHCDA**.

1.8 Development Fund Activity Provisions

The Development Fund may provide loans or grants up to $500,000 per development. Development Fund grants will only be made in conjunction with special IHCDA initiatives as announced by IHCDA. Except for these special initiatives, IHCDA will only accept Development Fund applications for loans.

The Development Fund may be used for the following types of loans:

- Pre-development: to pay project pre-development expenses;
- Acquisition: to pay for purchase and closing costs for property acquisition;
- Construction: to pay for hard and soft costs of new construction and rehab projects;
- Permanent: to provide permanent financing to the project; and/or
- Bridge: financing to bridge the timing gap between project or program costs and cash from committed sources not yet available (equity).

Homebuyer projects are not eligible for permanent or bridge financing.

1.9 Loan Terms

The base interest rate for loans is 3%. The interest rate offered by IHCDA will be determined during underwriting. **Underwriting will start at 3% and make a final determination based on financial capacity. The final interest rate will not be less than 3%, but may exceed 3% based on capacity.**

1.10 Underwriting Guidelines

For more information on underwriting guidelines please see §2.4 of the Development Fund Manual. Questions about these guidelines can be directed to the IHCDA Underwriting and Closing Manager.

1.11 Affordability Period/Lien and Restrictive Covenants

Rental developments will be subject to a Lien and Restrictive Covenant Agreement that must be executed against every residential property constructed, rehabilitated, or acquired, in whole or in part, with Development Fund funds. If the award is made in conjunction with HOME or CDBG funding, the development will be subject to the applicable program affordability period.

Upon occurrence of any of the following events during the affordability period, the entire sum secured by the lien, without interest, shall be due and payable by developer and/or owner upon demand. Repayment may be demanded upon: (1) transfer or conveyance of the real estate by deed, land contract, lease, or otherwise, during the affordability period; (2) commencement of foreclosure proceedings by any mortgagee (or deed in lieu of foreclosure), within the affordability period; or (3) determination that units are not being used as a residence by a qualifying tenant or not leased according to the program affordability requirements. The award recipient will be responsible for repaying IHCDA. At the end of the affordability period, if the borrower/recipient has met all conditions, the lien will be released.

1.12 Income and Rent Restrictions/Ongoing Compliance

All Development Fund-assisted units in residential developments must be income and rent restricted. If the award is made in conjunction with HOME funding or is Development Fund only, then the HOME program income and rent limits will apply. Developments with Development Fund combined with another program must follow the recertification requirements of that program.

When Development Fund is combined with other funding sources, the audit/inspection cycle will occur based on the cycle and frequency prescribed by that program.

1.13 Modifications

IHCDA may consider requests for changes to the characteristics of a development. **A modification fee of $500 will be imposed if loan documentation has been finalized. Additionally, a $1,500 fee will be required if any legal documents, such as the recorded Lien and Restrictive Covenant, need to be amended as a result of the request.**

Approval of modification requests is at the sole discretion of IHCDA. IHCDA must evaluate each request to see how the change would have affected original funding and underwriting of the development as well as to ensure that the proposed change will not cause noncompliance.

When submitting a modification request, please provide the following:

a. Formal written request from the Owner/Developer detailing the specific request and the reason the request is needed
b. The impact to the project in the event the modification request is not approved
c. Modification fee of $500.00 if loan documentation has been finalized

d. Updated HOME application pages that reflect changes to the original application based on the current closing projections and/or proposed modification

At its discretion, IHCDA may request additional supporting documentation.

Housing Trust Fund
Application Policy
August 2017

SUMMARY

This policy describes the manner in which IHCDA will allocate part of its Fiscal Year 2017 funds under the Housing Trust Fund ("HTF") program. IHCDA's total allocation of FY17 HTF funds is $3,3,367,317, a portion of which will be used for IHCDA administration of the program.

The Housing Trust Fund is designed to create new housing opportunities for households with extremely low-incomes (at or below 30% of area median income). By regulation, the focus of the HTF program is rental housing.

IHCDA will allocate $800,000of its FY17 HTF funds for affordable rental housing, specifically for supportive housing for persons experiencing homelessness. HTF awards will be made as gap financing in conjunction with applications for Rental Housing Tax Credits ("RHTC") under the Qualified Allocation Plan ("QAP"). Requests for HTF awards must be made as a supplemental request along with an RHTC application. Additional information about eligible activities can be found within this policy manual. In addition to meeting the requirements of this policy, all proposed developments must also meet the threshold requirements within the QAP in order to be eligible for funding.

Contents

Available Online

HTF Program Webpage

Part 1: Application Process

1.1 Overview and Funding Priorities:
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). Through this program, the Indiana Housing and Community Development Authority (IHCDA) seeks to improve the quality of existing housing stock in Indiana.

This program is designed to allocate HTF funds as gap financing in conjunction with Rental Housing Tax Credits (RHTC) to be used for the rehabilitation and/or new construction of supportive housing among selected applicants having projects that meet the requirements of the program and IHCDA's goals for the program.

The applicant must demonstrate the following in its application:

1. The activities proposed are eligible, and provide a certification that the HTF-assisted housing units will comply with all HTF requirements;
2. The activity meets the needs of their specific community;
3. 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;
4. Support geographical diversity as to the location of the HTF-funded projects;
5. It will comply with the requirements of the HTF program during the entire period that begins upon selection of the recipient to receive HTF funds, and ending upon the conclusion of all HTF-funded activities by making assurances;
6. The applicant's ability and financial capacity to undertake, comply, and manage the eligible activity;
7. The applicant's familiarity with the requirements of other Federal, State, or local housing programs that may be used in conjunction with HTF funds to ensure compliance with all applicable requirements and regulations of such programs; and
8. The applicant's experience and capacity to conduct an eligible HTF activity as evidenced by its ability to:
    - (i) Own, construct, or rehabilitate, and manage and operate an affordable multifamily rental housing development; or
    - (ii) Design, construct, or rehabilitate, and market affordable housing for homeownership.
    - (iii) 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.
9. Proceed with the activity upon receipt of the award and begin construction within 12 months of receipt of the award;
10. 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);
11. Propose projects that are energy-efficient and are of the highest quality attainable within a reasonable cost structure; and,
12. Propose the use of state certified Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Federal Disadvantaged Business Enterprise (DBE) Participation, Veteran-Owned Small

Business (VOSB), and/or Service Disabled Veteran Owned Small Business (SDVOSB) contractors, employees, and products when applicants are planning and undertaking their housing activities.

1.2 HTF Application Forms and HTF Policy Discrepancies

In the event of a conflict or inconsistency between the HTF Rental Policy and the HTF Application Form and/or Appendices, the procedures described in the HTF Application Policy will prevail.

1.3 Permanent Supportive Housing Institute in the QAP

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 2018/2019 Qualified Allocation Plan (QAP) for the Rental Housing Tax Credit Program (RHTC) and (2) successfully completed the 2015 or 2016 Indiana Supportive Housing Institute. To be eligible to submit an HTF supplemental application, a proposed project must meet all threshold requirements of the QAP, including the specific threshold requirements applicable to supportive housing developments. For FY17 HTF funds, IHCDA will not entertain stand-alone applications.

Per the QAP, supportive housing developments 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. Housing First is an innovative approach to engage and rapidly house individuals who are homeless into supportive housing and to provide intensive and flexible services to stabilize and support housing tenure.

Eligible applicants for tax credits and HTF funds must have successfully fulfilled all requirements and demonstrated meaningful and successful participation in the 2015 or 2016 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.

Application and the Anticipated Reservation date for the 2018 Annual Rental Housing Tax Credit Round are below:

Application Deadline	Anticipated Reservation Date
November 6, 2017, 5:00 PM Eastern Time	February 22, 2018

1.4 Application Fee

All fees should be made payable to IHCDA. If a check is returned for insufficient funds, the application will be immediately denied.

All applicants must submit a non-refundable Application fee with each Application as a condition of having the Development considered. Application fees for 2016 and 2017 are as follows:

RHTC Application Fee	IHCDA Supplemental Application Fee (HTF)
$2,000	$750

Applicants should refer to the QAP for guidance on all other applicable fees.

1.5 Application Review

Each application must address only one development. Reviews of applications follows the steps as outlined in the QAP.

Funded applications will be announced at the published IHCDA Board Meeting date. Confirmation letters and score sheets will be uploaded to the FTP site by the close of business on the day of the Board Meeting. Applications that are not funded will be notified by IHCDA via denial letters and final score sheets being uploaded to the FTP site by the close of business on the day of the Board Meeting. Applications not funded will not be rolled over into the next funding round.

1.6 IHCDA CDBG & HOME Program Manual

The IHCDA *CDBG,HOME, and HTF Program Manual* outlines the requirements for administering IHCDA's CDBG and HOME awards.

A complete copy of the *CDBG,HOME, and HTF Program Manual*, including exhibits, is available on IHCDA's website at this location:
http://www.in.gov/myihcda/2490.htm

Part 2: Eligible Applicants

2.1 HTF Program Eligibility

Eligibility will be determined based on:

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 2016/2017 QAP; and,

5. The availability of HTF funds.

2.2 Eligible Applicants

National Housing Trust Fund (HTF)	Community Housing Development Organizations (CHDO)	501(c)3 and 501(c)4 Not-For-Profit Organizations and PHAs*	Joint Venture Partnerships	For Profit Entities Organized Under the State of Indiana**
Rental Housing Rehabilitation/ Adaptive Reuse	✓	✓	✓	✓
Acquisition and Rental Housing Rehabilitation	✓	✓	✓	✓
Rental Housing New Construction	✓	✓	✓	✓

*PHAs are eligible to apply under the conditions set forth in 24 CFR 93.203.

**Applicant may be a non-profit or for-profit developer. The HTF award will be structured as a grant from IHCDA to the entity with the expectation that the entity will then loans the HTF funds to the Limited Partnership to allow the funds to remain in tax credit eligible basis (in accordance with Section 42 rules regarding the exclusion of federal grants from eligible basis).

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.

2.3 Ineligible Applicants

IHCDA reserves the right to disqualify from funding any application that has an applicant, sub-recipient, administrator, preparer, or related party of any of the aforementioned, with a history of disregarding the policies, procedures, or staff directives associated with administering any IHCDA program or program administered by any other State, Federal, or affordable housing entity. This includes, but is not limited to, the Indiana Office of Community and Rural Affairs, the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Agriculture - Rural Development, and the Federal Home Loan Bank.

Additionally, any entity currently on IHCDA's suspension or debarment list is ineligible to submit an application. IHCDA's Suspension and Debarment Policy can be found in the Program Manual Chapter 17.

2.4 Religious and Faith-Based Organizations

- *Equal treatment of program participants and program beneficiaries.* (1) *Program participants.* Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the HTF program. Neither the Federal Government nor a State or local government receiving funds under the HTF program shall discriminate against an organization on the basis of the organization's religious character or affiliation. Recipients and subrecipients of program funds shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.
- *Beneficiaries.* In providing services supported in whole or in part with federal financial assistance, and in their outreach activities related to such services, program participants shall not discriminate against current or prospective program beneficiaries on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.
- *Separation of explicitly religious activities.* Recipients and subrecipients of HTF program funds that engage in explicitly religious activities, including activities that involve overt religious content such as worship, religious instruction, or proselytization, must perform such activities and offer such services outside of programs that are supported with federal financial assistance separately, in time or location, from the programs or services funded under this part, and participation in any such explicitly religious activities must be voluntary for the program beneficiaries of the HUD-funded programs or services.
- *Religious identity.* A faith-based organization that is a recipient or subrecipient of HTF program funds is eligible to use such funds as provided under the regulations of this part without impairing its independence, autonomy, expression of religious beliefs, or religious character. Such organization will retain its independence from Federal, State, and local government, and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct program funds to support or engage in any explicitly religious activities, including activities that involve overt religious content, such as worship, religious instruction, or proselytization, or any manner prohibited by law. Among other things, faith-based organizations may use space in their facilities to provide program-funded services, without removing or altering religious art, icons, scriptures, or other religious symbols. In addition, a HTF program-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select

its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

- *Alternative provider.* If a program participant or prospective program participant of the HTF program supported by HUD objects to the religious character of an organization that provides services under the program, that organization shall, within a reasonably prompt time after the objection, undertake reasonable efforts to identify and refer the program participant to an alternative provider to which the prospective program participant has no objection. Except for services provided by telephone, the Internet, or similar means, the referral must be to an alternate provider in reasonable geographic proximity to the organization making the referral. In making the referral, the organization shall comply with applicable privacy laws and regulations. Recipients and subrecipients shall document any objections from program participants and prospective program participants and any efforts to refer such participants to alternative providers in accordance with the requirements of §92.508(a)(2)(xiii). Recipients shall ensure that all subrecipient agreements make organizations receiving program funds aware of these requirements.
- *Structures.* Program funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for explicitly religious activities. Program funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. When a structure is used for both eligible and explicitly religious activities, program funds may not exceed the cost of those portions of the acquisition, new construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to the HTF program. Sanctuaries, chapels, or other rooms that a HTF program-funded religious congregation uses as its principal place of worship, however, are ineligible for HTF program-funded improvements. Disposition of real property after the term of the grant, or any change in the use of the property during the term of the grant, is subject to government wide regulations governing real property disposition (see 24 CFR parts 84 and 85).
- *Supplemental funds.* If a State or local government voluntarily contributes its own funds to supplement federally funded activities, the State or local government has the option to segregate the federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.

Part 3: Eligible Activities & HTF Program Requirements

3.1 Eligible Activities

This program is intended to have a long-term impact on the availability and quality of the affordable housing stock in Indiana. The program is intended for the rehabilitation and/or new construction of supportive housing in conjunction with RHTC developments that have completed the Indiana Supportive Housing Institute and are eligible under the Housing First set-aside or the integrated supportive housing scoring category of the QAP. Acquisition only is not an eligible activity; however acquisition in conjunction with another activity is permitted.

- Rehabilitation, new construction, and acquisition/rehabilitation or acquisition/new construction of rental housing in the form of traditional apartments, single room occupancy units (SROs), or single family housing.
  - SRO housing consists of single room dwelling units that are the primary residence of the occupant(s). Neither kitchen nor bathroom facilities are required to be in each unit. However, if individual units do not contain bathroom facilities, the building must contain bathroom facilities that are shared by tenants. SRO housing does not include facilities for students.
- If HTF funds are used for acquisition of vacant land or demolition in conjunction with another activity, then construction must commence within 9 months of the demolition or acquisition.

3.2 Ineligible Activities

The following are ineligible activities:

- Preservation of existing affordable housing, including supportive housing. HTF must be used to create new affordable housing units;
- Refinancing of existing permanent debt;
- Development of housing for homebuyer programs;
- Performing owner-occupied rehabilitation;
- Group homes;
- Transitional housing;
- Acquisition, rehabilitation, or construction emergency shelters that are designed to provide temporary daytime and/or overnight accommodations for persons experiencing homelessness;
- Creation of secondary housing attached to a primary unit;
- Acquisition, rehabilitation, or construction of nursing homes, convalescent homes, hospitals, residential treatment facilities, correctional facilities, or student dormitories;
- Rehabilitation of mobile homes;
- Acquisition, rehabilitation, refinancing, or new construction if any part of a development or its land is located within the boundaries of a 100-year floodplain. A flood determination must be provided for each parcel associated with the project;
- Any housing activity funded under Title VI of NAHA, prepayment of mortgages insured under the National Housing Act, public housing developments, or acquisition, rehabilitation, or construction of any developments funded under HUD's former Rental Rehabilitation Program;
- Costs for supportive services, homeless prevention activities, or operating expenses;
- The use of commercial facilities for transient housing;
- Payment of HTF loan servicing fees or loan origination costs;

- Tenant-based rental assistance;
- Payment of back taxes.

In addition, IHCDA **does <u>not</u>** fund:

- Requests from individuals, political, social, or fraternal organizations;
- Endowments, special events, arts, or international projects;
- Scholarships requested by individuals;
- Institutions that discriminate on the basis of race, color, national origin, sex, religion, familial status, disability, sexual orientation, gender identity, or against victims of domestic violence, dating violence, sexual assault, or stalking in policy or in practice;
- Projects in furtherance of sectarian religious activities, impermissible lobbying, legislative or political activities;
- Medical research or medical profit-making enterprises.

3.3 HTF Program Requirements

The proposed HTF project must follow these minimum requirements, and all other requirements laid forth in the Program Manual, to be eligible for funding. For further details on each requirement, please see IHCDA's Program Manual at http://www.in.gov/myihcda/2490.htm.

- Recipients must comply with all regulatory requirements listed in 24 CFR Parts 91 and 93.

Applicants should familiarize themselves with IHCDA's *CDBG, HOME, and HTF Program Manual*. Requirements include, but are not limited to the following:

- **Lead Based Paint**:
  - Each recipient of a HTF award is subject to the HUD requirements of addressing lead-based paint hazards pursuant to 24 CFR Part 35. If a risk assessment is required, then all lead-based paint issues must be addressed.
- **Section 504**:
  - Housing must meet the accessibility requirements of 24 CFR Part 8 which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and covers multifamily dwellings, as defined in 24 CFR Part 100.201. It must also meet the design and construction requirements of 24 CFR 100.205 and implement the Federal Fair Housing Act Amendments of 1988 (42 U.S.C. 3601-3619).
- **Uniform Relocation Act:**
  - Each recipient of a HTF award is subject to the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA). See IHCDA's Program Manual Chapter 4 for guidance on the regulatory requirements of the URA, as amended, the Federal regulations at 49 CFR Part 24, and the requirements of Section 104(d) of Title I of the Housing and Community Development Act of 1974, as amended.
- **Affirmative Marketing Procedures:**
  - Rental housing with five or more HTF-assisted units must adopt IHCDA's Affirmative Marketing Procedures. See the IHCDA Program Manual Chapter 5 for guidance on Affirmative Marketing Procedures.

- **Section 3**:

- Any recipient receiving an aggregate amount of $200,000 or more from one (1) or more of the HUD CPD programs (i.e. CDBG, HOME, NSP, HOPWA, ESG, etc.) in a program year must comply with the Section 3 requirements. Section 3 provides preference to low- and very-low-income residents of the local community (regardless of race or gender) and the businesses that substantially employ these persons, for new employment, training, and contracting opportunities resulting from HUD-funded projects.

- **Income Verification:**
    - An income verification is valid for a period of six months. If more than six months pass between income verification and contract execution/lease execution/purchase agreement, then a new income verification must be completed.
- **Procurement Procedures:**
    - Each recipient of a HTF award will be required to provide proof of adequate builder's risk insurance, property insurance, and/or contractor liability insurance during construction and property insurance following construction for the assisted property throughout the affordability period of the award.
    - Each recipient of a HTF award must follow competitive procurement procedures when procuring all materials, supplies, equipment, and construction or professional services related to the HTF award.
- **Environmental Review:**
    - To help facilitate timely expenditure of HTF funds, all applicants are required to submit the Environmental Review Record (ERR) and Section 106 Review at the time of application. If awarded HTF funds, the HTF recipient must receive an IHCDA Release of Funds before the fully executed award documents are released and any funds are drawn. (IHCDA Program Manual, Environmental Review Chapter 11). For more information, contact the IHCDA Placemaking Manager.
    - Applicants may not purchase any property to be assisted with HTF funds, sign contracts, or begin rehab/construction until the ERR/Release of Funds process has been completed and approved.
- **Construction Standards and Physical Inspections:**
    - All IHCDA-assisted units must be inspected twice during the award period. The first inspection will occur when 50% of the funds drawn for single site projects, or when half the units are complete for scattered site projects. The second inspection will be conducted upon completion of the construction for the award. Site visits during construction may be conducted to monitor progress of all projects. The IHCDA Inspector will conduct the physical inspections.
- **Registering Vacancies:**
    - Applicants that are proposing to develop rental housing must register vacancies for HTF-assisted housing in the IndianaHousingNow.org affordable housing database.
- **Capital Needs Assessment:**
    - Projects performing the rehabilitation activity with a total of 26 or more units (the total of HTF-assisted and non-HTF assisted units) must complete and provide a Capital Needs Assessment (CNA).
- **Federal Programs Ongoing Rental Compliance:**
    - Recipient must ensure that each owner of a HTF-assisted rental project enters tenant events into IHCDA's Indiana Housing Online Management System at https://ihcdaonline.com/ within 30 days of the tenant's event date. Tenant events include move-ins, move-outs, recertification, unit transfers, and rent and income

changes. In addition, Annual Owner Certification Rental Reports must be submitted electronically using the Indiana Housing Online Management System throughout the affordability period in the Annual Rental Report. See IHCDA's Program Manual for further guidance.

- Recipient must ensure that there is a written lease between any tenant and the owner of rental housing assisted with HTF funds. The term of the lease may not be less than one year, unless a shorter period is specified upon mutual agreement between the tenant and the owner. The lease may not contain any of the prohibited provisions set forth in 24 CFR 93.303
- Recipient shall ensure that written tenant selection policies and criteria for the project are adopted and followed that comply with 24 CFR 93.303 and the additional requirements as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual, as amended from time to time by IHCDA.
- In accordance with 93.404(d), the recipient must provide IHCDA with the financial documentation and/or reports needed by IHCDA to conduct its examination of the financial condition of the project, if project has ten (10) or more assisted units.
- Rental housing developments must assist households at or below 30% of the Area Median Income for the county, as published by HUD and distributed by IHCDA. Units must be both income and rent restricted at the 30% AMI level. Households must meet the definition of "extremely low income families" families at 24 CFR 93.2.).

- **LEP**:
  - Persons who, as a result of national origin, do not speak English as their primary language and who have limited ability to speak, read, write, or understand English ("limited English proficient" or "LEP") may be entitled to language assistance under Title VI in order to receive a particular service, benefit, or encounter. In accordance with Title VI of the Civil Rights Act of 1964 and its implementing regulations, the recipient must agree to take reasonable steps to ensure meaningful access to activities funded by federal funds for LEP persons. Any of the following actions could constitute "reasonable steps", depending on the circumstances: acquiring translators to translate vital documents, advertisements, or notices; acquiring interpreters for face to face interviews with LEP persons; placing advertisements and notices in newspapers that serve LEP persons; partnering with other organizations that serve LEP populations to provide interpretation, translation, or dissemination of information regarding the project; hiring bilingual employees or volunteers for outreach and intake activities; contracting with a telephone line interpreter service; etc.
- **Nondiscrimination Requirements:**
  - Recipient must follow the non-discrimination requirements of the Fair Housing Act, the Violence Against Women Reauthorization Act of 2013, and the Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity rule.
- **SAM and DUNS:**
  - Applicants must register for System Award Management (SAM) and have a valid DUNS in order to apply for HTF.
- **HMIS**:
  - Applicants proposing permanent supportive housing will be required to participate in the Homeless Management Information System (HMIS).

3.4 Property Standards

All HTF funded projects must meet the property standards outlined in 93.301.

- 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:
  - IHCDA 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.

3.5 Affordability Requirements

The affordability period for all HTF developments is 30 years.

HTF subsidized activities must be secured throughout the affordability period by a recorded lien and restrictive covenant agreement created by IHCDA. The recipient shall comply with the following requirements of the HTF Program throughout the affordability period: (1) ensuring that the property meets the Property Standards set forth in 24 CFR 93.301; ensuring that the tenants meet the affordability requirements set forth in 24 CFR 93.205 by documenting and verifying the income of tenants as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual, as amended from time to time by IHCDA; (3) submitting annual tenant events and annual owner certifications to IHCDA through its online reporting system as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual; (4) participating in periodic monitoring and inspections of the Property by IHCDA and/or the U. S. Department of Housing and Urban Development ("HUD"); (5) complying with the Federal income and rent limits issued by HUD and published annually on IHCDA's website; (6) providing IHCDA with information regarding unit substitution and filling vacancies, if the Project has floating units; and (7) ensuring that each tenant enters into a lease that does not contain HUD prohibited lease language as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual. The affordability period begins after the project has been completed and the completion forms have been submitted to and approved by IHCDA. During the affordability period all HTF program rental requirements apply to the property. See IHCDA's *Federal Programs Ongoing Rental Compliance Manual* for a full discussion of affordability period compliance.

3.6 Lien and Restrictive Covenant Agreement

Each recipient of a HTF award must ensure that a lien and restrictive covenant is executed and recorded against every property constructed, rehabilitated, or acquired, in whole or in part, with HTF funds. Upon the occurrence of any of the following events during the Affordability Period, the entire sum secured by the lien shall be due and payable by developer and/or owner upon demand. Repayment may be demanded upon: (1) Transfer or conveyance of the real estate by deed, land contract, lease, or otherwise, during the Affordability Period; (2) Commencement of foreclosure proceedings by any mortgagee (or deed in lieu of foreclosure), within the Affordability Period; (3) The real estate no longer meets the property standards set forth in 24 CFR 93.301.; (4) HTF-assisted units are not being used by qualifying tenants as their principal residence; (5) annual tenant events and annual owner certifications are no longer being submitted to IHCDA through its online reporting system as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual; (6) non-compliance with the federal income and rent limits issued by HUD; and (7) units are not leased in accordance with the requirements set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual.

The recipient of the HTF award will be responsible for repaying IHCDA any HTF funds utilized for any housing constructed, rehabilitated, or acquired that does not remain affordable and in compliance in accordance with 24 CFR 93.302 for the entire Affordability Period. Recapture is not prorated; failure to meet the entire affordability period will result in full repayment of the HTF award.

3.7 Geographic Diversity

IHCDA will make every effort to distribute HTF funds geographically. The ability to do so may be limited by the location of eligible applications and projects which receive adequate scoring to be funded.

Applicants for HTF funds must have completed the Indiana Supportive Housing Institute. Teams are selected and admitted into the Institute based on the criteria laid out in an annual Request for Proposals (RFP). During review of the RFP responses, IHCDA staff considers geographic diversity as part of its evaluation to ensure that we are creating supportive housing developments throughout the state. In addition, the applicant must demonstrate need for supportive housing as supported by local data sources, including but not limited to data from the Point In Time Count and other data sources collected by the Continuum of Care.

3.8 Award Term

The HTF award must be fully expended within a 24 month period. The award generally expires on the last day of the month, 24 months following execution of the award agreement by the recipient and IHCDA.

Part 4: Subsidy Limitations & Eligible Activity Costs

4.1 Subsidy & Budget Limitations
The maximum request amount per application is $400,000 for eligible rental projects.

Subsidy Limitations
During the first year of the program, the maximum per-unit subsidy limits for HTF will be set at IHCDA's applicable HOME maximum per-unit subsidy limits. They will be applied statewide and are adjusted by the number of bedrooms per unit. These limits can be found in the table below.

The decision to use the HOME subsidy limits and apply them statewide is based on an analysis of the actual total development costs of affordable multifamily rental housing applications in Indiana from 2010-2015. Two separate analysis were conducted. The first compared projects in large cities (population of 75,000 or greater), small cities (population of 15,000-74,999) and rural localities (population under 14,999); the second compared the four evaluation regions as set by IHCDA. While there is some difference in individual project costs, there is relatively little variation in the 2010-2015 averages through both scenarios. The per/unit subsidy for each of the geographical subsets did not greatly differ from either each other and, or from the state average. The highest total development cost per unit can be found in the small city category; the difference between the statewide average is less than 8% higher. Large cities had the lowest cost per unit; there was only a 4% difference in cost per unit compared to the statewide average.

Setting the HTF maximum per-unit subsidy limits at the existing HOME limits is allowed by HUD and cost data indicate the use of the HOME limits is appropriate as the initial baseline cap for the amount of HTF investment that may be put into any HTF-assisted unit. However, it is important to note that the cap is not the only mechanism. IHCDA will use to allocate no more HTF funds than allowable and necessary for project quality and affordability. Each application for HTF funding will be reviewed and analyzed in accordance with IHCDA's underwriting process, which includes a subsidy layering review. IHCDA staff has extensive experience in this area, including through its administration of HOME. The review includes an examination of sources and uses (including any operating or project-based rental assistance) and a determination that all costs are reasonable. Through its underwriting process, IHCDA will ensure that the level of HTF subsidy provided: 1) does not exceed the actual HTF eligible development cost of the unit, 2) that the costs are reasonable and in line with similar projects across the state, 3) the developer is not receiving excessive profit, and 4) HTF funding does not exceed the amount necessary for the project to be successful for the required 30 year affordability period.

As required by HUD, the HTF maximum subsidy limits will be assessed and adjusted annually. IHCDA's review for the next program year will be further informed by the first years' experience working with developers and the HTF requirements as well as the issuance of HUD guidance on using HTF funding for operating assistance and reserves.

HTF funds used for acquisition, rehabilitation, new construction and new construction combined cannot exceed:

Bedroom Size	Per Unit Subsidy Limit
0	$90,000
1	$105,000
2	$120,000
3	$145,000
4+	$160,000

Minimum amount of HTF funds to be used for rehabilitation or new construction is $1,001 per unit.

Budget Limitations

- HTF funds cannot be used for reserve accounts for replacement or operating costs, but may be used as a Rent-Up Reserve.
- All subsidies must be secured throughout the affordability period by a written, legally binding, recorded restrictive covenant.

IHCDA may approve, at their sole discretion, requests for higher per unit subsidy limits dependent upon verification of the need for increased costs.

4.2 Form of Assistance

HTF funds will be awarded to the recipient in the form of a grant. Award documents must be executed in order to access funds and will include, but are not limited to: award agreement, resolution, and a lien and restrictive covenant agreement.

The applicant may then provide the HTF award as a forgivable, amortized, or deferred loan to as many other entities as it chooses, known as subgrantees. However, subgrantees must be identified in the application and approved by IHCDA.

A title company is required to be used for all loans that occur between the IHCDA recipient and the subgrantee of the program. The IHCDA recipient must execute a promissory note, mortgage, lien and restrictive covenant agreement, and other documents as directed by IHCDA in order to secure IHCDA's investment in the assisted property. The recipient is required to deliver these documents to the county recorder's office for recording. These documents will be reviewed during monitoring visits.

4.3 Eligible Activity Costs

The bolded items listed below are included in the application budget. If you have a question about which line item an expense goes under, contact your IHCDA Real Estate Production Analyst.

ACQUISITION – Limited to the purchase price and related costs associated with the acquisition of real property. Recipients must use a title company when purchasing or selling assisted properties.

DEMOLITION – Costs associated with the demolition and clearance of existing structures.

NEW CONSTRUCTION

Eligible costs include:

- Hard costs associated with new construction activities;
- Utility connections including off-site connections from the property line to the adjacent street;

- Site work related to driveways, sidewalks, landscaping, etc.
- Related infrastructure costs - improvements to the development site that are in keeping with improvements of surrounding, standard developments. Site improvements may include on-site roads and water and sewer lines necessary to the development
- Stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners

REHABILITATION
Eligible costs include:
- Hard costs associated with rehabilitation activities
- Lead-based paint interim controls and abatement costs.
- Mold remediation
- Site work related to driveways, sidewalks, landscaping, etc.
- Stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners
- Utility connections and related infrastructure costs - off-site connections from the property line to the adjacent street are eligible when it is deemed a threat to health and safety. Improvements to infrastructure when there will be no rehabilitation work done on the actual house to be served

RETAINAGE POLICY - IHCDA will hold the final $5,000 of an award until, closeout documentation, and completion reports are received and approved. Closeout documentation will not be approved until the final monitoring and inspection is completed and all associated findings and/or concerns are resolved.

4.4 Ineligible Activity Costs
- Annual contributions for operation of public housing
- Commercial development costs **-** All costs associated with the construction or rehabilitation of space within a development that will be used for non-residential purposes such as offices or other commercial uses. This does not include the common area used by tenants of rental property or the leasing office of the apartment manager. HOME awards cannot be used to underwrite any portion of commercial development costs. The expenses incurred and income to be generated from commercial space must be reported in a separate "Annual Expense Information" sheet and 15-year proforma.
- Costs associated with any financial audit of the recipient.
- Costs associated with preparing an application for funding through IHCDA
- Cost of supportive services
- General operating expenses or operating subsidies
- Loan guarantees
- Mortgage default/delinquency correction or avoidance
- Providing tenant based rental assistance
- Purchase or installation of equipment, furnishings, tools, or other personal property that is not an integral structural feature, such as window air conditioner units or washers and dryers.
- Purchase or installation of luxury items, such as swimming pools or hot tubs
- Any additional prohibited activities and fees as listed in 93.204.

4.5 Allocating Costs in Mixed-Income Developments

HTF may only pay actual costs related to HTF-assisted units. If the units in a development are comparable (in terms of size, features and number of bedrooms), then the actual costs can be determined by pro-rating total development costs. HTF funds could pay the pro-rated share of the HTF-assisted units. When units are not comparable, the applicant must allocate the HTF costs on a unit-by-unit basis, charging only actual costs to the HTF program. Because units in rental developments with-the "floating" HTF designation must be comparable, an applicant should always pro-rate costs in these developments. When units are generally comparable but vary slightly in size or amenities, a combination of the two approaches may be used.

Unit Size - Comparability in size is defined by the bedroom count and square footage of individual units. Not all units with the same number of bedrooms are comparable in size. If there is a substantial difference in the square footage of two units with the same number of bedrooms, the units are not considered comparable.

Amenities - Comparability in amenities means similar fixtures, appliances and other features. In many mixed-income developments, to receive varying rents, the quality and types of amenities may vary among units. For instance, a development might charge a higher rent for a unit with wall-to-wall carpeting, garbage disposal, dishwasher, and finer fixtures than for a unit without these amenities. This type of development does not typically have comparability of units, unless there is an equal distribution of assisted and non-assisted units that have these amenities.

Common Costs - Common costs are costs incurred for acquisition of improved or unimproved real property that benefits all residents of units in a development, rehabilitation or construction of shared systems (heating, plumbing, roofing) or shared facilities (community rooms, laundry facilities located in residential buildings); and on-site improvements. Costs associated with a development's on-site management office or the apartment of a resident manager may be counted as common costs. The manner in which the costs for common elements of a development may be charged is dictated by the method chosen for allocating costs.

5.1 Eligible Projects

HTF projects can propose rental activities with this policy and corresponding application forms.

5.2 Eligible Rental Activities

Eligible activities include new construction, rehabilitation only, or acquisition/rehabilitation. Acquisition is allowed only in conjunction with the rehabilitation activity and is ineligible as a stand-alone activity. Permanent rental housing units may not be used for temporary or emergency housing at any time. Eligible rental activities also include the rehabilitation or acquisition/rehabilitation of assisted-living facilities as long as they meet IHCDA's definition. IHCDA defines an assisted living facility as living arrangements in which some optional services are available to residents (meals, laundry, medication reminders), but residents still live independently within the assisted-living complex. Residents of such facilities pay a regular monthly rent, and then pay additional fees for the services that they desire.

All households occupying HTF-assisted rental units must be income-qualified based at or below 30% of area median income and all units must be rent restricted at the 30% rent limit. See the *Federal Programs Ongoing Rental Compliance Manual* for more information on household qualification. The manual will be updated in 2016 to referenced HTF.

5.3 Income Restrictions

HTF-assisted rental units will income-restricted for occupancy by extremely low-income households, defined as households that are certified as having incomes at or below the 30% area median income HTF income limit, as published by HUD. The 2016 income limits for Indiana (effective 7/1/16) can be found HUD's website at https://www.hudexchange.info/resource/reportmanagement/published/HTF_IncomeLmts_State_IN_2016.pdf.

All households that occupy HTF-assisted rental housing units must be income certified at the time of move-in and then recertified on an annual basis. The 24 CFR Part 5 (Section 8) definition of household income applies.

5.4 Rent Restrictions

HTF-assisted rental units will be rent-restricted at the 30% rent restriction throughout the affordability period to ensure that the units are affordable to extremely low-income households. Please refer to the most recent HTF rent limits. The 2016 rent limits for Indiana (effective 7/1/16) can be found on HUD's website at https://www.hudexchange.info/resource/reportmanagement/published/HTF_RentLimits_State_IN_2016.pdf

The following restrictions apply:

- Published rent limits include the cost of any tenant-paid utilities. For all utilities that the tenant will be responsible for you must subtract any IHCDA or HUD approved utility allowance from the published rent limit. For example, if the rent limit in a given county is $300 with a utility allowance for gas heat of $28, $20 for other electric, and $13 for water, the maximum allowable rent would be $239 for a unit where the tenant pays all the above utilities ($300 - $28 - $20 - $13 = $239).

- All units must be leased for initial occupancy within 18 months.
- If a SRO-unit has both food preparation and sanitary facilities, then use the zero bedroom (efficiency) unit rent or 30% of the household's adjusted income, whichever is most restrictive.
- If a SRO-unit has neither food preparation nor sanitary facilities, or only one of either, then the rent may not exceed 75% of the fair market rent (FMR) for a zero bedroom unit. For example, if the FMR for a zero bedroom unit in a given county is $300, then the 30% rent limit in that county for a SRO unit that only has a bathroom and not a kitchen would be $225 ($300 x .75 = $225).
- Gross rent must be at or below the published rent limit. Gross rent = tenant-paid rent + tenant-based rental assistance + utility allowance + non-optional charges.
- If the applicant proposes to receive all or a portion of the rent payment via a tenant-based voucher (rental subsidy), the gross rent (including the rental assistance amount) cannot exceed the published rent limits for the applicable income level. For example, a tenant residing in a unit set-aside for households at or below 30% of the area median income has a voucher that pays $100 of his/her rent, and the published utility allowance for tenant paid utilities for the unit is $50. If the published 30% rent limit is $300, the tenant paid portion of rent cannot exceed $150 ($300 rent limit - $100 Section 8 Voucher - $50 utility allowance = $150 maximum tenant paid portion).
- If the development receives a federal or state project-based rent subsidy and the unit is designated as 30% or below and the household is at or below 30% AMI and the household pays no more than 30% of his/her adjusted income for rent, then the maximum rent may be the rent allowable under the project-based rental subsidy program as set forth in 24 CFR 93.302(b)(2).
- If the development charges non-optional fees for food or the costs of supportive services, then these costs must be included in the gross rent calculation

5.5 Affordability Periods

All rental projects are subject to a 30-year affordability period as defined in Part 3.4 of this document.

The recipient is subject to recapture provisions through a recorded lien and restrictive covenant agreement as described in Parts 3.5 of this document.

5.6 Underwriting Guidelines for Rental Projects

The following underwriting guidelines must be followed for any rental development as per 24 CFR 93.300 (b). The numbers submitted should accurately reflect the true nature and cost of the proposed activity. IHCDA will consider underwriting outside of these guidelines, if supporting documentation is provided.

TOTAL OPERATING EXPENSES – All developments must be able to underwrite with a minimum operating expense of $3,500 per unit per year (net of taxes and reserves).

MANAGEMENT FEE – The maximum management fee allowed is described in the table below, based on the number units within the project. The percentage is based on the "effective gross income" (i.e. gross income for all units, less vacancy rate).

Number of Units	Maximum Management Fee Percentage
1 – 50	7%
51 - 100	6%
101 or more	5%

VACANCY RATE – All developments must be able to underwrite with a vacancy rate between 6% and 8%. Applicants must substantiate the vacancy rate.

RENTAL INCOME GROWTH – All developments must be able to underwrite with a rental income growth between 0% and 2% per year beyond the 30 year affordability period.

OPERATING RESERVES – All developments must be able to underwrite with operating reserves, using the greater of four-to-six months of expenses (i.e. operating expenses, plus debt service) OR $1,500 per unit.

RENT-UP RESERVE – HTF funds may be used to fund a rent-up reserve for new construction and rehabilitation rental housing developments. This reserve can be used to meet shortfalls in development income during the rent-up period and may only be drawn down after all construction is completed at the development. The following terms apply:

- The term of the rent-up reserve account may not exceed six months after all construction is completed, after which time any unused reserves left in the account will be de-obligated by IHCDA.
- These funds can be used only for development operating expenses, scheduled payments to replacement reserves, and/or debt service payments.
- The recipient must receive IHCDA's approval prior to accessing its rent-up reserve funding.
- The amount of HTF funds that can be utilized for a rent-up reserve is limited to three months development operating expenses plus three months of development debt service.

REPLACEMENT RESERVES – All developments are required to have replacement reserves. Replacement reserves must be included in the operating budget but are not included as part of the operating reserves. Contributions must be made to the reserve account starting at or before the conversion date of the construction loan to permanent loan and must be funded for the term of the loan. Replacement reserve funds must only be used for capital improvements (substantial improvements to the real estate such as re-roofing, structural repairs, or major projects to replace or upgrade existing furnishings, but not including replacement of individual appliances or minor repairs) and must **not** be used for general maintenance expenses. Less restrictive provisions required by lenders must be approved by IHCDA.

Replacement reserves must escalate at a rate of 3% per year.

IHCDA will, at its discretion, adjust the replacement reserve to reflect reasonable and customary capital and replacement expenditures. The following minimum contributions must be used.

Development Type	Minimum Contribution per unit per year
Rehabilitation/ Adaptive Reuse*	$350

Development Type	Minimum Contribution per unit per year
New Construction (if age restricted)	$250
New Construction (if non age-restricted)	$300
Single Family Units	$420
Historic Rehabilitation	$420

* For rehabilitation developments, the Capital Needs Assessment will be reviewed to determine whether sufficient reserves have been established.

CAPITALIZED SERVICE RESERVES- All developments receiving an allocation of HTF funds must establish a capitalized service reserve to help ensure that supportive services can be provided to the tenants throughout the affordability period. The service reserve cannot, however, be funded from HTF funds. The developer must account for the source of the service reserves and take this into effect when considering uses for tax credit equity and other sources. The amount of the service reserve must be based on development size and service budget. The application must include a narrative describing the methodology used to determine the size of the service reserve.

IHCDA will, at its discretion, issue additional guidance via a RED Notice to set a more standardized requirement on the allowable size (minimum and maximum) of the capitalized service reserve requirement to reflect reasonable and customary expenditures.

OPERATING EXPENSE GROWTH – All developments must be able to underwrite with operating expense growth between 1% and 3% per year.

IHCDA requires operating expense growth to be at least 1% higher than rental income growth.

STABILIZED DEBT COVERAGE RATIO – All developments must be able to underwrite with a stabilized debt coverage ratio (DCR) within the following standards (stabilization generally occurs in year 2):

Development Location	Minimum Acceptable Debt Coverage Ratio
Large or Small City	1.10 – 1.40
Rural	1.10 – 1.50

- Stabilization usually occurs in year two; however, the debt coverage ratio for a development must not go below 1.10 during the affordability period to be considered financially feasible.
- IHCDA does recognize that rural deals may have higher debt coverage ratios at the beginning of the affordability period in order to remain feasible. Documentation to support these higher debt coverage ratios must be provided.
- Developments without hard debt are permissible, but will be subject to additional scrutiny from IHCDA. Developments with no debt will not have a debt coverage ratio, but will be required to have cash flow without an undue profit. This will be determined by a ratio of Effective Gross Income to Total Annual Expenses (including Replacement Reserves). A ratio of 1.10 shall be the minimum required to be considered feasible by IHCDA, throughout the affordability period.

- Tax abatement may cause the DCR to be higher than these guidelines.

The following documentation is required for Stabilized Debt Coverage Ratio:

- Documentation of estimated property taxes and insurance for the proposed development (i.e. a statement of how the applicant determined the estimated taxes and insurance for the development); AND

- If the underwriting is outside these guidelines, the applicant must provide a written detailed explanation with third party documentation supporting the explanation (approval of underwriting from other financing institutions/funding sources will not constitute acceptable supporting documentation).

5.7 Market Assessment Guidelines

The following market assessment guidelines must be followed for any rental development. The numbers submitted should accurately reflect the market feasibility of the proposed activity.

MARKET AREA – Describe the market area from which the majority of the development's tenants are likely to come and provide a map with a scale. Describe how the market area was determined to be appropriate for the development.

SOCIOECONOMIC PROFILE AND TRENDS – Describe the trends in population and households by age and income and estimate the number of eligible tenants for the development.

HOUSING STOCK – Describe the existing housing stock within the market area including the number of housing units, type (single family or multifamily), percent vacant, percent owner-occupied and renter-occupied, etc. In addition, provide a list of all other rent restricted properties in the market area and indicate whether they are age restricted.

CAPTURE RATE AND ABSORPTION PERIOD – Provide an estimate of the capture rate for the development (project's units divided by the number of eligible tenants from the market area), and estimate the absorption period to ensure lease-up within 18 months of project completion.

NEEDS ASSESSMENT – Describe how the development addresses the community's housing needs, given the market area's socioeconomic profile, trends, and housing stock.

DEVELOPMENT SITE DESCRIPTION – Explain how the site is adequate in size, exposure, and contour to accommodate the number and type of units proposed. In addition, describe whether there are adequate utilities (water, sewer, gas, and electricity) to accommodate the development.

5.8 Site and Neighborhood Standards

IHCDA administers the HTF program in a manner that promotes housing opportunities and provides housing that is suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964, the Fair Housing Act, E.O. 11063, and HUD regulations issued pursuant thereto. For new construction of HTF -assisted rental units, the applicant must demonstrate that the proposed development meets the site and neighborhood standards as given at 24 CFR 983.6(b) and 93.150 by completing the appropriate form in the HTF Section.

- The site must not be located in an area of minority concentration, except as permitted under paragraph (e)(3) of this section, and must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- A project may be located in an area of minority concentration only if:
    - Sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or
    - The project is necessary to meet overriding housing needs that cannot be met in that housing market area
    - "Sufficient" does not require that in every locality there be an equal number of assisted units within and outside of areas of minority concentration. Rather, application of this standard should produce a reasonable distribution of assisted units each year that, over a period of several years, will approach an appropriate balance of housing choices within and outside areas of minority concentration. An appropriate balance in any jurisdiction must be determined in light of local conditions affecting the range of housing choices available for low income minority families and in relation to the racial mix of the locality's population.
    - Units may be considered "comparable opportunities," if they have the same household type (elderly, disabled, family, large family) and tenure type (owner/renter); require approximately the same tenant contribution towards rent; serve the same income group; are located in the same housing market; and are in standard condition.
    - Application of this sufficient, comparable opportunities standard involves assessing the overall impact of HUD-assisted housing on the availability of housing choices for low-income minority families in and outside areas of minority concentration, and must take into account the extent to which the following factors are present, along with other factors relevant to housing choice:
        - A significant number of assisted housing units are available outside areas of minority concentration.
        - There is significant integration of assisted housing projects constructed or rehabilitated in the past 10 years, relative to the racial mix of the eligible population.
        - There are racially integrated neighborhoods in the locality.
        - Programs are operated by the locality to assist minority families that wish to find housing outside areas of minority concentration.
        - Minority families have benefited from local activities (e.g., acquisition and write-down of sites, tax relief programs for homeowners, acquisitions of units for use as assisted housing units) undertaken to expand choice for minority families outside of areas of minority concentration.
        - A significant proportion of minority households has been successful in finding units in non-minority areas under the tenant-based assistance programs.

    - Comparable housing opportunities have been made available outside areas of minority concentration through other programs.
- Application of the “overriding housing needs” criterion, for example, permits approval of sites that are an integral part of an overall local strategy for the preservation or restoration of the immediate neighborhood and of sites in a neighborhood experiencing significant private investment that is demonstrably improving the economic character of the area (a “revitalizing area”). An “overriding housing need,” however, may not serve as the basis for determining that a site is acceptable, if the only reason the need cannot otherwise be feasibly met is that discrimination on the basis of race, color, religion, sex, national origin, age, familial status, or disability renders sites outside areas of minority concentration unavailable or if the use of this standard in recent years has had the effect of circumventing the obligation to provide housing choice.

Part 6: Completeness & Threshold Requirements

Each proposed project must satisfy the Federal requirements of the HTF program listed in 24 CFR Part 93 and any additional requirements established by IHCDA. To be considered for funding, an applicant must meet all of the completeness and threshold requirements listed below.

6.1 Completeness Requirements

a. Timeliness – All documentation must be turned in by the application due date.
   - On or before the application deadline, the applicant must provide all documentation as instructed in this application policy as well as required documentation listed in the HOME Application Forms.
   - If IHCDA requests additional information from the applicant, all requests are due on or before the date provided by IHCDA staff.
   - Any forms that are late will be denied review and will be sent back to the applicant.

b. Responsiveness – All questions must be answered and all supporting documentation must be provided.
   - The applicant must provide all documentation as instructed in this application policy as well as required documentation listed in the HTF Application Forms.
   - The applicant must provide all documentation as requested (i.e. uploaded or hard copies, labeled correctly, etc.)
   - Required signatures must be originally signed.

6.2 HTF Criteria

In accordance with 24 CFR 91.320(5)(i), IHCDA will address and weigh the required priority funding factors in the following manner:

a. *Priority Housing Needs of Indiana – high priority*: Through the 2015-2019 Consolidated Plan, the State of Indiana includes extremely low income households and permanent supportive housing/integrated supporting housing as “housing priority needs” (see AP-25 Allocation Priorities).

   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, IHCDA may award additional scoring of 140 points under Sections 7.1 Rents Charged; 7.2 Development Characteristics; and 7.3 Sustainable Development to prioritize projects which best serve their residents.

b. *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 points for rent targeting.

c. *Timely Undertaking – moderate priority*: As stated under the Threshold Items Section 6.3 (d), 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.

d. *Extent of Non-Federal Funding – moderate priority*: As stated under the Threshold Items Section 6.3 (c), the applicant must demonstrate all subsidy sources. IHCDA may also award up to 14 points for projects that meet the criteria as outlined in Sections 7.2 (o) Tax Credit Per Unit; 7.2 (p) Tax Credit per Bedroom; 7.4 (a) Firm Commitment; and 7.4 (b) Previous Funding in a Local Government.

e. *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.

f. *Geographic Diversity – medium priority*: As identified in Section 3.7, IHCDA will make no preference to geographic diversity in projects during the HTF application scoring process. IHCDA will, however, make every effort to distribute HTF funds geographically. The ability to do so may be limited by the location of eligible applications and projects which receive adequate scoring to be funded. The primary consideration for geographic diversity will be handled through the selection of teams that are admitted into the Indiana Supportive Housing Institute. Completion of the Institute is a threshold requirement for HTF eligibility.

IHCDA will, however, consider geographic factors in scoring related to "desirable sites" as defined within the QAP. An application can score up to 10 points in the desirable sites scoring categories as summarized below and listed in Part 7.3 F.

- Location Efficient Projects: An application can score up to 3 points for being within walking distance of stores with fresh produce and other amenities including civic or community facilities, services, retail opportunities, or healthcare.
- Transit Oriented Development: An application can score up to 2 points for being near fixed transit infrastructure, or for rural or small city developments if there is established public or point-to-point transit services that pick up near the site.
- Opportunity Index: An application can score up to 5 points for being located in a county in the top quartile of median household income in the state and not within a qualified census tract, in a county in the bottom quartile of poverty in the state and not within a qualified census tract, in a location with at least one "A" rating public school, in a county with an unemployment rate below state average, and/or in a county ranked in the top quartile of overall healthy outcome rankings in the state.
- Undesirable Sites: An application can receive a negative point if the proposed development is near undesirable facilities and locations that produce objectionable noise, smells, excessive traffic, hazardous activity, etc.

Additionally, IHCDA considers where it has previously allocated funds. The QAP contains two scoring categories worth up to 6 points that attempt to incentivize developments in areas that have not obtained recent IHCDA funding.

- Previous Funding within a Local Government: An application can receive up to 3 points for falling in the boundaries of a unit of local government that has not received an allocation of low-income housing tax credits in the past 3 years.
- Census Tract without Active Tax Credit Developments: An application can receive 3 points for if the proposed development is in a census tract that does not have any active tax credit developments of the same occupancy type (elderly or family). An "active" tax credit project is one that has received a reservation of credits, is in its compliance period, or is in its extended use period.

6.3 Threshold Items

Each Development applying for an allocation of Rental Housing Financing and HTF must satisfy the requirements of both Section 42 and 24 CFR 93. In the event that an application is competitive for RHTC but either the application fails the HTF threshold review, or HTF funds are not available to award, IHCDA will allow the application to submit additional information to identify other ways to fill the development's financing gap.

Applicants must meet the threshold requirements are outlined in the QAP as well as the following threshold items for those projects requesting HTF:

a. The HTF-assisted units must meet affordability requirements for not less than 30 years, beginning at development completion. The affordability requirements apply without regard to the term of any loan or mortgage or the transfer of ownership. The affordability requirements must be imposed by deed restrictions or covenants running with the land. Please note that the HTF affordability period may differ from that of the RHTC program.

b. IHCDA is required to complete a subsidy layering review at any time a development receives HTF funds, along with other governmental subsidies to assure that the development is not being overly subsidized. In reviewing requests for HTF in conjunction with RHTC, IHCDA will utilize the underwriting analysis as outlined in Section 5. If the applicant is also applying for Project-Based Section 8, the applicant must provide the required documentation as listed in the QAP.

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.

d. The applicant must demonstrate experience and capacity to conduct an eligible HTF activity as evidenced by its ability to:
   1. Own, construct, or rehabilitate, and manage and operate an affordable multifamily rental housing development; or
   2. Design, construct, or rehabilitate, and market affordable housing for homeownership.
   3. 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.

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.

Part 7: Scoring Criteria

IHCDA developed five (5) categories of scoring criteria within its QAP, based on the needs assessment conducted and established housing goals. If an Application satisfies all applicable threshold requirements in the QAP, and meets the federal regulations under 24 CFR 93, then it will be evaluated and scored based on:

Scoring Section	Total Number of Eligible Points
1. Rents Charged	16 Points
2. Development Characteristics	63 Points
3. Sustainable Development Characteristics	14 Points
4. Financing & Market	17 Points
5. Other	33 Points
Total Number of Points	**143 Points**

Applicants both seeking a Rental Housing Tax Credit Allocation and funding through the National Housing Trust Fund must score a total of eighty (80) or more points in order to meet the minimum threshold score and be considered for funding. For more detail, please see the 2018-2019 QAP. If there is a discrepancy or conflict between the below categories/points, and the QAP, the QAP will prevail.

7.1 Rents Charged

If the Development intends to charge rents lower than the maximum allowable for the area median income (AMI) required, and maintains rents for units at a level to exceed the maximums outlined in the QAP. See the table below. Please note all PY 2017 HTF units must be for persons at or below 30% of the AMI.

Points	% of units at 30% AMI Rent	TOTAL% of units at or below 50% AMI Rent (including 30% units)
16	25%	50%
12	25%	40%
8	25%	25%
4	Less than 25%	33.33%

Maximum Points: 16.

7.2 Development Characteristics

a. Amenities: IHCDA will award points for the development's amenities. All amenities chosen by the Applicant should conform to the needs of the Development and its residents.
Maximum Points: 6.

b. Accessible/adaptable units: IHCDA encourages the adoption of additional accessible or adaptable units.
Maximum Points: 5.

c. Universal Design Features: Applicants are encouraged to adopt universal design features.
Maximum Points: 5

d. Vacant Structure: IHCDA will award up to five points to applications who convert a vacant structure into rental housing, or a portion for commercial use.
Maximum Points: 6.

e. Development Historic in Nature: At least 50% of the total units must be located in eligible historic buildings.
Maximum Points: 3

f. Preservation of Existing Affordable Housing: Points may be awarded for either an application which proposes the preservation of an existing Rental Housing Tax Credit affordable housing development or, an application which proposes the preservation of HUD or USDA affordable housing.
Maximum Points: 6

g. Infill New Construction: IHCDA will award points to applications which meet IHCDA's criteria for infill development.
Maximum Points 6.

h. Promotes Neighborhood Stabilization: Points will be awarded to a proposed development that is recognized by the local government as assisting in the stabilization of a neighborhood by demolishing or redevelopment property that has been foreclosed, abandoned, or constitutes blights or greyfield redevelopment.
Maximum Points: 4

i. Local Redevelopment Plan: Points will be awarded if there is an adopted redevelopment or community revitalization plan that clearly targets the specific neighborhood in which the project is located.
Maximum Points: 4.

j. Federally Assisted Revitalization Award: Points will be awarded if the proposed project is a phase or a component of certain federally assisted awards. See the QAP for a list of eligible awards.
Maximum Points: 4

k. Off Site Improvement, Amenity and Facility Investment: Points will be awarded if an investment of resources is provided that will result in off-site infrastructure improvements.
Maximum Points: 4

l. Tax Credit Per Unit: Points will be awarded for development that implement cost containment measures.
Maximum Points: 4.

m. Tax Credit Per Bedroom: Points will be awarded for development that implement cost containment measures.
Maximum Points: 4.

7.3 Sustainable Development Characteristics

a. Building Certification: Points will be awarded if the Development commits to going beyond the minimum green standards and all buildings register and receive one of the certifications listed in the QAP.
Maximum Points: 2.

b. Water Conservation: To promise sustainable water uses practices, points may be earned for the integration of water conservation methods. A listing of methods can be found in the QAP.
Maximum Points: 1.

c. Desirable Sites: Desirable sites, which are or will be, located in close proximity and are accessible to desirable facilities tailored to the needs of the development's tenants will be awarded points. The listing of the desirable sites and the targeted area points (urban or rural) can be found in the QAP.
Maximum Points: 11.

7.4 Financing & Market

a. Leveraging Capital Resources: The Development has received a firm commitment that does not require any further approvals for public or private funds that specifically enhance and/or create significant costs savings for the Development.
Maximum Points: 4

b. Non-IHCDA Rental Assistance: Developments that have received a commitment of non-IHCDA funded rental assistance will receive two points.
Maximum Points: 2.

b. Previous funding within a Local Government: Points will be awarded if a Development's proposed site does not fall within the boundaries of a Local Government in which there has been an RHTC,

and/or Tax Exempt Bond allocation within the last three year calendars years as of the application due date.
Maximum Points: 3.

c. Census Tract without Active Tax Credit Developments: Points will be awarded if the proposed project is in a Census Tract without any active RHTC developments of the same occupancy type (elderly or family).
Maximum Points: 3.

d. Housing Need Index: The proposed Development Site may earn up to 3 points if the area to be served demonstrates a need for affordable housing units.
Maximum Points: 3

e. Lease-Purchase: Development that will offer homeownership opportunities to qualified tenants after 15 years will be eligible (this option is not available for elderly developments).
Maximum Points: 2.

7.5 Other

a. Certified Tax Credit Compliance Specialist Points will be awarded for completion of certified trainings. Please see the QAP for a listing of eligible awardees and certifications.
Maximum Points: 3.

b. MBE/WBE/DBE/VOSB/SDVOSB: Points will be awarded for each certification submitted which meets the criteria outlined in the QAP.
Maximum Points: 4.

c. Unique Features: The Development has unique features that contribute to the Development of affordable housing in the community where the Development is located.
Maximum Points: 6

d. Tenant Investment Plan. Points in this category will be awarded based on the overall Tenant Investment Plan.
Maximum Points: 6

e. Integrated Supportive Housing: Developments proposing to create Integrated Supportive Housing, defined as housing in which no more than 25% of the units, but no less than 7 units, are designated as supportive housing for persons experiencing homeless. Developments proposing that 100% of the units will be supportive housing are eligible to complete in the Housing First Set aside, but are not eligible for points in this evaluation category.
Maximum Points: 5.

f. Smoke Free Housing: Points will be awarded to developments that commit to operating as smoke-free housing.

Maximum Points: 3

g. Community Participation: Points will be awarded if the applicant, owner, or developer is a member of the Board of Directors of a 501(c)3 nonprofit organization within the State of Indiana that has been in existence for at least one year from the time of application submission.
Maximum Points: 2

h. Technical Correction: During the funding round, and after IHCDA's review of Threshold for each Application, IHCDA will award bonus points for applications that have two or less technical corrections.
Maximum Points: 4.

Part 8: Glossary

Below are definitions for commonly used terminology found throughout the IHCDA HTF application policy and forms and applicable to the IHCDA HTF program.

Development: The HTF activity proposed in the application.

Extremely Low-Income: A household at or below 30% of area median income.

HTF: The Housing Trust Fund program.

IHCDA: Indiana Housing and Community Development Authority

Income Limits: Maximum incomes as published by HUD for projects giving the maximum income limits per household for program units. For HTF, the maximum income limit is 30% of area median income.

Median Income: A determination made through statistical methods establishing a middle point for determining income limits. Median is the amount that divides the distribution into two equal groups, one group having income above the median and one group having income below the median.

Rent Limits: The HUD published maximum rent amount, including a utility allowance and any non-optional fees. Rent limits are published by bedroom size and by AMI level. For HTF, the maximum rent limit is the 30% AMI rent limit.

Housing Trust Fund and HOME Investment Partnerships Program 2017 Institute Policy
August 2017

SUMMARY

This policy describes the manner in which IHCDA will allocate part of its Fiscal Year 2017 funds under the Housing Trust Fund ("HTF") program in conjunction with a a portion of the State's HOME Investment Partnerships Program Grant. IHCDA's total allocation of FY17 HTF funds is $3,367,317, a portion of which will be used for IHCDA administration of the program.

The Housing Trust Fund is designed to create new housing opportunities for households with extremely low-incomes (at or below 30% of area median income). By regulation, the focus of the HTF program is rental housing.

IHCDA will allocate all of its FY17 HTF funds for affordable rental housing, specifically for supportive housing for persons experiencing homelessness. HTF awards will be made to finance projects that have successfully completed the 2017 Permanent Supportive Housing Institute. Requests for these HTF/HOME combination awards may be made on a rolling basis. Additional information about eligible activities can be found within this policy manual. In addition to meeting the requirements of this policy, all proposed developments must also meet the requirements under the HOME program.

Contents

Available Online

HTF Program Webpage

Part 1: Application Process

1.1 Overview and Funding Priorities:
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). Through this program, the Indiana Housing and Community Development Authority (IHCDA) seeks to improve the quality of existing housing stock in Indiana.

This program is designed to allocate HTF funds as financing in conjunction with funding from the State's HOME Investment Partnership Program Grant for those applicants that have completed the 2017 Permanent Supportive Housing Institute, and to be used for the rehabilitation and/or new construction of supportive housing among selected applicants having projects that meet the requirements of the program and IHCDA's goals for the program.

The applicant must demonstrate the following in its application:

1. The activities proposed are eligible, and provide a certification that the HTF-assisted housing units will comply with all HTF requirements;
2. The activity meets the needs of their specific community;
3. 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;
4. Support geographical diversity as to the location of the HTF-funded projects;
5. It will comply with the requirements of the HTF program during the entire period that begins upon selection of the recipient to receive HTF funds, and ending upon the conclusion of all HTF-funded activities by making assurances;
6. The applicant's ability and financial capacity to undertake, comply, and manage the eligible activity;
7. The applicant's familiarity with the requirements of other Federal, State, or local housing programs that may be used in conjunction with HTF funds to ensure compliance with all applicable requirements and regulations of such programs; and
8. The applicant's experience and capacity to conduct an eligible HTF activity as evidenced by its ability to:
    - (i) Own, construct, or rehabilitate, and manage and operate an affordable multifamily rental housing development; or
    - (ii) Design, construct, or rehabilitate, and market affordable housing for homeownership.
    - (iii) 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;
9. Proceed with the activity upon receipt of the award and begin construction within 12 months of receipt of the award;
10. 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);
11. Propose projects that are energy-efficient and are of the highest quality attainable within a reasonable cost structure; and,
12. Propose the use of state certified Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Federal Disadvantaged Business Enterprise (DBE) Participation, Veteran-Owned Small

Business (VOSB), and/or Service Disabled Veteran Owned Small Business (SDVOSB) contractors, employees, and products when applicants are planning and undertaking their housing activities.

1.2 HTF Application Forms and HTF Policy Discrepancies
In the event of a conflict or inconsistency between the HTF Rental Policy and the HTF Application Form and/or Appendices, the procedures described in the HTF Application Policy will prevail.

1.3 Permanent Supportive Housing Institute in the QAP
HTF funds will be offered exclusively to developments that successfully completed the 2017 Indiana Supportive Housing Institute. To be eligible to submit an HTF supplemental application, a proposed project must meet all threshold requirements of this policy, including the specific threshold requirements applicable to supportive housing developments. For FY17 HTF funds, IHCDA will not entertain stand-alone applications.

Supportive housing developments 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. Housing First is an innovative approach to engage and rapidly house individuals who are homeless into supportive housing and to provide intensive and flexible services to stabilize and support housing tenure.

Eligible applicants f must have successfully fulfilled all requirements and demonstrated meaningful and successful participation in the 2017 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 an application. Participation in the Institute is based on a competitive RFP selection process.

1.4 Application Fee

All fees should be made payable to IHCDA. If a check is returned for insufficient funds, the application will be immediately denied.

All applicants must submit a non-refundable $250 Application fee with each Application as a condition of having the Development considered.

1.5 Application Submission
The applicant must submit the following items to IHCDA's Real Estate Production Coordinator

- Via IHCDA's Syncplicity site:
  - One completed copy of the HOME application forms.
  - All supporting documents required in the tabs. Please submit this information as separate, labeled PDF documents under the required labeled tabs. Do not send one PDF containing all of the supporting documentation.
- Via hard copy:
  - One completed copy of the final application forms with original signatures.
  - Completed environmental review forms.

Faxed applications will not be accepted.

The hard copy of the final application forms, completed environmental review forms, and application fee of $250 should be sent to:

Indiana Housing and Community Development Authority
ATTN: Real Estate Department Coordinator
RE: HOME Application
30 South Meridian Street, Suite 1000
Indianapolis, IN 46204

All applicants must retain a copy of this application package. Applicants that receive funding will be bound by the information contained herein.

IHCDA will send an email confirmation to the applicant contact within one week of submission notifying the applicant that the application was received by IHCDA. Please notify the Real Estate Department Coordinator if the applicant would like to add an additional contact person for communications regarding its application.

1.6 Application Review

Each application must address only one development. Reviews of applications follows the steps as outlined in this policy

Step One - Completeness	On or before the application deadline, the applicant must provide all required documents, signatures and attachments.
Step Two - Threshold	The application must meet each of the applicable threshold criteria, including underwriting guidelines found in Section 6.5 below. After initial threshold review, IHDCA staff may contact an applicant to request clarification of threshold information contained in the pending application. The applicant will have the opportunity to respond on or before the due date provided by IHCDA. If the applicant does not respond to the threshold clarification letter and therefore threshold item(s) are still in question, the application will be disqualified. Points will be awarded to those applications where no clarifications are required.
Step Three - Scoring	Applications that pass the completeness and threshold reviews are then scored according to IHCDA's published scoring criteria. After initial score review, IHCDA staff may contact the applicant for further clarification of a scoring item. Failure to respond to the requested scoring clarification items by the due date and in the manner requested may result in application denial. Supporting documentation for scoring categories will not have the opportunity to be submitted after the initial application submission.

Funded applications will be announced at the published IHCDA Board Meeting date. Confirmation letters and score sheets will be uploaded to the FTP site by the close of business on the day of the Board Meeting. Applications that are not funded will be notified by IHCDA via denial letters and final score sheets being uploaded to the FTP site by the close of business on the day of the Board Meeting. Applications not funded will not be rolled over into the next funding round.

1.6 IHCDA CDBG & HOME Program Manual

The IHCDA *CDBG & HOME Program Manual* outlines the requirements for administering IHCDA's CDBG and HOME awards.
The Program Manual may be found at http://www.in.gov/myihcda/2490.htm

1.7 HOME Past Awards

Before an Applicant can apply for a new HOME award, any other HOME awards that the applicant has received from IHCDA must be drawn by a minimum of 25% of the award's total funding amount; those funded during the 2017 HOME Supplemental Round are exempt from this provision. HOME funds awarded within the last six months (from the last day signed on the contract agreement) are exempt from this requirement.

1.9 Minimum Score Requirement

An application must score at least 40 points to be considered for funding.

1.10 Development Fund

Applicants may apply for the Development Fund with this application. Applicants must provide documentation and explanation on an alternative source of finding if the Development Fund application is denied, or if Development Fund is not available.

More information on the Development Fund may be found in Part 10.

Part 2: Eligible Applicants

2.1 HTF/HOME Program Eligibility

Eligibility will be determined based on:

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 2016/2017 QAP; and,

5. The availability of HTF/HOME funds.

2.2 Eligible Applicants

National Housing Trust Fund (HTF)	**Community Housing Development Organizations (CHDO)**	**501(c)3 and 501(c)4 Not-For-Profit Organizations and PHAs***	**Joint Venture Partnerships**	**For Profit Entities Organized Under the State of Indiana**
Rental Housing Rehabilitation/ Adaptive Reuse	✓	✓	✓	Not Eligible
Acquisition and Rental Housing Rehabilitation	✓	✓	✓	Not Eligible
Rental Housing New Construction	✓	✓	✓	Not Eligible

*PHAs are eligible to apply under the conditions set forth in 24 CFR 93.203.

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.

2.3 Ineligible Applicants

IHCDA reserves the right to disqualify from funding any application that has an applicant, sub-recipient, administrator, preparer, or related party of any of the aforementioned, with a history of disregarding the policies, procedures, or staff directives associated with administering any IHCDA program or program administered by any other State, Federal, or affordable housing entity. This includes, but is not limited to, the Indiana Office of Community and Rural Affairs, the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Agriculture - Rural Development, and the Federal Home Loan Bank.

Additionally, any entity currently on IHCDA's suspension or debarment list is ineligible to submit an application. IHCDA's Suspension and Debarment Policy can be found in the Program Manual Chapter 17.

2.4 Religious and Faith-Based Organizations

- *Equal treatment of program participants and program beneficiaries.* (1) *Program participants.* Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the HTF program. Neither the Federal Government nor a State or local government receiving funds under the HTF program shall discriminate against an organization on the basis of the organization's religious character or affiliation. Recipients and subrecipients of program funds shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.
- *Beneficiaries.* In providing services supported in whole or in part with federal financial assistance, and in their outreach activities related to such services, program participants shall not discriminate against current or prospective program beneficiaries on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.
- *Separation of explicitly religious activities.* Recipients and subrecipients of HTF program funds that engage in explicitly religious activities, including activities that involve overt religious content such as worship, religious instruction, or proselytization, must perform such activities and offer such services outside of programs that are supported with federal financial assistance separately, in time or location, from the programs or services funded under this part, and participation in any such explicitly religious activities must be voluntary for the program beneficiaries of the HUD-funded programs or services.
- *Religious identity.* A faith-based organization that is a recipient or subrecipient of HTF program funds is eligible to use such funds as provided under the regulations of this part without impairing its independence, autonomy, expression of religious beliefs, or religious character. Such organization will retain its independence from Federal, State, and local government, and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct program funds to support or engage in any explicitly religious activities, including activities that involve overt religious content, such as worship, religious instruction, or proselytization, or any manner prohibited by law. Among other things, faith-based organizations may use space in their facilities to provide program-funded services, without removing or altering religious art, icons, scriptures, or other religious symbols. In addition, a HTF program-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.
- *Alternative provider.* If a program participant or prospective program participant of the HTF program supported by HUD objects to the religious character of an organization that provides services under the program, that organization shall, within a reasonably prompt time after the objection, undertake reasonable efforts to identify and refer the program participant to an

alternative provider to which the prospective program participant has no objection. Except for services provided by telephone, the Internet, or similar means, the referral must be to an alternate provider in reasonable geographic proximity to the organization making the referral. In making the referral, the organization shall comply with applicable privacy laws and regulations. Recipients and subrecipients shall document any objections from program participants and prospective program participants and any efforts to refer such participants to alternative providers in accordance with the requirements of §92.508(a)(2)(xiii). Recipients shall ensure that all subrecipient agreements make organizations receiving program funds aware of these requirements.

- *Structures.* Program funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for explicitly religious activities. Program funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. When a structure is used for both eligible and explicitly religious activities, program funds may not exceed the cost of those portions of the acquisition, new construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to the HTF program. Sanctuaries, chapels, or other rooms that a HTF program-funded religious congregation uses as its principal place of worship, however, are ineligible for HTF program-funded improvements. Disposition of real property after the term of the grant, or any change in the use of the property during the term of the grant, is subject to government wide regulations governing real property disposition (see 24 CFR parts 84 and 85).
- *Supplemental funds.* If a State or local government voluntarily contributes its own funds to supplement federally funded activities, the State or local government has the option to segregate the federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.

Part 3: Eligible Activities & HTF Program Requirements

3.1 Eligible Activities

This program is intended to have a long-term impact on the availability and quality of the affordable housing stock in Indiana. The program is intended for the rehabilitation and/or new construction of supportive housing in conjunction with RHTC developments that have completed the Indiana Supportive Housing Institute and are eligible under the Housing First set-aside or the integrated supportive housing scoring category of the QAP. Acquisition only is not an eligible activity; however acquisition in conjunction with another activity is permitted.

- Rehabilitation, new construction, and acquisition/rehabilitation or acquisition/new construction of rental housing in the form of traditional apartments, single room occupancy units (SROs), or single family housing.
    - SRO housing consists of single room dwelling units that are the primary residence of the occupant(s). Neither kitchen nor bathroom facilities are required to be in each unit. However, if individual units do not contain bathroom facilities, the building must contain bathroom facilities that are shared by tenants. SRO housing does not include facilities for students.
- If HTF funds are used for acquisition of vacant land or demolition in conjunction with another activity, then construction must commence within 9 months of the demolition or acquisition.

3.2 Ineligible Activities

The following are ineligible activities:

- Preservation of existing affordable housing, including supportive housing. HTF must be used to create new affordable housing units;
- Refinancing of existing permanent debt;
- Development of housing for homebuyer programs;
- Performing owner-occupied rehabilitation;
- Group homes;
- Transitional housing;
- Acquisition, rehabilitation, or construction emergency shelters that are designed to provide temporary daytime and/or overnight accommodations for persons experiencing homelessness;
- Creation of secondary housing attached to a primary unit;
- Acquisition, rehabilitation, or construction of nursing homes, convalescent homes, hospitals, residential treatment facilities, correctional facilities, or student dormitories;
- Rehabilitation of mobile homes;
- Acquisition, rehabilitation, refinancing, or new construction if any part of a development or its land is located within the boundaries of a 100-year floodplain. A flood determination must be provided for each parcel associated with the project;
- Any housing activity funded under Title VI of NAHA, prepayment of mortgages insured under the National Housing Act, public housing developments, or acquisition, rehabilitation, or construction of any developments funded under HUD's former Rental Rehabilitation Program;
- Costs for supportive services, homeless prevention activities, or operating expenses;
- The use of commercial facilities for transient housing;
- Payment of HTF loan servicing fees or loan origination costs;

- Tenant-based rental assistance;
- Payment of back taxes.

In addition, IHCDA **does not** fund:

- Requests from individuals, political, social, or fraternal organizations;
- Endowments, special events, arts, or international projects;
- Scholarships requested by individuals;
- Institutions that discriminate on the basis of race, color, national origin, sex, religion, familial status, disability, sexual orientation, gender identity, or against victims of domestic violence, dating violence, sexual assault, or stalking in policy or in practice;
- Projects in furtherance of sectarian religious activities, impermissible lobbying, legislative or political activities;
- Medical research or medical profit-making enterprises.

3.3 HTF and HOME Program Requirements

The proposed HTF/HOME project must follow these minimum requirements, and all other requirements laid forth in the Program Manual, to be eligible for funding. For further details on each requirement, please see IHCDA's Program Manual at http://www.in.gov/myihcda/2490.htm.

- Recipients must comply with all regulatory requirements listed in 24 CFR Parts 91, 92 and 93.

Applicants should familiarize themselves with IHCDA's *CDBG & HOME Program Manual*. Requirements include, but are not limited to the following:

- **Lead Based Paint**:
  - Each recipient of a HTF award is subject to the HUD requirements of addressing lead-based paint hazards pursuant to 24 CFR Part 35. If a risk assessment is required, then all lead-based paint issues must be addressed.
- **Section 504**:
  - Housing must meet the accessibility requirements of 24 CFR Part 8 which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and covers multifamily dwellings, as defined in 24 CFR Part 100.201. It must also meet the design and construction requirements of 24 CFR 100.205 and implement the Federal Fair Housing Act Amendments of 1988 (42 U.S.C. 3601-3619).
- **Uniform Relocation Act:**
  - Each recipient of a HTF award is subject to the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA). See IHCDA's Program Manual Chapter 4 for guidance on the regulatory requirements of the URA, as amended, the Federal regulations at 49 CFR Part 24, and the requirements of Section 104(d) of Title I of the Housing and Community Development Act of 1974, as amended.
- **Affirmative Marketing Procedure**
  - Rental housing with five or more HTF-assisted units must adopt IHCDA's Affirmative Marketing Procedures. See the IHCDA Program Manual Chapter 5 for guidance on Affirmative Marketing Procedures.

- **Section 3**:

- Any recipient receiving an aggregate amount of $200,000 or more from one (1) or more of the HUD CPD programs (i.e. CDBG, HOME, NSP, HOPWA, ESG, etc.) in a program year must comply with the Section 3 requirements. Section 3 provides preference to low- and very-low-income residents of the local community (regardless of race or gender) and the businesses that substantially employ these persons, for new employment, training, and contracting opportunities resulting from HUD-funded projects.

- **Income Verification:**
  - An income verification is valid for a period of six months. If more than six months pass between income verification and contract execution/lease execution/purchase agreement, then a new income verification must be completed.
- **Procurement Procedures:**
  - Each recipient of a HTF award will be required to provide proof of adequate builder's risk insurance, property insurance, and/or contractor liability insurance during construction and property insurance following construction for the assisted property throughout the affordability period of the award.
  - Each recipient of a HTF award must follow competitive procurement procedures when procuring all materials, supplies, equipment, and construction or professional services related to the HTF award.
- **Environmental Review:**
  - To help facilitate timely expenditure of HTF funds, all applicants are required to submit the Environmental Review Record (ERR) and Section 106 Review at the time of application. If awarded HTF funds, the HTF recipient must receive an IHCDA Release of Funds before the fully executed award documents are released and any funds are drawn. (IHCDA Program Manual, Environmental Review Chapter 11). For more information, contact the IHCDA Placemaking Manager.
  - Applicants may not purchase any property to be assisted with HTF funds, sign contracts, or begin rehab/construction until the ERR/Release of Funds process has been completed and approved.
- **Construction Standards and Physical Inspections:**
  - All IHCDA-assisted units must be inspected twice during the award period. The first inspection will occur when 50% of the funds drawn for single site projects, or when half the units are complete for scattered site projects. The second inspection will be conducted upon completion of the construction for the award. Site visits during construction may be conducted to monitor progress of all projects. The IHCDA Inspector will conduct the physical inspections.
- **Registering Vacancies:**
  - Applicants that are proposing to develop rental housing must register vacancies for HTF-assisted housing in the IndianaHousingNow.org affordable housing database.
- **Capital Needs Assessment:**
  - Projects performing the rehabilitation activity with a total of 26 or more units (the total of HTF-assisted and non-HTF assisted units) must complete and provide a Capital Needs Assessment (CNA).
- **Federal Programs Ongoing Rental Compliance:**
  - Recipient must ensure that each owner of a HTF-assisted rental project enters tenant events into IHCDA's Indiana Housing Online Management System at https://ihcdaonline.com/ within 30 days of the tenant's event date. Tenant events include move-ins, move-outs, recertification, unit transfers, and rent and income

changes. In addition, Annual Owner Certification Rental Reports must be submitted electronically using the Indiana Housing Online Management System throughout the affordability period in the Annual Rental Report. See IHCDA's Program Manual for further guidance.

- Recipient must ensure that there is a written lease between any tenant and the owner of rental housing assisted with HTF funds. The term of the lease may not be less than one year, unless a shorter period is specified upon mutual agreement between the tenant and the owner. The lease may not contain any of the prohibited provisions set forth in 24 CFR 93.303
- Recipient shall ensure that written tenant selection policies and criteria for the project are adopted and followed that comply with 24 CFR 93.303 and the additional requirements as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual, as amended from time to time by IHCDA.
- In accordance with 93.404(d), the recipient must provide IHCDA with the financial documentation and/or reports needed by IHCDA to conduct its examination of the financial condition of the project, if project has ten (10) or more assisted units.
- Rental housing developments must assist households at or below 30% of the Area Median Income for the county, as published by HUD and distributed by IHCDA. Units must be both income and rent restricted at the 30% AMI level. Households must meet the definition of "extremely low income families" families at 24 CFR 93.2.).

- **LEP**:
  - Persons who, as a result of national origin, do not speak English as their primary language and who have limited ability to speak, read, write, or understand English ("limited English proficient" or "LEP") may be entitled to language assistance under Title VI in order to receive a particular service, benefit, or encounter. In accordance with Title VI of the Civil Rights Act of 1964 and its implementing regulations, the recipient must agree to take reasonable steps to ensure meaningful access to activities funded by federal funds for LEP persons. Any of the following actions could constitute "reasonable steps", depending on the circumstances: acquiring translators to translate vital documents, advertisements, or notices; acquiring interpreters for face to face interviews with LEP persons; placing advertisements and notices in newspapers that serve LEP persons; partnering with other organizations that serve LEP populations to provide interpretation, translation, or dissemination of information regarding the project; hiring bilingual employees or volunteers for outreach and intake activities; contracting with a telephone line interpreter service; etc.
- **Nondiscrimination Requirements:**
  - Recipient must follow the non-discrimination requirements of the Fair Housing Act, the Violence Against Women Reauthorization Act of 2013, and the Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity rule.
- **SAM and DUNS:**
  - Applicants must register for System Award Management (SAM) and have a valid DUNS in order to apply for HTF.
- **HMIS**:
  - Applicants proposing permanent supportive housing will be required to participate in the Homeless Management Information System (HMIS).

3.4 Property Standards

All HTF funded projects must meet the property standards outlined in 93.301.

- 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:
  - IHCDA 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.

3.5 Affordability Requirements

The affordability period for all HTF assisted units is 30 years; if those units are layered with HOME funding, the units must meet the HTF affordability period.

Units which use only HOME funding must use the following periods of affordability:

Amount of HOME subsidy per unit:	Affordability Period
Under $15,000	5 years
$15,000 - $40,000	10 years
Over $40,000 - or any rehabilitation/refinance combination activity	15 years
New construction or acquisition of newly constructed transitional, permanent supportive, or rental housing	20 years

HTF subsidized activities must be secured throughout the affordability period by a recorded lien and restrictive covenant agreement created by IHCDA. The recipient shall comply with the following requirements of the HTF Program throughout the affordability period: (1) ensuring that the property meets the Property Standards set forth in 24 CFR 93.301; ensuring that the tenants meet the affordability requirements set forth in 24 CFR 93.205 by documenting and verifying the income of tenants as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual, as amended from time to time by IHCDA; (3) submitting annual tenant events and annual owner certifications to IHCDA through its online reporting system as set forth in IHCDA's Federal Programs Ongoing Rental Compliance

Manual; (4) participating in periodic monitoring and inspections of the Property by IHCDA and/or the U. S. Department of Housing and Urban Development ("HUD"); (5) complying with the Federal income and rent limits issued by HUD and published annually on IHCDA's website; (6) providing IHCDA with information regarding unit substitution and filling vacancies, if the Project has floating units; and (7) ensuring that each tenant enters into a lease that does not contain HUD prohibited lease language as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual. The affordability period begins after the project has been completed and the completion forms have been submitted to and approved by IHCDA. During the affordability period all HTF program rental requirements apply to the property. See IHCDA's *Federal Programs Ongoing Rental Compliance Manual* for a full discussion of affordability period compliance.

HOME subsidized activities must be secured throughout the affordability period by a recorded lien and restrictive covenant agreement created by IHCDA. The recipient shall comply with the following requirements of the HOME Program throughout the affordability period:

1. Ensuring that the property meets the Property Standards set forth in 24 CFR 92.251;
2. Ensuring that the tenants meet the affordability requirements set forth in 24 CFR 92.252 by documenting and verifying the income of tenants as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual, as amended from time to time by IHCDA;
3. Submitting annual tenant events and annual owner certifications to IHCDA through its online reporting system as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual;
4. Participating in periodic monitoring and inspections of the Property by IHCDA and/or the U. S. Department of Housing and Urban Development ("HUD");
5. Complying with the Federal income and rent limits issued by HUD and published annually on IHCDA's website;
6. Providing IHCDA with information regarding unit substitution and filling vacancies, if the Project has floating units; and
7. Ensuring that each tenant enters into a lease that does not contain HUD prohibited lease language as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual. The affordability period begins after the project has been completed and the completion forms have been submitted to and approved by IHCDA. During the affordability period all HOME program rental requirements apply to the property. See IHCDA's *Federal Programs Ongoing Rental Compliance Manual* for a full discussion of affordability period compliance.

If HTF and HOME funding are layered, the HTF affordability requirements will apply.

3.6 Lien and Restrictive Covenant Agreement

Each recipient of a HTF award must ensure that a lien and restrictive covenant is executed and recorded against every property constructed, rehabilitated, or acquired, in whole or in part, with HTF funds. Upon the occurrence of any of the following events during the Affordability Period, the entire sum secured by the lien shall be due and payable by developer and/or owner upon demand. Repayment may be demanded upon: (1) Transfer or conveyance of the real estate by deed, land contract, lease, or otherwise, during the Affordability Period; (2) Commencement of foreclosure proceedings by any mortgagee (or deed in lieu of foreclosure), within the Affordability Period; (3) The real estate no longer meets the property standards set forth in 24 CFR 93.301.; (4) HTF-assisted units are not being used by qualifying tenants as their principal residence; (5) annual tenant events and annual owner certifications are no longer being submitted to IHCDA through its online reporting system as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual; (6) non-compliance with the federal income and rent limits issued by HUD; and (7) units are not leased in accordance with the requirements set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual.

The recipient of the HTF award will be responsible for repaying IHCDA any HTF funds utilized for any housing constructed, rehabilitated, or acquired that does not remain affordable and in compliance in accordance with 24 CFR 93.302 for the entire Affordability Period. Recapture is not prorated; failure to meet the entire affordability period will result in full repayment of the HTF award.

3.7 Geographic Diversity

IHCDA will make every effort to distribute HTF funds geographically. The ability to do so may be limited by the location of eligible applications and projects which receive adequate scoring to be funded.

Applicants for HTF funds must have completed the Indiana Supportive Housing Institute. Teams are selected and admitted into the Institute based on the criteria laid out in an annual Request for Proposals (RFP). During review of the RFP responses, IHCDA staff considers geographic diversity as part of its evaluation to ensure that we are creating supportive housing developments throughout the state. In addition, the applicant must demonstrate need for supportive housing as supported by local data sources, including but not limited to data from the Point In Time Count and other data sources collected by the Continuum of Care.

3.8 Award Term

The HTF and HOME awards must be fully expended within a 24 month period. The award generally expires on the last day of the month, 24 months following execution of the award agreement by the recipient and IHCDA.

Part 4: Subsidy Limitations & Eligible Activity Costs

4.1 Subsidy & Budget Limitations

The maximum request amount per application is $1,600,000 for eligible rental projects from both HTF and HOME.

Applicants may request a maximum of $1,200,000 of HOME funding, and a maximum of $587,500 HTF, though the maximum amount of funding from both sources cannot exceed $1,600,000.

Subsidy Limitations

IHCDA will have two sets of subsidy limitations. HTF and HOME limits targeting 30% and 40% AMI will be as follows:

Bedroom Size	Per Unit Subsidy Limit
0	$90,000
1	$105,000
2	$120,000
3	$145,000
4+	$160,000

HOME assisted units targeting 50% and 60% AMI will be as follows:

Bedroom Size	Per Unit Subsidy Limit
0	$72,000
1	$84,000
2	$96,000
3	$116,000
4+	$128,000

They will be applied statewide and are adjusted by the number of bedrooms per unit. T

The decision to use the above and apply them statewide is based on an analysis of the actual total development costs of affordable multifamily rental housing applications in Indiana from 2010-2015 and an analysis of costs to ensure the projects do not take on substantial debt. Two separate analysis were conducted. The first compared projects in large cities (population of 75,000 or greater), small cities (population of 15,000-74,999) and rural localities (population under 14,999); the second compared the four evaluation regions as set by IHCDA. While there is some difference in individual project costs, there is relatively little variation in the 2010-2015 averages through both scenarios. The per/unit subsidy for each of the geographical subsets did not greatly differ from either each other and, or from the state average. The highest total development cost per unit can be found in the small city category; the difference between the statewide average is less than 8% higher. Large cities had the lowest cost per unit; there was only a 4% difference in cost per unit compared to the statewide average.

It is important to note that the cap is not the only mechanism. IHCDA will use to allocate no more HTF funds than allowable and necessary for project quality and affordability. Each application for HTF funding will be reviewed and analyzed in accordance with IHCDA's underwriting process, which includes a subsidy layering review. IHCDA staff has extensive experience in this area, including through its administration of HOME. The review includes an examination of sources and uses (including any operating or project-based rental assistance) and a determination that all costs are reasonable. Through its underwriting process, IHCDA will ensure that the level of HTF subsidy provided: 1) does not exceed the actual HTF eligible development cost of the unit, 2) that the costs are reasonable and in line with similar projects across the state, 3) the developer is not receiving excessive profit, and 4) HTF funding does not exceed the amount necessary for the project to be successful for the required 30 year affordability period.

As required by HUD, the HTF maximum subsidy limits will be assessed and adjusted annually. IHCDA's review for the next program year will be further informed by the first years' experience working with developers and the HTF requirements as well as the issuance of HUD guidance on using HTF funding for operating assistance and reserves.

Minimum amount of HTF and HOME funds to be used for rehabilitation or new construction is $1,001 per unit.

Budget Limitations

- HTF funds cannot be used for reserve accounts for replacement or operating costs, but may be used as a Rent-Up Reserve.
- All subsidies must be secured throughout the affordability period by a written, legally binding, recorded restrictive covenant.

IHCDA may approve, at their sole discretion, requests for higher per unit subsidy limits dependent upon verification of the need for increased costs.

4.2 Form of Assistance

HTF and HOME funds through this policy will be awarded to the recipient in the form of a grant. Award documents must be executed in order to access funds and will include, but are not limited to: award agreement, resolution, and a lien and restrictive covenant agreement.

The applicant may then provide the HTF/HOME awards as a forgivable, amortized, or deferred loan to as many other entities as it chooses, known as subgrantees. However, subgrantees must be identified in the application and approved by IHCDA.

A title company is required to be used for all loans that occur between the IHCDA recipient and the subgrantee of the program. The IHCDA recipient must execute a promissory note, mortgage, lien and restrictive covenant agreement, and other documents as directed by IHCDA in order to secure IHCDA's investment in the assisted property. The recipient is required to deliver these documents to the county recorder's office for recording. These documents will be reviewed during monitoring visits.

4.3 Eligible Activity Costs

The bolded items listed below are included in the application budget. If you have a question about which line item an expense goes under, contact your IHCDA Real Estate Production Analyst.

ACQUISITION – Limited to the purchase price and related costs associated with the acquisition of real property. Recipients must use a title company when purchasing or selling assisted properties.

DEMOLITION – Costs associated with the demolition and clearance of existing structures.

DEVELOPER'S FEE – Developer's fees for the total award (HOME and HTF) may not exceed 15%. Additionally, the total of developer's fee, soft costs, and environmental review cannot exceed 20% of the total HTF/HOME request.

ENVIRONMENTAL REVIEW – This line item includes expenses associated with the NEPA compliance Environmental Review, which is a requirement of the Release of Funds process. This does not refer to a Phase I Environmental Assessment. Those expenses should be included in the soft costs line item. This line item along with developer's fee, and soft costs cannot exceed 20% of the HOME request. Eligible costs for this line item are generally between $2,000 and $5,000 and include professional services, publication costs, photocopying, and postage. For further information regarding this activity, please read the Environmental Review Guide found in the IHCDA CDBG & HOME Program Manual.

LEAD HAZARD TESTING – Costs associated with lead hazard testing includes Risk Assessment, Clearance Test, etc. The limits for this line item are $1000 per unit.

NEW CONSTRUCTION
Eligible costs include:

- Hard costs associated with new construction activities;
- Utility connections including off-site connections from the property line to the adjacent street;
- Site work related to driveways, sidewalks, landscaping, etc.
- Related infrastructure costs - improvements to the development site that are in keeping with improvements of surrounding, standard developments. Site improvements may include on-site roads and water and sewer lines necessary to the development
- Stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners

REHABILITATION
Eligible costs include:

- Hard costs associated with rehabilitation activities
- Lead-based paint interim controls and abatement costs.
- Mold remediation
- Site work related to driveways, sidewalks, landscaping, etc.
- Stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners
- Utility connections and related infrastructure costs - off-site connections from the property line to the adjacent street are eligible when it is deemed a threat to health and safety. Improvements to infrastructure when there will be no rehabilitation work done on the actual house to be served

RETAINAGE POLICY - IHCDA will hold the final $5,000 of an award until, closeout documentation, and completion reports are received and approved. Closeout documentation will not be approved until the final monitoring and inspection is completed and all associated findings and/or concerns are resolved.

4.4 Ineligible Activity Costs

- Annual contributions for operation of public housing
- Commercial development costs **-** All costs associated with the construction or rehabilitation of space within a development that will be used for non-residential purposes such as offices or other commercial uses. This does not include the common area used by tenants of rental property or the leasing office of the apartment manager. HOME awards cannot be used to underwrite any portion of commercial development costs. The expenses incurred and income to be generated from commercial space must be reported in a separate "Annual Expense Information" sheet and 15-year proforma.
- Costs associated with any financial audit of the recipient.
- Costs associated with preparing an application for funding through IHCDA
- Cost of supportive services
- General operating expenses or operating subsidies
- Loan guarantees
- Mortgage default/delinquency correction or avoidance
- Providing tenant based rental assistance
- Purchase or installation of equipment, furnishings, tools, or other personal property that is not an integral structural feature, such as window air conditioner units or washers and dryers.
- Purchase or installation of luxury items, such as swimming pools or hot tubs
- Any additional prohibited activities and fees as listed in 93.204.

4.5 Allocating Costs in Mixed-Income Developments

HTF and HOME may only pay actual costs related to HTF-assisted units and HOME assisted units. If the units in a development are comparable (in terms of size, features and number of bedrooms), then the actual costs can be determined by pro-rating total development costs. HTF funds could pay the pro-rated share of the HTF-assisted units. When units are not comparable, the applicant must allocate the HTF costs on a unit-by-unit basis, charging only actual costs to the HTF program. Because units in rental developments with-the "floating" HTF designation must be comparable, an applicant should always pro-rate costs in these developments. When units are generally comparable but vary slightly in size or amenities, a combination of the two approaches may be used.

Unit Size - Comparability in size is defined by the bedroom count and square footage of individual units. Not all units with the same number of bedrooms are comparable in size. If there is a substantial difference in the square footage of two units with the same number of bedrooms, the units are not considered comparable.

Amenities - Comparability in amenities means similar fixtures, appliances and other features. In many mixed-income developments, to receive varying rents, the quality and types of amenities may vary among units. For instance, a development might charge a higher rent for a unit with wall-to-wall carpeting, garbage disposal, dishwasher, and finer fixtures than for a unit without these amenities.

Thistype of development does not typically have comparability of units, unless there is an equal distribution of assisted and non-assisted units that have these amenities.

Common Costs - Common costs are costs incurred for acquisition of improved or unimproved real property that benefits all residents of units in a development, rehabilitation or construction of shared systems (heating, plumbing, roofing) or shared facilities (community rooms, laundry facilities located in residential buildings); and on-site improvements. Costs associated with a development's on-site management office or the apartment of a resident manager may be counted as common costs. The manner in which the costs for common elements of a development may be charged is dictated by the method chosen for allocating costs.

4.6 Program Income

Income generated by CHDOs acting as owners, sponsors, or developers of HOME units may be retained by the CHDOs but it must be used for housing activities that benefit low-income families as provided in 24 CFR 92.300(a)(2). However, funds recaptured because housing no longer meets affordability requirements is not considered CHDO proceeds and must be returned to IHCDA.

Income generated by not-for-profits or for-profits, acting as developers of HOME units, may be retained by the developer and is not subject to HOME Program requirements.

Additionally, all legal documents, such as mortgages, security agreements, UCC financing statements, and liens executed by the IHCDA recipient, beneficiary, or subrecipient receiving assistance, must be recorded at the county recorder's office. These documents must be submitted to IHCDA at closeout along with the IHCDA recipient's completion reports and will be reviewed during monitoring visits conducted by IHCDA staff.

5.1 Eligible Projects

HTF projects can propose rental activities with this policy and corresponding application forms.

5.2 Eligible Rental Activities

Eligible activities include new construction, rehabilitation only, or acquisition/rehabilitation. Acquisition is allowed only in conjunction with the rehabilitation activity and is ineligible as a stand-alone activity. Permanent rental housing units may not be used for temporary or emergency housing at any time. Eligible rental activities also include the rehabilitation or acquisition/rehabilitation of assisted-living facilities as long as they meet IHCDA's definition. IHCDA defines an assisted living facility as living arrangements in which some optional services are available to residents (meals, laundry, medication reminders), but residents still live independently within the assisted-living complex. Residents of such facilities pay a regular monthly rent, and then pay additional fees for the services that they desire.

All households occupying HTF-assisted rental units must be income-qualified based at or below 30% of area median income and all units must be rent restricted at the 30% rent limit. See the *Federal Programs Ongoing Rental Compliance Manual* for more information on household qualification.

5.3 Income Restrictions

HTF-assisted rental units will income-restricted for occupancy by extremely low-income households, defined as households that are certified as having incomes at or below the 30% area median income HTF income limit, as published by HUD. The 2017 income limits for Indiana can be found HUD's website at https://www.hudexchange.info/resource/reportmanagement/published/HTF_IncomeLmts_State_IN_2016.pdf.

All households that occupy HTF-assisted rental housing units must be income certified at the time of move-in and then recertified on an annual basis. The 24 CFR Part 5 (Section 8) definition of household income applies.

5.4 Rent Restrictions

HTF-assisted rental units will be rent-restricted at the 30% rent restriction throughout the affordability period to ensure that the units are affordable to extremely low-income households. Please refer to the most recent HTF rent limits. The 2016 rent limits for Indiana (effective 7/1/16) can be found on HUD's website at https://www.hudexchange.info/resource/reportmanagement/published/HTF_RentLimits_State_IN_2016.pdf

The following restrictions apply:

- Published rent limits include the cost of any tenant-paid utilities. For all utilities that the tenant will be responsible for you must subtract any IHCDA or HUD approved utility allowance from the published rent limit. For example, if the rent limit in a given county is $300 with a utility allowance for gas heat of $28, $20 for other electric, and $13 for water, the maximum allowable rent would be $239 for a unit where the tenant pays all the above utilities ($300 - $28 - $20 - $13 = $239).
- All units must be leased for initial occupancy within 18 months.

- If a SRO-unit has both food preparation and sanitary facilities, then use the zero bedroom (efficiency) unit rent or 30% of the household's adjusted income, whichever is most restrictive.
- If a SRO-unit has neither food preparation nor sanitary facilities, or only one of either, then the rent may not exceed 75% of the fair market rent (FMR) for a zero bedroom unit. For example, if the FMR for a zero bedroom unit in a given county is $300, then the 30% rent limit in that county for a SRO unit that only has a bathroom and not a kitchen would be $225 ($300 x .75 = $225).
- Gross rent must be at or below the published rent limit. Gross rent = tenant-paid rent + tenant-based rental assistance + utility allowance + non-optional charges.
- If the applicant proposes to receive all or a portion of the rent payment via a tenant-based voucher (rental subsidy), the gross rent (including the rental assistance amount) cannot exceed the published rent limits for the applicable income level. For example, a tenant residing in a unit set-aside for households at or below 30% of the area median income has a voucher that pays $100 of his/her rent, and the published utility allowance for tenant paid utilities for the unit is $50. If the published 30% rent limit is $300, the tenant paid portion of rent cannot exceed $150 ($300 rent limit - $100 Section 8 Voucher - $50 utility allowance = $150 maximum tenant paid portion).
- If the development receives a federal or state project-based rent subsidy and the unit is designated as 30% or below and the household is at or below 30% AMI and the household pays no more than 30% of his/her adjusted income for rent, then the maximum rent may be the rent allowable under the project-based rental subsidy program as set forth in 24 CFR 93.302(b)(2).
- If the development charges non-optional fees for food or the costs of supportive services, then these costs must be included in the gross rent calculation

5.5 Affordability Periods
All rental projects are subject to a 30-year affordability period as defined in Part 3.4 of this document.

The recipient is subject to recapture provisions through a recorded lien and restrictive covenant agreement as described in Parts 3.5 of this document.

5.6 Underwriting Guidelines for Rental Projects
The following underwriting guidelines must be followed for any rental development as per 24 CFR 93.300 (b). The numbers submitted should accurately reflect the true nature and cost of the proposed activity. IHCDA will consider underwriting outside of these guidelines, if supporting documentation is provided.

TOTAL OPERATING EXPENSES – All developments must be able to underwrite with a minimum operating expense of $2,500 per unit per year (net of taxes and reserves).

MANAGEMENT FEE – The maximum management fee allowed is described in the table below, based on the number units within the project. The percentage is based on the "effective gross income" (i.e. gross income for all units, less vacancy rate).

Number of Units	Maximum Management Fee Percentage
1 – 50	7%
51 - 100	6%
101 or more	5%

VACANCY RATE – All developments must be able to underwrite with a vacancy rate between 6% and 8%. Applicants must substantiate the vacancy rate.

RENTAL INCOME GROWTH – All developments must be able to underwrite with a rental income growth between 0% and 2% per year beyond the 30 year affordability period.

OPERATING RESERVES – All developments must be able to underwrite with operating reserves, using the greater of four-to-six months of expenses (i.e. operating expenses, plus debt service) OR $1,500 per unit.

RENT-UP RESERVE – HTF funds may be used to fund a rent-up reserve for new construction and rehabilitation rental housing developments. This reserve can be used to meet shortfalls in development income during the rent-up period and may only be drawn down after all construction is completed at the development. The following terms apply:

- The term of the rent-up reserve account may not exceed six months after all construction is completed, after which time any unused reserves left in the account will be de-obligated by IHCDA.
- These funds can be used only for development operating expenses, scheduled payments to replacement reserves, and/or debt service payments.
- The recipient must receive IHCDA's approval prior to accessing its rent-up reserve funding.
- The amount of HTF funds that can be utilized for a rent-up reserve is limited to three months development operating expenses plus three months of development debt service.

REPLACEMENT RESERVES – All developments are required to have replacement reserves. Replacement reserves must be included in the operating budget but are not included as part of the operating reserves. Contributions must be made to the reserve account starting at or before the conversion date of the construction loan to permanent loan and must be funded for the term of the loan. Replacement reserve funds must only be used for capital improvements (substantial improvements to the real estate such as re-roofing, structural repairs, or major projects to replace or upgrade existing furnishings, but not including replacement of individual appliances or minor repairs) and must **not** be used for general maintenance expenses. Less restrictive provisions required by lenders must be approved by IHCDA.

Replacement reserves must escalate at a rate of 3% per year.

IHCDA will, at its discretion, adjust the replacement reserve to reflect reasonable and customary capital and replacement expenditures. The following minimum contributions must be used.

Development Type	Minimum Contribution per unit per year
Rehabilitation/ Adaptive Reuse*	$350
New Construction	$250

* For rehabilitation developments, the Capital Needs Assessment will be reviewed to determine whether sufficient reserves have been established.

CAPITALIZED SERVICE RESERVES- All developments receiving an allocation of HTF funds must establish a capitalized service reserve to help ensure that supportive services can be provided to the tenants throughout the affordability period. The service reserve cannot, however, be funded from HTF funds. The developer must account for the source of the service reserves and take this into effect when considering uses for tax credit equity and other sources. The amount of the service reserve must be based on development size and service budget. The application must include a narrative describing the methodology used to determine the size of the service reserve.

IHCDA will, at its discretion, issue additional guidance via a RED Notice to set a more standardized requirement on the allowable size (minimum and maximum) of the capitalized service reserve requirement to reflect reasonable and customary expenditures.

OPERATING EXPENSE GROWTH – All developments must be able to underwrite with operating expense growth between 1% and 3% per year.

IHCDA requires operating expense growth to be at least 1% higher than rental income growth.

STABILIZED DEBT COVERAGE RATIO – All developments must be able to underwrite with a stabilized debt coverage ratio (DCR) within the following standards:

Development Location	Minimum Acceptable Debt Coverage Ratio
Large or Small City	1.10 – 1.40
Rural	1.10 – 1.50

- Stabilization usually occurs in year two; however, the debt coverage ratio for a development must not go below 1.10 during the affordability period to be considered financially feasible.
- IHCDA does recognize that rural deals may have higher debt coverage ratios at the beginning of the affordability period in order to remain feasible. Documentation to support these higher debt coverage ratios must be provided.
- Developments without hard debt are permissible, but will be subject to additional scrutiny from IHCDA. Developments with no debt will not have a debt coverage ratio, but will be required to have cash flow without an undue profit. This will be determined by a ratio of Effective Gross Income to Total Annual Expenses (including Replacement Reserves). A ratio of 1.10 shall be the minimum required to be considered feasible by IHCDA, throughout the affordability period.
- Tax abatement may cause the DCR to be higher than these guidelines.

The following documentation is required for Stabilized Debt Coverage Ratio:

- Documentation of estimated property taxes and insurance for the proposed development (i.e. a statement of how the applicant determined the estimated taxes and insurance for the development); AND

- If the underwriting is outside these guidelines, the applicant must provide a written detailed explanation with third party documentation supporting the explanation (approval of underwriting from other financing institutions/funding sources will not constitute acceptable supporting documentation).

5.7 Market Assessment Guidelines

The following market assessment guidelines must be followed for any rental development. The numbers submitted should accurately reflect the market feasibility of the proposed activity.

MARKET AREA – Describe the market area from which the majority of the development's tenants are likely to come and provide a map with a scale. Describe how the market area was determined to be appropriate for the development.

SOCIOECONOMIC PROFILE AND TRENDS – Describe the trends in population and households by age and income and estimate the number of eligible tenants for the development.

HOUSING STOCK – Describe the existing housing stock within the market area including the number of housing units, type (single family or multifamily), percent vacant, percent owner-occupied and renter-occupied, etc. In addition, provide a list of all other rent restricted properties in the market area and indicate whether they are age restricted.

CAPTURE RATE AND ABSORPTION PERIOD – Provide an estimate of the capture rate for the development (project's units divided by the number of eligible tenants from the market area), and estimate the absorption period to ensure lease-up within 18 months of project completion.

NEEDS ASSESSMENT – Describe how the development addresses the community's housing needs, given the market area's socioeconomic profile, trends, and housing stock.

DEVELOPMENT SITE DESCRIPTION – Explain how the site is adequate in size, exposure, and contour to accommodate the number and type of units proposed. In addition, describe whether there are adequate utilities (water, sewer, gas, and electricity) to accommodate the development.

5.8 Site and Neighborhood Standards

IHCDA administers the HTF program in a manner that promotes housing opportunities and provides housing that is suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964, the Fair Housing Act, E.O. 11063, and HUD regulations issued pursuant thereto. For new construction of HTF -assisted rental units, the applicant must demonstrate that the proposed development meets the site and neighborhood standards as given at 24 CFR 983.6(b) and 93.150 by completing the appropriate form in the HTF Section.

- The site must not be located in an area of minority concentration, except as permitted under paragraph (e)(3) of this section, and must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- A project may be located in an area of minority concentration only if:
    - Sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or
    - The project is necessary to meet overriding housing needs that cannot be met in that housing market area
    - "Sufficient" does not require that in every locality there be an equal number of assisted units within and outside of areas of minority concentration. Rather, application of this standard should produce a reasonable distribution of assisted units each year that, over a period of several years, will approach an appropriate balance of housing choices within and outside areas of minority concentration. An appropriate balance in any jurisdiction must be determined in light of local conditions affecting the range of housing choices available for low income minority families and in relation to the racial mix of the locality's population.
    - Units may be considered "comparable opportunities," if they have the same household type (elderly, disabled, family, large family) and tenure type (owner/renter); require approximately the same tenant contribution towards rent; serve the same income group; are located in the same housing market; and are in standard condition.
    - Application of this sufficient, comparable opportunities standard involves assessing the overall impact of HUD-assisted housing on the availability of housing choices for low-income minority families in and outside areas of minority concentration, and must take into account the extent to which the following factors are present, along with other factors relevant to housing choice:
        - A significant number of assisted housing units are available outside areas of minority concentration.
        - There is significant integration of assisted housing projects constructed or rehabilitated in the past 10 years, relative to the racial mix of the eligible population.
        - There are racially integrated neighborhoods in the locality.
        - Programs are operated by the locality to assist minority families that wish to find housing outside areas of minority concentration.
        - Minority families have benefited from local activities (e.g., acquisition and write-down of sites, tax relief programs for homeowners, acquisitions of units for use as assisted housing units) undertaken to expand choice for minority families outside of areas of minority concentration.
        - A significant proportion of minority households has been successful in finding units in non-minority areas under the tenant-based assistance programs.
        - Comparable housing opportunities have been made available outside areas of minority concentration through other programs.
    - Application of the "overriding housing needs" criterion, for example, permits approval of sites that are an integral part of an overall local strategy for the preservation or restoration of the immediate neighborhood and of sites in a neighborhood experiencing

significant private investment that is demonstrably improving the economic character of the area (a "revitalizing area"). An "overriding housing need," however, may not serve as the basis for determining that a site is acceptable, if the only reason the need cannot otherwise be feasibly met is that discrimination on the basis of race, color, religion, sex, national origin, age, familial status, or disability renders sites outside areas of minority concentration unavailable or if the use of this standard in recent years has had the effect of circumventing the obligation to provide housing choice.

Part 6: Completeness & Threshold Requirements

Each proposed project must satisfy the Federal requirements of the HTF program listed in 24 CFR Part 93 and any additional requirements established by IHCDA. To be considered for funding, an applicant must meet all of the completeness and threshold requirements listed below.

6.1 Completeness Requirements

a. Timeliness – All documentation must be turned in by the application due date.
   - On or before the application deadline, the applicant must provide all documentation as instructed in this application policy as well as required documentation listed in the HOME Application Forms.
   - If IHCDA requests additional information from the applicant, all requests are due on or before the date provided by IHCDA staff.
   - Any forms that are late will be denied review and will be sent back to the applicant.

b. Responsiveness – All questions must be answered and all supporting documentation must be provided.
   - The applicant must provide all documentation as instructed in this application policy as well as required documentation listed in the HTF Application Forms.
   - The applicant must provide all documentation as requested (i.e. uploaded or hard copies, labeled correctly, etc.)
   - Required signatures must be originally signed.

6.2 HTF Criteria

In accordance with 24 CFR 91.320(5)(i), IHCDA will address and weigh the required priority funding factors in the following manner:

a. *Priority Housing Needs of Indiana – high priority*: Through the 2015-2019 Consolidated Plan, the State of Indiana includes extremely low income households and permanent supportive housing/integrated supporting housing as "housing priority needs" (see AP-25 Allocation Priorities).

   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, IHCDA may award additional scoring of 140 points under Sections 7.1 Rents Charged; 7.2 Development Characteristics; and 7.3 Sustainable Development to prioritize projects which best serve their residents.

b. *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 points for rent targeting.

c. *Timely Undertaking – moderate priority*: As stated under the Threshold Items Section 6.3 (d), 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.

d. *Extent of Non-Federal Funding – moderate priority*: As stated under the Threshold Items Section 6.3 (c), the applicant must demonstrate all subsidy sources. IHCDA may also award up to 14 points for projects that meet the criteria as outlined in Sections 7.2 (o) Tax Credit Per Unit; 7.2 (p) Tax Credit per Bedroom; 7.4 (a) Firm Commitment; and 7.4 (b) Previous Funding in a Local Government.

e. *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.

f. *Geographic Diversity – medium priority*: As identified in Section 3.7, IHCDA will make no preference to geographic diversity in projects during the HTF application scoring process. IHCDA will, however, make every effort to distribute HTF funds geographically. The ability to do so may be limited by the location of eligible applications and projects which receive adequate scoring to be funded. The primary consideration for geographic diversity will be handled through the selection of teams that are admitted into the Indiana Supportive Housing Institute. Completion of the Institute is a threshold requirement for HTF eligibility.

6.3 Threshold Requirements

Completeness	Location
Application and Supporting Documents • Submit two copies of l application, one as an Excel file and one as a searchable PDF. • Submit all required supporting documents via the IHCDA Sycplicity Site. Mail one complete original copy of the signed application and the signed Environmental Review Record (ERR) to IHCDA by the application deadline. Do not submit paper copies of any other supporting documents.	Uploaded to Syncplicity and mailed to IHCDA
Threshold	**Location**
SAM Status • Submit a copy of the applicant's System of Award Management (SAM) status. https://www.sam.gov/portal/SAM/#1	Tab A_SAM Status
Debarment Information • Submit a copy of the debarment information for each development team entity identified in the application.	Tab B_Debarment

Grievance Procedures • Submit applicant's Grievance Procedures. Grievance Procedures must address both current and prospective tenants and provide guidance on (1) how grievances will be submitted, (2) who will review them, (3) timeframe for the review, and (4) the appeal process.	Tab C_Grievance Procedures
Area Need • HUD requires that IHCDA certify that there is adequate need for each home based on the neighborhood's housing market. In order to help make this determination please answer all of the questions in the Market narrative in the application. A formal market study is not required. Attach any relevant support material such as previously completed market studies, planning documents, or maps.	Tab D_Area Need
Assisted Households • Commit to assisting households at or below 60% of the area median income for the county for HOME-assisted units. • Commit to assisting households at or below 30% of the area median income for the county for HTF-assisted units.	Application
Not-for-Profit Applicant Documentation (if applicable) • Submit an IRS determination letter for 501(c)3 status. • Provide a copy of the Certificate of Existence from the Indiana Secretary of State to provide proof that the organization is in good standing.	Tab E_Not-for-Profit
Audited Financial Statements • Submit the most recent copy of audited financial statements.	Tab F_Capacity
Owner Authorization (if applicable) • If the applicant is different from the owner of the development, provide a letter from the owner authorizing the applicant to apply for funding for the owner's property.	Tab H_Notifications
Previous HUD or USDA-RD Funding • If development received funding directly from HUD or Rural Development, the applicant must send a notification letter to the appropriate HUD or Rural Development Office and provide proof of sending.	Tab H_Notifications

Visitability Mandate • Any development involving the new construction of single family homes, duplexes, triplexes, or townhomes must meet the following visitability mandate: Visitability is defined as design concepts that allow persons with mobility impairments to enter and stay, but not necessarily live, in a residence. There are three specific design elements that must be incorporated to satisfy the visitability mandate: • Each unit must contain at least one zero-step entrance on an accessible route. This can be any entrance to the unit; • All main floor interior doors (including bathroom doors and walk-in closets) in each unit must provide at least at least 31 ¾ inches of clear opening width; • Each unit must contain at least one half or full bathroom on the main level that is accessible per ICC A117.1.Section 1004.11.	Application
Site Map and Photos • Submit a clear, colored, site map. • Submit clear, recent, color site photos including views from all cardinal directions.	Tab K_Site Map
Title Search • Submit evidence of clear title with a title insurance commitment, title search documentation, or an attorney's opinion letter.	Tab L_Readiness
Construction Cost Estimate • Submit detailed construction cost estimate for the development.	Tab L_Readiness
Site Control • Submit a purchase option or purchase agreement that expires no less than 30 days subsequent to the award announcement date.	Tab L_Readiness
Zoning Approval • Provide a letter no older than six months from the local planning official that certifies the current zoning allows for construction and operation of the proposed homes and any required variances that have been approved.	Tab L_Readiness
Capital Needs Assessment • For developments proposing 26 or more total units, a Capital Needs Assessment is required.	Tab L_Readiness
Environmental Review • Submit completed environmental review forms. Instructions and forms can be found in the IHCDA CDBG & HOME Program Manual or the Environmental Review Guide. • A FIRM floodplain map must be submitted with each parcel identified on the map. (Any property located in any variation of zone "A" on the map is ineligible for funding). Maps may be downloaded from the FEMA website here: https://msc.fema.gov/portal.	Tab M_Environmental Review

Affirmative Fair Marketing Plan (if applicable) • In accordance with 24 CFR 200.620 and 24 CFR 92.351 (a), the recipient must adopt an Affirmative Fair Housing Marketing Plan for rental and homebuyer developments containing five or more HOME-assisted housing units. Submit form HUD 935.2A.	Tab N_Fair Housing
Development Fund • Developments requesting a Development Fund loan must designate at least 50% of the Development Fund-assisted units for households at or below 50% AMI with the remaining Development Fund-assisted units designated for households at or below 80% AMI.	Application
Funding Committed Prior to Application • All other development funding must be committed prior to submitting an application for this HTF and HOME funding to IHCDA Please complete the sources and uses tab in the application.	Tab O_Financial Commitments
Letters of Commitment • Submit signed letters of commitment for all funding sources with funding terms and amounts.	Tab O_Financial Commitments
CHDO Operating Supplement • If applying for a CHDO Operating Supplement, fill out Section F of the Sources and Uses tab and the CHDO Operating Supplement tab in the Application Forms.	Application
Rental Proforma • Complete Rental Proforma tab in the IHCDA Rental Application Forms.	Application
Match Requirement • The match requirement for the HOME programs is 25% of the total amount of HOME funds requested minus environmental review costs. Match must be committed prior to submitting an application for HOME funding to IHCDA. ○ Submit the relevant sections of the Match Spreadsheet. ○ Submit letters of commitment for each source of Match.	Tab O_Financial Commitments
Senior Developments • New Construction: ○ 100% of the units must be accessible or adaptable, as defined by the ADA and the Indiana Accessibility Code. • Rehabilitations: ○ 100% of the ground floor units must be accessible or adaptable, as defined by the ADA and the Indiana Accessibility Code, and all units above the ground floor must be adaptable as defined by the ADA and the Indiana Accessibility Code unless the building(s) contained elevator(s)/Lift(s) prior to rehabilitation, in which case the elevators/lifts will need to be maintained and 100% of the units above the ground floor will need to be accessible and adaptable.	*The originally signed application will serve as certification that the development will comply with these requirements.*

Universal Design Features • Applicants must adopt a minimum of two universal design features from each universal design column below. Features found in Column A are regarded as being of high cost and/or high burden of inclusion to the development. Features found in Column B are regarded as being of moderate cost and/or moderate burden of inclusion to the development. Features found in Column C are regarded as being of low cost and/or low burden of inclusion to the development. Applicants must identify which features they will be undertaking on the Universal Design Form.	Application
Supportive Housing Institute • Applicants must successfully fulfill all requirements of the 2017 Indiana Supportive Housing Institute for the specific development for which they are applying. In order to demonstrate that all Institute requirements have been met, the applicant must obtain a letter from CSH certifying: ○ The team attended all Institute sessions; and ○ CSH has reviewed the proposed development, operating, and service budget, tenant selection plan, operation plan, and supportive service plan. The development team must submit their draft budgets and plans to CSH 45-90 days prior to the submittal of this application in order to allow time for review and comments; and ○ Project concept is aligned with Institute goals, including target population to be served and use of the Housing First model.	CSH Letter
CSH MOU • The applicant must enter into an MOU with CSH for ongoing technical assistance (to be provided from completion of the Institute until at least the end of the first year of occupancy). A copy of the MOU must be provided with this application.	Copy of MOU
Supportive Service Provider MOU(s) • The applicant must enter into an MOU with each applicable supportive service provider. A copy of the MOU(s) must be provided with the application.	Supportive Services MOU

Target Population • The development must serve persons experiencing homelessness who are identified as most vulnerable, are using costly public systems, and are most in need of supportive housing. The identification and assessment of the target population must be data driven. The Institute RFP released will define the target populations that participating teams may choose to target. Each team participating in the Institute must develop a concept that services one of the allowable target populations.	Completion of the Institute
Referral, Screening and Communication • Tenant referral must be based on the local Continuum of Care Coordinated Entry System. • Property Management must adopt a screening in process that ensures supportive housing is accessible to the target population. The tenant selection plan must be written specific to supportive housing principles, may not screen out individuals based on credit history, or previous landlord history and must implement criminal background screen procedures that reduce barriers to obtaining housing. • How the property management and the agency providing the one-site or 24/7 accessible support coordination will communicate, accommodate staff turnover and assure continuing linkages between the Development and the Agency providing the on-site support coordination for the duration of the compliance period.	
Agreement Among All Parties • Demonstrate collaboration between property management and supportive service staff to ensure the housing stability of all tenants. The roles of property management and supportive service staff should be properly delineated to define the different role of each organization/staff.	Agreement

Universal Design Features		
Column A	**Column B**	**Column C**

Front loading washer and dryer with front controls, raised on platforms or drawers in each unit or all laundry facilities	At least one entrance to the ground floor of a unit shall be on a circulation path from a public street or sidewalk, a dwelling unit driveway, or a garage. That circulation path shall be a ramp or sloped walking surface. Changes in elevation shall not exceed ½" (All one & two family dwellings only)	Audible and visible smoke detectors in each unit
Walk-in Bathtub or shower with a folding or permanent seat (Senior Living Facilities 10% of the units, and 5% of the units for non-senior)	In kitchens, provide pull out shelves or Lazy Susan storage systems in base corners cabinets	Light switches located 48" maximum above the finished floor in each unit
Range/oven with controls located to not require reaching over burners in 10% of the units	All interior doors shall have a minimum clear width opening of 31-3/4"	Lighting controls are rocker, or touch sensitive control
Wall oven with 27" minimum knee clearance under the door in the open position and controls 48" maximum above the floor in 10% of the units	Adjustable height shelves in kitchen wall cabinets in each unit	Over bathroom lavatories, mirrors with the bottom edge of the reflecting surface 40 inches maximum above the floor or a tilt mirror that provides a similar view in each unit
Toilets that meet the provisions for location, clearance, height and grab bars in 2009 ICC A117.1 Section 604.5 in one bathroom in each unit	Where provided, telephone entry systems shall comply with ANSI.SASMA 303.-2006, Performance Criteria for Accessible Communication Entry Systems	Lever handle faucets on lavatories and sinks in each unit
Provide an accessible route from the garage into the dwelling in 10% of the units with attached private garages	Provide one of the following in one bathroom within each unit: 1. Adjustable height shower head that allows for a shower head to be located below 48" above the tub or shower floor; or 2. Hand-held showerhead with a flexible hose 59" minimum in length	Full length mirrors with the bottom of the reflecting surface lower than 36" and top to be at least 72" above the floor in each unit
Curb cuts along an accessible route throughout the development in accordance	Remote control heating and cooling in each unit	Where provided, signage identifying unit numbers shall be visual characters, raised

with 2009 ICC A117.1 Sections 406.13		characters and braille
Side by side refrigerators in each unit	In the kitchen, provide a 30" x 48" clear floor space adjacent to the sink, dishwasher, cooktop, oven, refrigerator/freezer and trash compactor	Where room lighting is provided, provide remote controls or motion sensor controls
Where private garages are provided, automatic garage door openers on the garage doors	At least one section of the counter or a pull out surface shall provide a work surface with knee and toe clearances in accordance with ICC A117.1 Section 1003.12.3	Bathtub/shower controls located 48" maximum above the tub floor in each unit
Provide in the kitchen a sink and a work surface in accordance with ICC A117.1 Sections 1003.12.3.2 and 1003.12.4.2 in 10% of the units	Built in microwave with an adjacent clear floor space and controls located 48" maximum above the floor in each of the units	Pulls on drawers & cabinets in each unit
Provide Motion detector controls for the outside lights at least on entrance in each unit	For kitchen and bathroom countertops, provide a visual contrast at the front edge of the counter or between the counter and the cabinet in all units	At least one garden area raised to a minimum of 15" above the adjacent grade
A removable base cabinet in kitchens at the sink and one work surface and at the lavatory in at least one bathroom in accordance with ICC A117.1 Sections 1003.12.3.1, 1003.12.4.1 and 1003.11.2 in all bottom level units	Provide a 30" x 48" clear floor space in each bathroom. Where bathroom doors swing in, the clear floor space must be beyond the swing of the door	Provide 10 fc lighting for at least one work surface in each unit
In kitchens, provide pull out shelving for all standard base cabinets in each unit	All hallways 42" or wider in each unit	Controls for bathtubs or showers located between the centerline of the bathtub or shower stall and the front edge of the opening in at least one bathroom in each unit
Provide a roll-in shower in at least one bathroom in accordance with ICC A117.1 Section 608.2.2 or 608.2.3 in each unit	All wall reinforcements for a second handrail at stairways in each unit	All closet rods adjustable or provide a portion of each closet with two clothes rods at different heights in each unit

In 10% of the units, provide cook top with toe & knee clearance underneath in accordance with ICC A117.1 Section 1003.12.5.4.2. The underside of the cook top shall be insulated or otherwise configured to protect from burns, abrasions or electric shock	Where walls are provided adjacent to toilets, bathtubs or showers, provide blocking for a future installation of grab bars in accordance with ICC A117.1 Section 1004.11.1	Slide or bi-folding closet doors for reach-in closets in all units
Dishwasher unit with all operable parts and shelving between 15" and 48" above the flooring 10% of the units	All doors intended for user passage shall have a minimum clear width opening of 31-3/4"	Levers hardware doors intended for user passage in each unit
A fixed or fold down seat in the shower or a bathtub with a seat in at least one bathroom of 10% of the units	Kitchen Faucet with pull out spout in lieu of side mount sprayer in each unit	Electric outlets raised 15" minimum above the finished floor in each unit. Dedicated outlets and floor outlets are not required to comply with this section
Grab bars in bathroom and shower in 10% of the units (1st bathroom only for two bathroom units)	Provide a means of identifying visitors without opening the door in accordance with ICC A117.1 Section 1006.5.2	Provide a lighted doorbell at the outside of the primary entrance door to each unit in accordance with ICC A117.1 Section 1006.5.1
Remote controlled drape, blinds and/or curtains in 5% of the units	Significant color contrast between floor surfaces and trim in each unit	Countertop lavatories with lavatories located as close to the front edge as possible in 10% of the units
Carpet complying with ICC A117.1 Section 302.2 or slip resistant flooring	Visual contrast between stair risers and stair treads in each unit that contains stairways	Self-closing drawers on kitchen cabinets
		Mailboxes located between 24"-48" above the ground

Part 7: Scoring Criteria

7.1 Development Characteristics **Category Maximum Points Possible: 18**

1). Opportunity Index *Maximum Number of Points: 10*

Applicants may earn up to 10 points (with two points for each feature) for developments located within areas of opportunity.

- Public Transportation (2 points): Points will be awarded to developments located within a half-mile of a public transit station or bus stop. For communities with a population of 14,999 or less, point-to-point transportation is eligible as long as it is provided by a public or not-for-profit organization and is available to all residents of the development. Taxis, Uber, or other ride-sharing programs are not eligible for points. For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

  In order to receive points for this scoring subcategory, the applicant must submit a map in **Tab P_Project Characteristics** including:
  - Specific development location,
  - Transit station or bus stop location, and
  - A half-mile radius drawn from the development location.

- Unemployment Rate (2 points): Points will be awarded to developments located within a county that has an unemployment rate below the state average. (http://opportunityindex.org/). For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- Job Growth (2 points): Points will be awarded to developments located within a county that has a 12 month change in employment percentage in the top half of the state using the Department of Labor's Quarterly Census of Employment and Wages as listed on https://beta.bls.gov/maps/cew/us. For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- Employer Proximity (2 points): Points will be awarded to developments located within five miles of at least one of a county's top 10 employers. County employer data can be found at http://www.hoosierdata.in.gov/buslookup/BusLookup.aspx.

  In order to receive points for this scoring subcategory, the applicant must submit a map in Tab P_Project Characteristics including:
  i. Specific development location;
  ii. The location of the qualifying employer(s)
  iii. A five mile radius drawn from the project location.

- Poverty Rate (2 points): Points will be awarded to developments located within a county that has a poverty rate below the state average (http://opportunityindex.org/). For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- County Median Household Income (2 points): Points will be awarded to developments located within a county that has a median household income above the state average (http://opportunityindex.org/). For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- Census Tract Income Level (2 points): Points will be awarded to applicants proposing developments located in higher income neighborhoods compared to surrounding areas. Points will be determined according to the Federal Financial Institutions Examination Council's (FFIEC) income level of its census tract. Find the census tract income level by entering the project address at the FFIEC website (https://geomap.ffiec.gov/FFIECGeocMap/GeocodeMap1.aspx) and clicking “Census Demographic Data” below the matched address. For scattered site developments, points will be averaged according to the number of units within each income level.

FFIEC Income Level	Points
Upper	2
Middle	1
Moderate	.5
Low	0

2) Health and Quality of Life Factors *Maximum Number of Points: 8*

Applicants may earn up to 8 points for developments located in counties with high health outcomes or in areas in close proximity to fresh produce and other positive land uses.

- Health Factors (2 points): Points will be awarded to developments located within a county that has a ratio of population to primary care physicians of 2,000:1 or lower. http://www.countyhealthrankings.org/app/indiana/2017/measure/factors/4/data) (For scattered site developments, at least 50% of the proposed units must meet this requirement to be eligible for points.

- Fresh Produce (2 points): Points will be awarded to applicants proposing developments located within a mile of a supermarket or grocery store with fresh produce. For scattered site developments, at least 75% of the proposed homes must meet this requirement to be eligible for points.

  Stores with fresh produce must:
  - Be currently established;
  - Have a physical location; and
  - Have regular business hours.

Staff will independently verify that the location meets the above requirements. As part of the clarification process, the applicant may be required to provide additional information. For the purposes of this scoring subcategory, farmers' markets, produce stands, gas stations, convenience stores, and drug stores do not qualify.

In order to receive points for this scoring subcategory, the applicant must submit a map in **Tab P_Project Characteristics** including:

- Specific development location;
- Store or market location; and
- A mile radius drawn from the project location.

- Proximity to Positive Land Uses (4 points): Points will be awarded to applicants proposing developments located within three miles of the locations listed in the table below. A maximum of four points is available in this category. For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

Site	Points
Community or recreation center	1 point
Park or public greenspace	1 point
Primary care physician or urgent care facility	1 point
Pharmacy	1 point
Sidewalks or Trails	.5 point
Clothing, department store	.5 point
Bank	.5 point
International or ethnic food market	.5 point
Education facility	.5 point
Licensed child care facility	.5 point
Social service center	.5 point
Government office (i.e. town hall, trustee's office)	.5 point
Post Office	.5 point
Public Library	.5 point
Cultural arts facility	.5 point

In order to receive points for this scoring subcategory, the applicant must submit a map in Tab P_Project Characteristics including:

i. Specific development location;
ii. The location of the qualifying site(s)
iii. A three mile radius drawn from the project location.

7.2 Development Features **Category Maximum Points Possible: 25**

This category describes the features of the overall proposed HOME project.

1) *Existing Structures* *Maximum Number of Points: 6*

Points will be awarded to developments that utilize existing structures on at least 50% of the assisted units.

Existing Structure	Points
Project is rehabbing at least 50% of the square footage of a vacant structure(s) for housing; OR	5
Development is rehabbing at least 50% of the units or square footage, whichever is greater, of existing housing stock; OR	5
Development is rehabbing existing Federally Assisted Affordable Housing	6

In order to receive points, the applicant must submit in **Tab Q_Development Features:**

- Documentation of whether or not the building is occupied.
- For existing Federally Assisted Affordable Housing rehabilitation, submit documentation from the entity enforcing affordable housing requirements evidencing the rent and income restrictions applicable to such property including the term of such restrictions.

**Note: Developments receiving points in the Infill New Construction category are not eligible for points in the Existing Structure category.*

2) Historic Preservation *Maximum Number of Points: 2*

Points will be awarded to a development that contains at least one unit that is a historic resource to the neighborhood.

In order to receive points, the applicant must submit in **Tab Q_Development Features:**

- Either a letter or report from the National Park Services, or Department of Natural Resources Division of Historic Preservation and Archaeology that specifically identifies the site as a historic resource or contributing to a historic district; or
- A photocopied page from the most recent county Indiana Sites and Structures Interim Historic Report showing the structure is Contributing, Notable, or Outstanding in the County's Interim Report.

3) *Infill New Construction* *Maximum Number of Points: 5*

Points will be awarded to demolition and new construction developments that meet IHCDA's criteria for infill. For the program, IHCDA defines infill housing as the process of developing on vacant or underused parcels of land within existing areas that are already largely developed or previously developed. At least two sides of the project must be adjacent to occupied residential development, operating commercial development, active public space, or another active community activity.

For purposes of this category, the following will not qualify as infill housing:

- Existing agricultural land,
- Land where agriculture was the last use and it was within the last 5years except within corporate limits,
- Undeveloped Master Planned Communities, or
- Existing structures that will be rehabilitated.

In order to receive points, the applicant must submit in **Tab Q_Development Features:**

- Aerial photos of the proposed site(s) with the site labeled;
- For scattered site projects, all of the proposed development sites must meet the infill attribute scoring criteria to receive points.

**Note: Developments receiving points in the Existing Structure category are not eligible for points in the Infill New Construction category.*

4) *Design Features* *Maximum Number of Points: 4*

Points will be awarded for each design feature chosen, for a maximum of four points in this category.

Design Feature	Points
Exterior walls are at least 50% durable material (brick, stone, or cement board)	1
Includes LED lighting	1
Roofing system has at least a 30-year warranty (must provide supporting documentation from the manufacturer to qualify)	1
Porch with a minimum of 48 square feet with a roof that is permanently attached to the residence	1
Deck or patio with a minimum of 64 square feet that is made of wood or other approved materials	1
Framing consists of 2" X 6" studs to allow for higher R-Value insulation in walls	1
Garage with a minimum of 200 square feet that is made of approved materials, has a roof, is enclosed on all sides and has at least one door for vehicle access	1
Crawl space or basement	1
Security system	1
Carport with a minimum of 200 square feet that is made of approved materials, has a roof, and is open on at least two sides	1
Attached or unattached storage space measuring at least 5' x 6' (not a mechanical closet)	1
Playground	1
Community room	1

5) *Universal Design Features* *Maximum Number of Points: 5*

Points will be awarded for applicants that propose developments that go beyond the minimum threshold requirement for universal design features. Please refer to the universal design features chart in the threshold section of this policy. The applicant will be required to submit the Building Form identifying the Universal Design Features of the project. The applicant will be awarded points as follows:

Number of Universal Design Features in Each Column	Points
5	5
4	4
3	3

Please refer to the table of universal design features on page 29.

6) *Smoke-Free Housing* *Maximum Number of Points: 3*

Points will be awarded if the development commits to operate as smoke-free housing.
In order to receive points, the applicant must submit in **Tab Q_Development Features:**

A smoke-free housing policy that addresses (at a minimum) the following items:

- Definition of who the rule applies to (e.g. not only residents but also their guests on the property, staff, etc.);
- Definition of smoking;
- Explanation of where smoking is prohibited on the property. Smoking must be prohibited in individual units and all interior common space. The plan should also designate a smoking area on the property. The designated smoking area must prohibit smoking within a minimum of 15 feet of any buildings;
- Explanation of how the smoke-free rules will be communicated and enforced;
- If the development is the preservation of existing housing that is not currently smoke-free, then the plan must include an explanation of how the property will transition to a smoke-free environment; and
- Draft smoke-free housing lease addendum that will be signed by all households.

IHCDA recommends the American Lung Association of Indiana's "Smoke-free Housing Indiana Toolkit" as a resource to create a smoke-free housing policy. See http://insmokefreehousing.com for more information.

7) *Green Building* *Maximum Number of Points: 5*

Up to five points will be awarded for the green building techniques listed below. The signed application forms will be proof of these commitments.

Green Building Technique	Points

Orient structures on East/West axis for solar exposure	1
Include new trees in landscaping to curb winter winds and provide shade	1
Low VOC paints and finish materials	1
Install flow reducers in faucets and showers	1
Minimize the disruption of existing plants and trees	1
Include recycling bins in the kitchen	1
Install recycled content flooring and underlayment	1
Install a light colored roofing material	1
Low flow toilets or dual flush toilets	1
R-Value insulation exceeding Indiana State Building Code	1
Recycle deconstructed building material	1
Incorporate permeable paving	2
Install high-efficiency, tank-less water heaters	2
Use on-site solar energy to reduce resident utility costs	2

7.3 Readiness **Category Maximum Points Possible: 8**

This category describes the applicant's ability to begin and timely execute an awarded project.

1) *Predevelopment Activities* *Maximum Number of Points:* *5*

Points will be awarded to applicants that have completed some predevelopment activities according to the chart below. Applicants are eligible to receive up to five points. Points will only be awarded if the required supporting documentation, italicized below the activity description, is included in **Tab L_Readiness.**

For scattered site developments, documentation for each site must be submitted in order to receive the points. Documents should be clearly labeled with the site addresses for ease in reviewing the documentation.

Predevelopment Activity Completed	Points
Asbestos Testing *Submit a copy of the assessment report.*	1
Lead Testing *Submit a copy of the assessment report.*	1
Appraisal *Provide an appraisal that is no older than 6 months.*	1
Preliminary Design Plans *Provide electronic copies of architectural and/or engineering plans.*	1
Property Survey *Provide an electronic copy of the property survey.*	1
Capital Needs Assessment/Structural Needs Report *Provide a copy of the report performed by a licensed professional.*	1
CHDO Predevelopment Loan *Applicants that fully utilized a CHDO Predevelopment Loan for the current HOME application are eligible for one point.*	1

Comprehensive Community Plan *Provide a copy of ONE plan for each jurisdiction that meets all of the following criteria:* • *Specific references to the creation of or need for housing* • *No older than 15 years* • *Public participation and narrative about efforts leading to the creation of the plan* • *A target area map with the proposed development sites labeled* • *Resolution showing adoption by the highest local unit of government*	2

2) *Contractor Solicitation* *Maximum Number of Points: 3*

Points will be awarded to applicants who invite material participation in the proposed development by Indiana contractors. To qualify for these points, a minimum of five letters inviting contractors to participate in the bidding of the project must be sent, with at least 20% of these letters going to state certified Minority Business Enterprises (MBE), Women Business Enterprises (WBE), Federal Disadvantaged Business Enterprises (DBE), Veteran- Owned Small Businesses (VOSB), and/or Service Disable Veteran Owned Small Businesses (SDVOSB).

In order to receive points, the applicant must submit in **Tab L_Readiness**

- A copy of the letter inviting the various contractors to participate in the bidding of the project,
- Evidence of received receipt of invitation by five contractors, and
- A copy of each of the 20% of applicable and current state certifications or a print out from the State's certification list clearly indicating the entities and when the certification list was printed.

Eligible Certification Summary Table		
Certification	**Certifying Agency**	**Website**
MBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
	Indiana Minority Supplier Development Council	http://midstatesmsdc.org/
WBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
DBE	Indiana Department of Transportation	http://www.in.gov/indot/2576.htm
VOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/
SDVOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/

7.4 Capacity **Category Maximum Points Possible: 23**

This category evaluates the applicant's ability to successfully carry out the proposed project based on certifications and/or experience in affordable housing development.

1) *Certification* *Maximum Number of Points: 5*

Points will be awarded for a member of the development team, property management team, applicant, and/or administrator staff who has completed the following certifications. Five points will be awarded for the completion of two of the six certifications listed below. The completion of only one of the certifications below will receive three points. If two staff members hold the same certification, points will be awarded for two certifications.

If you do not see a certification you have received on the list that you believe would be relevant, please consult with your Real Estate Production Analyst at least one week prior to the application due date to request that it be eligible for points.

Required IHCDA Compliance Trainings, IHCDA application and policy webinars, IHCDA application and policy trainings, and IHCDA feedback sessions are not eligible for points in this category.

Attach copies of the certification completion in **Tab S_Capacity**.

Certification	Sponsoring Organization
CHDO Capacity Building Certification (Must have attended all webinars in either 2016 or 2017)	Indiana Housing and Community Development Authority (IHCDA)/HPG Network
Project Development Training	Prosperity Indiana
Housing Development Finance Professional	National Development Council (NDC)
Certified Aging-in-Place Specialist	National Association of Home Builders (NAHB)
Home Sweet Home: Modifications for Aging in Place	University of Indianapolis / Indiana Housing and Community Development Authority
Grant Administration Certification	Indiana Housing and Community Development Authority (IHCDA)
Certified HOME Program Specialist	HUD/CPD

2) *Overall IHCDA Award Performance of the Applicant* *Maximum Number of Points: 8*

Applicants with an IHCDA award monitored within the past five years may be eligible for points based on the applicant's overall performance. Only the most recently monitored award is eligible for points. An award may be eligible, whether it is closed or open, as long as an official

IHCDA monitoring has occurred. Please list the most recently monitored award number in the application forms.

Applicants cannot qualify for points under both the New Administrator Experience and IHCDA Award Performance.

Description of Overall Award Performance	Points
Applicant's most recently monitored HOME award had no findings and no concerns.	8
Applicant's most recently monitored HOME award had no findings, but concerns were noted. **OR** No HOME experience, but **Applicant's** most recently monitored CDBG award had no findings and no concerns.	6
Applicant's most recently monitored HOME award had only one finding. **OR** No HOME experience, but **Applicant's** most recently monitored CDBG award had no findings but concerns were notes.	4
No HOME experience, but **Applicant's** most recently monitored CDBG award had only one finding.	2
Does not meet any category above. Examples: • More than one finding on most recently monitored award. • Applicant has no experience with IHCDA within the past five years.	0

3) *Administrator Experience* *Maximum Number of Points:* 5

Only applicants without an IHCDA award in the past five years that have properly procured an administrator with previous IHCDA HOME experience may receive points in this category. Five points will be awarded if the administrator has successful experience administering an IHCDA

HOME award that has been monitored within the past five years. In order to qualify for points, the most recently monitored award must not have had any findings. An award may be eligible, whether it is closed or open, as long as an official IHCDA monitoring has occurred. Please list the most recently monitored award number in the application forms.

Experience	Points
Administrator's most recently monitored HOME award had no findings.	5

4) *Timely Expenditure of Funds* *Maximum Number of Points: 5*

Points will be awarded to an applicant or administrator that has expended their most recent IHCDA award (HOME or CDBG) funds by the award expiration date without requesting award extensions. The award must be from within the past five years. Please list the award number in the application forms.

Award Length	Points
Applicant or administrator's most recent IHCDA award (HOME or CDBG) completed by the award expiration date.	5

5) *IHCDA Award Inspection Performance of the Applicant* *Maximum Number of Points: 2*

Applicants or administrators with an IHCDA award inspected within the past five years may be eligible for points based on their IHCDA inspection results. Points will be awarded if zero building code issues were noted on their last monitored inspection of their most recent award.

6) *CHDO Certification* *Maximum Number of Points: 3*

An applicant that applies and is certified as a Community Housing Development Organization will receive three points.

7.5 Leveraging of Other Sources Category Maximum Points Possible: 6

Points will be awarded to applicants whose proposed project has received either a firm commitment to leverage other funding sources. A "firm commitment" means that the funding does not require any further approvals.

"Other Funding Sources" include (but are not limited to) private funding, funds from a local community foundation, volunteer labor, Federal Home Loan Bank funding, federal, state or local government funds, in-kind donations for labor or professional services, sweat equity, donated material and equipment. Banked or shared match is not eligible.

Points will be awarded based on the Amount of Funding divided by the Total Development Costs:

Percentage of Total Development Costs	Points
.50% to 1.99%	1
2.00% to 3.99%	2
4.00% to 5.99%	3
6.00% to 7.99%	4
8.00% to 9.99%	5
Greater than 10%	6

To receive points in this category, the applicant must submit the following in **Tab O_Financial Commitments:**

- Provide a letter from the appropriate authorized official approving the funds. The letter must include a description of the type of approved funding for the proposed development and the amount of funding.
- In-Kind Donations – Labor or Professional Services: Submit commitment letter from donor(s) specifying number of hours they intend to donate and their professional service pay rate.
- In-Kind Donations – Sweat Equity: Submit a copy of sweat equity policy.
- In-Kind Donations – Donated Material and Equipment: Submit commitment letter from donor(s) specifying either the total value of the donated materials or the rental equipment rate and number of hours the equipment will be donated.
- Banked Match: Submit commitment letter signed by non-profit Board President.

Part 8: Glossary

Below are definitions for commonly used terminology found throughout the IHCDA HTF application policy and forms and applicable to the IHCDA HTF program.

Development: The HTF activity proposed in the application.

Extremely Low-Income: A household at or below 30% of area median income.

HTF: The Housing Trust Fund program.

IHCDA: Indiana Housing and Community Development Authority

Income Limits: Maximum incomes as published by HUD for projects giving the maximum income limits per household for program units. For HTF, the maximum income limit is 30% of area median income.

Median Income: A determination made through statistical methods establishing a middle point for determining income limits. Median is the amount that divides the distribution into two equal groups, one group having income above the median and one group having income below the median.

Rent Limits: The HUD published maximum rent amount, including a utility allowance and any non-optional fees. Rent limits are published by bedroom size and by AMI level. For HTF, the maximum rent limit is the 30% AMI rent limit.

GRANTEE UNIQUE APPENDICES.

Program Specific Requirements: HOME Investment Partnership Program (HOME) Reference 24 CFR 91.320(k)(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

Program Specific Requirements

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

Other CDBG Requirements

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:

Homebuyer Resale Provisions

When a homebuyer property is constructed, redeveloped, rehabilitated, or acquired, in whole or in part, with HOME funds and the HOME funds are provided to the homebuyer property in the form of a development subsidy and there is no direct homebuyer subsidy the recipient must implement resale requirements. 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 ("direct homebuyer subsidy"). The development subsidy consists of the difference between the cost of producing the unit and the market value of the property.

There are two different consequences that may be associated with a resale provisions (1) the resale provision can be triggered and its requirements must be met (as described below) or (2) an event of non-compliance can occur (as described further below).

The resale 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 resale provision requires that the property: (1) must be resold to another individual or family, whose income is at or below eighty percent (80%) of the area median income and (2) must be occupied by that individual or family as its primary residence for the remainder of the Affordability Period; and (3) must be resold at a price that is affordable, therefore a family between fifty percent (50%) and eighty percent (80%) of AMI would not pay more than twenty-nine percent (29%) of its gross income towards the principal, interest, taxes and insurance for the Real Estate on a monthly basis (“Affordable Price”);; and (4) must be affordable for a reasonable range of low income families between fifty percent (50%) and eighty percent (80%) of the median area income for the geographic area published annually by HUD. The homebuyer is entitled to a fair return on its investment (as described below) upon the sale of the property. The fair return will be based on the percentage change in the Consumer Price Index for All Urban Consumers Owners’ Equivalent Rent of Primary Residence category in Table I of the CPI Detailed Report (the “CPI Index”) during the period of the homebuyer’s ownership of the property. Accordingly, the CPI Index during the month the residence was completed (the month during which the completion reports were received by and approved by IHCDA) will be compared to the CPI Index during the month the homebuyer sells the residence to determine the percentage of the return. This percentage will be multiplied by the homebuyer’s investment. Here is an example:

Original sales price=$100,000

initial homebuyer investment=$5,000

capital investment=$9,000

Percentage change in CPI=3.5%

($5,000 + $9,000) x 3.5%= $490 fair return

$5,000 + $9,000 + $490=$14,490 total return to original homebuyer at sale

$100,000 + $14,490= maximum allowable subsequent sales price.

The homebuyer’s investment will include any down payment, plus any capital improvements. A capital improvement is any property enhancement that increases the overall value of the property, adapts it to new uses, or extends its life such as: adding windows, insulation, a new drive way, a new furnace, a garage, bedroom, new roof, remodeling kitchen, etc. Any capital improvement will be valued based on actual cost as documented by the homebuyer’s receipts. Generally, replacing worn or dated components such as appliances or carpet would not be considered an improvement that adds value or adapts it to new uses. In certain circumstances, such as a declining housing market where home values are depreciating, the homebuyer may not receive a return on his or her investment because the home sold for less or the same price as the original purchase price and a loss on investment may constitute a fair return.

IHCDA will provide HOME assistance to the subsequent homebuyer to ensure that the original homebuyer received a fair return and that the unit is affordable to the defined low-income population.

The recipient will be required to ensure that a lien and restrictive covenant agreement, drafted by IHCDA 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 IHCDA's form of Homebuyer Resale Agreement.

Non-compliance. Non-compliance occurs during the Affordability Period when an owner (1) vacates the unit or rents the unit to another household, (2) sells the unit to a buyer that is not income-eligible, (3) sells the unit to a buyer that will not agree to use the property as its principle residence for the remainder of the Affordability Period (will not sign a lien and restrictive covenant agreement), or (4) does not sell it to the buyer at a reasonable price. In the event of noncompliance, the recipient must repay the entire amount of HOME funds invested in the housing.

Under resale guidelines the Affordability Period is based upon the total amount of HOME funds invested into the property.

Total Amount of HOME Funds **Invested into the Property**	**Affordability Period**
Under $15,000	5 years
$15,000 to $40,000	10 years
Over $40,000	15 years

Homebuyer Recapture Guidelines

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

Recapture provisions require that the direct homebuyer subsidy must be recaptured if any of the above-referenced events occur. The amount of the direct homebuyer subsidy shall be reduced by multiplying the direct 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" means 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 IHCDA 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 IHCDA'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.

Non- compliance. Non-compliance occurs during the Affordability Period when any of the following occur: 1) the original homebuyer no longer occupies the unit as his or her principal residence (i.e., unit is rented or vacant), or 2) the home was sold during the Affordability Period and the recapture provisions were not enforced. In the event of noncompliance, the recipient must repay the entire amount of the HOME funds invested in the property. Net Proceeds ("as defined above") and the Forgiven Ratio ("as defined above") are not applicable when there is a non-compliance.

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).

Amount of Homebuyer Subsidy	Affordability Period
Under $15,000	5 years
$15,000 to $40,000	10 years
Over $40,000	15 years

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 24 CFR 91.320(k)(3)

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

The funding allocation for 2016 will support the goals:

- Reduce homelessness and increase stability for special needs populations.
- Expand and preserve affordable housing opportunities throughout the housing continuum.

The rationale for assigning the funding priorities was largely based upon HUD's national focus and priority on rapid re-housing and homeless prevention activities.

Written Standards for Provision of ESG Assistance

This section includes written standards for providing the proposed assistance and describes the requirements for subrecipients to establish and implement written standards.

1) Describe the standard policies and procedures for evaluating individuals' and families' eligibility for assistance under ESG.

ESG subrecipients serving households experiencing literal homelessness as defined under paragraph (1) of the "homeless" definition in 24 CFR § Part 576.2 or who meet the criteria under paragraph (4) of the "homeless" definition and live in an emergency shelter or other place described in paragraph (1) of the "homeless "definition are encouraged to utilize the Arizona Matrix Tool that is embedded in HMIS as well as completion of a Housing Plan to provide a guide for case management and evaluation of a person or family's needs.

2) ***Describe the policies and procedures for coordination among emergency shelter providers, essential service providers, homelessness prevention and rapid re-housing assistance providers, other homeless assistance providers, and mainstream service and housing providers.***

ESG subrecipients are expected to create MOU's with all shelter providers, housing agencies, community action agencies, township trustees, mental health centers, health clinics and homeless service providers in their proposed service area. Once available in their area, each ESG subrecipient will be required to partner with the Coordinated Access point by providing immediate housing to those persons who are unsheltered, if space is available. Additionally, as part of the proposal process, subrecipients are required to develop a program design that is inclusive not only of other targeted homeless services, but also of other mainstream resources such as public housing programs, programs receiving project-based or tenant-based Section 8, Supportive Housing for persons with disabilities (Section 811), HOME Investment Partnerships Program, Temporary Assistance for Needy Families (TANF), State Children's Health Insurance Program, Head Start, Mental Health and Substance Abuse Block Grants and services funded under the Workforce Investment Act. IHCDA encourages programs to be strategic and comprehensive in their program design by requiring applicants to include all available resources to the maximum extent practicable.

3) ***Describe the policies and procedures for determining and prioritizing which eligible families and individuals for homelessness prevention assistance and for rapid re-housing assistance.***

Persons who are utilizing Rapid Rehousing Funds must meet the criteria under paragraph (1) of the "homeless" definition in 24 CFR § Part 576.2 or meet the criteria under paragraph (4) of the "homeless" definition and live in an emergency shelter or other place described in paragraph (1) of the "homeless "definition to be eligible to receive rapid re-housing assistance.

Those persons who will be utilizing homeless prevention funds must meet the criterion under the interim rule that clarifies the definition of ''at risk of homelessness'' under section 401(1) of the McKinney-Vento Act. The definition includes three categories under which an individual or family may qualify as ''at risk of homelessness.'' For an individual or family to qualify as ''at risk of homelessness'' under the first category of the definition, the individual or family must meet two threshold criteria and must exhibit one or more specified risk factors. The two threshold criteria, as provided in the statute, are:

1. The individual or family has income below 30 percent of median income for the geographic area; and (2) the individual or family has insufficient resources immediately available to attain housing stability. Under the interim rule, the first criterion refers specifically to annual income and to median family income for the area, as determined by HUD.

2. The second criterion is interpreted as, ‘‘the individual or family does not have sufficient resources or support networks, e.g., family, friends, faith based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the homeless definition in 24 CFR § Part 576.2.

For homeless prevention, the risk categories to further ensure consistency of interpretation, the interim rule also clarifies several of the risk factors that pertain to the first category of individuals and families who qualify as ‘‘at risk of homelessness.’’ As provided under the statute, the pertinent risk factors are as follows:

1. Has moved frequently because of economic reasons;
2. Is living in the home of another because of economic hardship;
3. Has been notified that their right to occupy their current housing or living situation will be terminated;
4. Lives in a hotel or motel;
5. Lives in severely overcrowded housing;
6. Is exiting an institution; or
7. Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness.

4) Describe the standards for determining the share, if any, of rent and utilities costs that each program participant must pay, if any, while receiving homeless prevention or rapid re-housing assistance.

Participants who receive rental assistance through rapid rehousing or homeless prevention are expected to pay 30 percent of their income for rent and utilities if they have income. IHCDA provides an Excel based worksheet which automatically calculates the tenant rent and utility portion allowable when household income is entered. Subrecipients will be responsible for ensuring that assisted rental units meet reasonable rent standards, are at or below fair market rent and meet habitability standards before any rental payments are approved. The tenant’s portion and ESG subsidy will be calculated based upon acceptance into the program and determination of need for rental assistance.

The tenant portion of rent is calculated on the basis of allowable household income. Tenant rents are paid directly to the landlord and are subject to the same timeliness requirements as the overall rent. Any late fees incurred while receiving ESG will be the responsibility of the tenant to pay.

5) ***Describe the standards for determining the duration of rental assistance and whether and how the amount of assistance will be adjusted over time.***

Participants can receive up to 12 months of rental assistance per award year, and up to a maximum of 24 months of rental assistance in a three year period. The award term to subrecipients is 18 months. All funds associated with that award year must be expended upon completion of the award term. Program participants receiving rental assistance must pay 30 percent of their household income each month towards rent and utilities throughout the duration of their participation with ESG. Tenant payments will not be adjusted if income has increased. Payment of rental arrears consisting of a one-time payment for up to six months of rental arrears, including any late fees on those arrears is also an eligible expense. All persons assisted with program will qualify for up to 12 months of rental assistance and up to 18 months of services. Case managers will utilize the Arizona Self Sufficiency Matrix tool, which is built into the HMIS, to ensure participants receive the appropriate level of assistance. The Housing Plan is available for case managers to utilize for each household.

6) ***Describe the standards for determining the type, amount, and duration of housing stabilization or relocation services to provide a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive. Limits should include the maximum amount of assistance, maximum number of months the program participant is eligible to receive assistance; and the maximum number of times the program participants may apply for assistance.***

Participants can receive up to 18 months of housing relocation and stabilization services during the award term. Participants cannot receive more than 24 months of these services within a three (3) year period. Housing relocation and stabilization services includes financial assistance activities such as moving costs, rental application fees, security deposits, last month’s rent, utility deposits and utility payments; and services such as housing search and placement, housing stability case management, mediation, legal services and credit repair. No limit will be placed on the amount or type of services provided per participant as subrecipients are encouraged to spend the funds as needed by the tenant through active engagement with the participant. The amount and type of services will be determined largely at the time of intake when the housing case manager completes a housing assessment on the participant. The assessment consists primarily of using the Arizona Self-Sufficiency Matrix tool, which uses a vulnerability index to determine the most urgent needs as it relates to housing. This tool is also built into the HMIS. Participants can be assisted with housing stability case management for up to 30 days during the period the program participant is seeking permanent housing and cannot exceed 18 months total during the period the program participant is living in permanent housing.

Training through IHCDA Housing Conference and other formats provided by the CoC Board (CoC Development Day) have been provided to ESG subrecipients and other McKinney Vento funded programs. These trainings have covered areas such as: housing first best practices, motivational interviewing, rule reductions, how to assist in employment, mainstream resources, bed bug prevention and case management best practice.

Subrecipients that administer ESG funded Rapid Rehousing programs will be expected to attend a 12-month learning collaborative as a condition of funding in order to further develop RRH approaches. Subrecipients will participate in peer learning opportunities and RRH outcomes will be tracked throughout the duration of the learning collaborative.

1. 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. IHCDA is the collaborative applicant within the CoC and IHCDA was awarded the Coordinated Access Grant. With the assistance of the CoC Board, IHCDA will develop and improve 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 first 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.

2. 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 - three agencies that may apply for the 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.

3. 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 supportive housing program. 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 issue is also reviewed during program monitoring visits.

4. Describe performance standards for evaluating ESG.

   The performance standards were developed in conjunction 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 Annual Progress Reports and the ESG reports for the 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 IHCDA 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 are Transitional Housing programs that have activities such as operations, essential services and financial assistance: 69 percent of persons will discharge to permanent housing, 50 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.

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? Indiana does not fund local Community Strategy Areas; however, the state does have a number of programs that invest in community revitalization. These are discussed below.

Local Government Revitalization Initiatives

Please see the CDBG MOD for more information about the State's programs to conduct community enhancement and economic development activities.

The Stellar Communities Program, funded with CDBG, makes available funds for 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 community. From this revitalization strategy, communities will produce a three-year community investment plan which will identify capital and quality of life projects to be completed during that period.

Evaluation and selection of the final two communities to the Stellar Communities Program is based on the following criteria. For the 2017 Action Plan, Stellar Communities will not receive funding. Instead, the program will be evaluated for its effectiveness.

- Completion of a Strategic Investment Plan which will thoroughly and concisely address and document the following minimum requirements:
  - Describe key achievements the community would like to achieve with the designation.
  - Description of the local and regional impact and how future investment will be attracted to the community.
  - Identification and description of the intended projects and demonstrated reasonableness of project scope:
    - Identify priority projects in terms of greatest level of impact and need. Document and support the level of need for each project and the significance of each project in the overall revitalization efforts within the community;
    - Projects should be comprehensive in meeting the variety of needs within a community;
    - Projects should be reasonable in the scope of work to be completed. The projects should be able to be completed in the four program years;
    - Description how proposed projects will leverage additional resources; and
    - Projects should be practical in relationship to the community's operating budget.

- Describe the feasibility of each project. Include documentation of the proposed capital projects in relation to floodplain/floodways.

- Description of the capacity of the applicant and their partners to administer the funds:
    - No outstanding monitoring/audit findings of any current grants;
    - Applicant must be in good standing with all funding agencies;
    - Describe development team and their ability to implement a multi-project plan providing examples of past successes;
    - Document governmental and/or civic leadership capacities within the community; and
    - Document the services of a grant administrator and/or successfully completed projects in the past three years utilizing state and/or federal grant funds.

- Describe readiness status of each project
    - Describe the steps taken thus far in each proposed project's process

- Description of the community engagement process including:
    - Community vision, goals and revitalization strategies to address the identified needs in the targeted area; and
    - Describe future community engagement plans if designated.

- The long-term viability of the strategic community investment plan.
    - Provide a four year timeline of the SIP;
    - Provide a current revitalization strategy utilizing any of the following techniques: existing comprehensive plans, economic development strategic plans, downtown revitalization plans, or community surveys; and
    - Financial documentation supporting the sustainability and maintenance of the proposed projects (pro forma, user rates, available public financing, other appropriate funding mechanisms, etc.).

- Describe how the Stellar Community designation will enable the community to further implement their revitalization goals.
    - Provide a description of how the designation will be used to market community to attract residents and businesses

- Completion of the site visit checklist from the resource team.

Homebuyer Resale Provisions

The recipient must implement resale requirements for every homebuyer property constructed, redeveloped, rehabilitated, or acquired, in whole or in part, with HOME funds in the form of a development subsidy. The development subsidy consists of the difference between the cost of producing the unit and the market value of the property.

If the homebuyer no longer occupies the property as its primary residence, the property:
(1) must be resold to another individual or family; who meets the Affordability Requirements; and,
(2) must be resold at a price that does not exceed twenty-nine percent (29 %) of that individual's or family's gross income towards the principal, interest, taxes and insurance for the property on a monthly basis ("Affordable Price"). The homebuyer must resale the property within six (6) months of the date it fails to occupy the property as its primary residence.

The homebuyer is entitled to a fair return on investment (as described below) upon the sale of the property. The fair return will be based on the percentage change in the Consumer Price Index for All Urban Consumers Owners' Equivalent Rent of Primary Residence category in Table I of the CPI Detailed Report (the "CPI Index") during the period of the homebuyer's ownership of the property.

Accordingly, the CPI Index during the month the residence was completed (the month during which the completion reports were received by and approved by IHCDA) will be compared to the CPI Index during the month the homebuyer sells the residence to determine the percentage of the return. The homebuyer's investment will include any down payment, plus any capital improvements.

A capital improvement is any property enhancement that increases the overall value of the property, adapts it to new uses, or extends its life. Any capital improvement will be valued based on actual cost as documented by the homebuyer's itemized receipts, submitted to, and approved by IHCDA. Allowable capital improvements could include: room additions, bathrooms, family room); refurbishment/modernization of kitchen or bathrooms (limited to built-in new appliances, cabinets or flooring); addition of porches or decks; installation of central air condition or new heating equipment; major re-plumbing or upgrading or electrical service; insulation; a new driveway; landscaping; or sprinkler system. Generally, replacing worn or dated components such as appliances or carpet would not be considered an improvement that adds value or adapts it to new uses.

In certain circumstances, such as a declining housing market where home values are depreciating, the homebuyer may not receive a return on his or her investment because the home sold for less or the same price as the original purchase price and a loss on investment may constitute a fair return. The property cannot be sold for a price higher than indicated above.

The recipient will be required to ensure that a lien and restrictive covenant agreement, drafted by IHCDA 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 IHCDA's form of Homebuyer Resale Agreement.

Homebuyer Recapture Guidelines
The recipient must implement recapture restrictions for any homebuyer property purchased, in whole or in part, by a homebuyer that received a direct subsidy from the recipient in an amount greater than or equal to One Thousand and One and 00/100 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.

If the homebuyer no longer utilizes the property as its principal residence during the Affordability Period defined below, the amount to be recaptured is the shared net proceeds of a prorated amount of the homebuyer subsidy. The proration shall be based on the length of time the homebuyer has occupied the property as its principal residence in relation to the Affordability Period. If there is both a development subsidy and a homebuyer subsidy or just a homebuyer subsidy, a recapture provision must be implemented. In cases where a homebuyer subsidy was not provided and there is only a development subsidy, resale restrictions must be executed on the property.

The recipient will be required to ensure that a lien and restrictive covenant agreement, drafted by IHCDA 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 IHCDA's form of Homebuyer Recapture Agreement.

If the homebuyer sells the property or the property is foreclosed upon during the term of the Affordability Period, the amount to be recaptured is the shared net proceeds of a prorated amount of the homebuyer subsidy. The proration shall be based on the length of time the homebuyer has occupied the property as its principal residence in relation to the affordability period. Any net proceeds that exist will be shared between IHCDA and the homebuyer. If there are not any proceeds, there is no amount to recapture.

The net proceeds are the total sales price minus all loan and/or lien repayments. The net proceeds will be split between the IHCDA recipient and borrower as outlined according to the forgiveness schedule contained in IHCDA's CDBG and HOME Program Manual.

If there is both development subsidy and homebuyer subsidy or just homebuyer subsidy, a recapture provision must be implemented. In cases where a homebuyer subsidy was not provided and there is only a development subsidy, resale restrictions must be executed on the property.

In cases of non-compliance, 1) the original homebuyer no longer occupies the unit as his or her principal residence (i.e., unit is rented or vacant), or 2) the home was sold during the affordability period and the recapture provisions were not enforced the entire amount of the HOME funds invested in the property must be repaid.

Under recapture guidelines the Affordability Period is based upon the total amount of the homebuyer subsidy that the homebuyer received in HOME funds. For owner-occupied rehabilitation, of the homebuyer no longer utilizes the property as its principal residence during the affordability period, the amount to be recaptured is a prorated amount of the subsidy. The proration shall be based on the length of time the homebuyer has occupied the property as its principal residence in relation to the

Affordability Period. However, if the homeowner sells the property to another a low-income family that will use the property as its principal residence throughout the remainder of the affordability period, the homeowner will not be required to repay the funds. The term “low income family” shall mean a family whose gross annual income does not exceed eighty percent (80%) of the median family income for the geographic area published annually by HUD. The recipient must execute a lien and restrictive covenant prepared by IHCDA. The recipient must use the lien and restrictive covenant agreement contained in the award package for each particular award. The recipient may not use old liens from previous awards. The recipient is ultimately responsible for repaying IHCDA any CDBG or CDBG-D funds invested into any unit that does not meet the affordability requirements throughout the Affordability Period. The Affordability Period is based upon the total amount of CDBG or CDBG-D funds invested into the unit as shown in the chart above.

1. 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: Each recipient of a HOME award must ensure that a lien and restrictive covenant is executed and recorded against every property constructed, rehabilitated, or acquired, in whole or in part, with HOME funds. Upon the occurrence of any of the following events during the Affordability Period, the entire sum secured by the lien shall be due and payable by developer and/or owner upon demand.

Repayment may be demanded upon: (1) Transfer or conveyance of the real estate by deed, land contract, lease, or otherwise, during the Affordability Period; (2) Commencement of foreclosure proceedings by any mortgagee (or deed in lieu of foreclosure), within the Affordability Period; (3) The real estate no longer meets the property standards set forth in 24 CFR 92.251; (4) HOME-assisted units are not being used by qualifying tenants as their principal residence (5) Annual Action Plan annual tenant events and annual owner certifications are no longer being submitted to IHCDA through its online reporting system as set forth in IHCDA’s Federal Programs Ongoing Rental Compliance Manual; (5) non-compliance with the federal income and rent limits issued by HUD; and (6) units are not leased in accordance with the requirements set forth in IHCDA’s Federal Programs Ongoing Rental Compliance Manual.
The recipient of the HOME award will be responsible for repaying IHCDA any HOME funds utilized for any housing constructed, rehabilitated, or acquired that does not remain affordable and in compliance in accordance with 24 CFR 92.252 for the entire Affordability Period. The Affordability Period is based upon the total amount of HOME funds invested into the unit as defined in the chart above. (IHCDA Compliance Manual, Lien and Restrictive Covenants & Affordability Requirements Chapter 15).

IHCDA National Housing Trust Fund Rehabilitation Standards

IHCDA has established rehabilitation standards of which all HTF-assisted housing undergoing rehabilitation must meet at the time of project completion, pursuant to the regulations at 24 CFR 93. These standards are designed to outline the requirements for building rehabilitation for all IHCDA national Housing Trust Fund funded multi-family housing projects.

All IHCDA National Housing Trust Fund (HTF) projects constructed or rehabilitated must meet the stricter of the Indiana State Building Code, local building codes, or manufacturer's instructions. The General Administrative Rules at 675 IAC 12 provides State of Indiana codes and standards for rehabilitation. The Rules can be accessed at the following address: http://www.in.gov/dhs/2490.htm

At the time of publication and adoption of the HTF Standards, the adopted codes referenced are believed to be those in force. As standard sand codes change and put into effect by the governing authorities having jurisdiction, the new standards and codes will apply in lieu of those referenced.

Please note this Guide is to be used only as a supplement to compliance with all applicable State and Federal codes, laws, regulations, statutes, and rules. This Guide should not be considered a complete guide to physical inspection compliance. The responsibility for compliance with Federal program regulations lies with the HTF grantee and/or property owner. IHCDA's obligation to monitor for compliance with the requirements of the Code does not make IHCDA or its subcontractors liable for any non-compliance issues.

I. Health and Safety

If the housing is occupied at time of rehabilitation, any life-threating deficiencies must be identified and addressed immediately. Appendix A defines the list of Inspectable Items and Observable Deficiencies, including the identification of life-threating deficiencies for the property site, building exterior, building systems, common areas and units. Critical Violation code deficiencies (CVC) are identified in both the following Rehabilitation Standards, as well as Appendix A. Critical violations must be repaired within 24 hours of the inspection and IHCDA must be provided with written notification of the action taken to complete the correction(s). The following would be considered a Critical Violation Code:

- Exposed Energized Electrical
- Water Leak by Electrical equipment
- Gash/Methane Leaks
- Fire Exit Blocked
- Unusable Fire Escapes
- Flue Gas Vents with CO leakage
- Missing/inoperable smoke detector
- Expired/Discharged Fire Extinguisher/Inspector Tag
- Inoperable Emergency Escape/Rescue Windows
- Inoperable Emergency Lightening
- Inoperable EXIT sign
- Improper Fuel Storage
- Missing or Lose Guard Rail
- Ground Fault Protection Inoperable
- Fire Alarm Inoperable
- Other with Explanation

II. Major Systems
The remaining useful life of the major systems must be determined for rental housing and a Capital Needs Assessment will be required for projects of 26 units or more. For more information on the CNA the certificate and affidavit, please see Schedule F.

- All developments are required to have replacement reserves. Replacement reserves must be included in the operating budget but are not included as part of the operating reserves. Contributions must be made to the reserve account starting at or before the conversion date of the construction loan to permanent loan and must be funded for the term of the loan. Replacement reserve funds must only be used for capital improvements (substantial improvements to the real estate such as re-roofing, structural repairs, or major projects to replace or upgrade existing furnishings, but not including replacement of individual appliances or minor repairs) and must not be used for general maintenance expenses. Less restrictive provisions required by lenders must be approved by IHCDA.

  - Replacement reserves must escalate at a rate of 3% per year.
  - IHCDA will, at its discretion, adjust the replacement reserve to reflect reasonable and customary capital and replacement expenditures.
  - See 5.6: Underwriting Guidelines for Rental Projects in the HTF Policy for more information.

- An independent, experienced third party must perform the CNA and this party can have no financial interest in ownership of the development. It is required that an Indiana licensed professional, an engineer/architect, perform the assessment and supply IHCDA with their professional opinion of a property's current overall physical condition. This includes the identification of significant deferred maintenance, existing deficiencies, and material building code violations that effect the property's use and tis structural or mechanical integrity.

- The assessment should include a site visit and physical inspection of the interior and exterior of units and structures, as well as an interview with available on-site property management and maintenance personnel to inquire about past repairs/improvements, pending repairs and existing or chronic physical deficiencies. The assessment should include an opinion as to the proposed budget for recommended improvements and should identify critical building systems or components that have reached or exceeded their expected useful lives. The assessment should also include recurring probably expenditures for significant systems and components impacting use and tenancy, which are not considered operation or maintenance expenses, in order to determine the appropriate replacement reserve deposits on a per unit per year basis. The following components should be examined and analyzed for a CNA:

  - Site, including topography, drainage, pavement, curbing, sidewalks, parking, landscaping, amenities, water, sewer, storm drainage, gas and electric utilities and lines;
  - Structural systems, both substructure and superstructure, including exterior walls an balconies, exterior doors and windows, roofing system and drainage.
  - Interiors, including unit and common area finishes and appliances, unit bathroom finishes and fixtures, and common area lobbies and corridors;
  - Mechanical systems, including plumbing and domestic hot water, HVAC, electrical, and fire protection; and
  - Elevators (if applicable).

  - The CNA must provide the following information in the order and format below:
    - Company certification;

- Executive summary – including a general building description, evaluation definitions, process used to create the Capital Needs Assessment (including interviews with the current owner and/or management company;
- Existing Building Systems and Conditions Summary;
- Critical Repair Items Cost Summary – including all health and safety deficiencies violation of state or local building codes that require immediate correction:
  - Site and grounds
  - Building exteriors
  - Common areas
  - Building interiors
- Rehab and Renovations Cost Summary – An estimate of the repairs, replacements and renovations that will be completed before the final placed in service date:
  - Site and grounds
  - Building exteriors
  - Common areas
  - Building interiors
  - Market improvements
  - Contingency (not to exceed 15%)
- Long Term Physical Needs Cost Summary – an estimate of the repairs and replacements, during and beyond the final placed in service date, that will be required to maintain the properties physical integrity over the next 15 years.
  - Remaining useful life schedule
- Physical condition Inspection Report
- Site, building and floor plans
- Capital Needs Assessment Certification
- Photo Log

- IHCDA will, after receiving the application and the CNA, schedule a physical inspection of the development in order to verify the accuracy of the CNA submitted with the application. Additionally, IHCA may make a report, which identifies deficiencies and/or inaccurate statements concerning the identification of repairs in the CNA submitted with the application.

III. Lead Based Paint:
HUD's Lead Safe Housing Rule 24 CFR Part 35 must be addressed in all projects receiving IHCDA HTF funding. The Rule may be accessed here:
http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes/enforcement/lshr

IV. Accessibility
The Uniform Federal Accessibility Standards sets standards for facility accessibility by physically handicapped persons for Federal and federally-funded facilities. These standards are to be applied during the design, construction, and alteration of buildings and facilities to the extent required by the Architectural Barriers Act of 1968, as amended. Guidelines and standards may be found at:
https://www.access-board.gov/guidelines-and-standards/buildings-and-sites/about-the-aba-standards/ufas

Section 504 of the Rehabilitation Act of 1973- provides accessibility requirements for New Construction, Substantial Rehabilitation, and Rehabilitation. Please see Chapter 3 - Accessibility Requirements of the IHCDA CDBG & HOME Program Manual for an outline of Section 504 requirements.

V. Disaster Mitigation
These standards require housing to be improved to mitigate any potential impacts from potential disasters, such as earthquakes, hurricanes, floods, and wildfires. Improved housing must comply with State or local codes, ordinances, and any other HUD requirements. Currently new projects located in a flood hazard

area will not be funded, and any other rehabilitation of existing units must comply with any federal, State and local flood mitigation plans. Any other potential disaster issues will be mitigated as necessary.

VI: Uniform Physical Condition Standards

The property conditions must also be in accordance with the Uniform Physical Conditions Standards. These are the standards to which projects requiring on-going compliance will be inspected by during the affordability period.

Table of Contents

Site Conditions

1. Site Drainage

a. There shall be positive surface water drainage away from all dwellings.
b. The storm water drainage system shall be free of obstructions, structurally sound, free of hazards, and properly drain.

2. Concrete and Masonry

a. Cracks in concrete, and/or masonry porches, steps or landings more than ¼ inch wide and change in elevation more than ½ inch tall shall be corrected.
b. Walkways/Steps: cracking, spalling, exposed reinforcing material creating health/safety issues shall be repaired.
c. Foundations: Cracking, spalling, excessive bowing (bulges vertically), sweeping (bulges horizontally), leaning, and mortar deterioration shall be corrected. Cracks 1/8 inch and larger shall be corrected.

3. Accessory Buildings

a. Health and/or Safety issues shall be corrected.

4. Trees and Shrubs

a. Landscaping shall not pose any health or safety hazard.
b. Trees near the foundation shall not cause an immediate or potential drainage and/or structural problem.
c. Excessive bushes and trees shall not cause health or safety hazards (overgrown areas).
d. Dead branches and/or trees, which pose a hazard of falling and/or causing personal harm or property damage, shall be removed.

5. Refrigerator/Stoves

a. It is recommended that the appliance(s) be replaced if any of the following conditions exist:
    - Broken or missing shelving.
    - Deteriorated seals.
    - Health and safety hazards.
    - Coolant leaks from the refrigerator.
    - Missing hardware (handles, controls knobs).
    - Inefficient or inoperable.

6. Fencing and Gates

a. Shall be fully functional, securely installed, and free of health and safety issues.
b. Any missing sections, holes, and/or components shall be repaired.

7. Air Quality

a. Indoor and outdoor spaces must be free from high levels of sewer gas, fuel gas, mold, mildew, or other harmful pollutants.

8. Garbage, Debris, Chutes

a. Garbage and debris shall not exceed the capacity of the designated container within each unit and/or exterior collection points.
b. Exterior garbage containers shall be adequately sized for the number of units within the development.
c. Walls and gates surrounding exterior trash collection points shall remain in good repair and free of leaning, broken, and collapsing components or sections.
d. Garbage chutes shall be in proper working condition

9. Hazards

a. All sharp edges or cutting hazards which could cause bodily harm shall be properly repaired.
b. Trip and fall hazards shall be identified and repaired.

10. Infestation

a. Insect and/or rodent infestation shall be treated by a professional within 48 hours to prevent infestation of other units and areas.

11. Mailboxes/Signs

a. Mailboxes shall be present and in good repair.
b. All signage shall be present, legible, and in good repair.

12. Parking Lots, Driveways, and Roads

a. Cracks greater than ¾ inch, hinging/tilting, or missing section(s) that affect traffics ability On the property's parking lots/driveways/roads shall be repaired.
b. Water ponding affecting the use of the parking lot and/or driveway shall be properly remediated.
c. Cracks, settling, heaving, and/or potholes creating unsafe or unusable surfaces for walking or driving shall be properly repaired.

13. Play Areas, Equipment, Surface

a. Damaged or inoperable equipment creating a safety issue shall be repaired.
b. Deteriorated play surface creating a tripping hazard or not providing adequate protection from falls shall be remediated.

14. Graffiti

a. Inappropriate inscriptions or drawings scratched, painted, or sprayed on a building surface shall be removed.

Exterior Wall Assembly Standards

a. All exterior walls shall be reasonably weather tight as to prevent moisture from entering the building and preventing heat from leaving the building.
b. All siding and exterior wall coverings shall be free of loose, cracked, broken and/or missing sections.
c. Painted surfaces shall be free of deteriorated paint.
d. Crawl space access panels and vents shall be in good repair.
e. Basement/Cellar doors and access panels shall be in good repair.
f. Retaining walls deteriorated, damaged, falling, or leaning creating a health/safety issue shall be properly repaired.

Floor Standards

1. Wood Floor Standards

a. Floors shall not excessively sag or become springy when live or dead loads are applied.

2. Floor Sheathing

a. Sheathing shall be in good repair and free from structural defects and tripping hazards.

3. Floor Finishes

a. Floor finishes shall be in good repair, securely fastened, and free of any tripping hazards.
b. Sub-flooring and cement floors, in living spaces, shall be covered with carpeting or other approved floor finishes.

4. Toilet, Bath, Shower, and Kitchen Spaces

a. When a new floor finish is installed in the kitchen, it shall extend under moveable appliances, including stoves and refrigerators.

Windows and Doors

1. Windows

a. Window panes that are cracked or broken shall be repaired or replaced.
b. Any deteriorated components of window units shall be corrected.
c. All windows shall have properly operating locks and hardware.
d. Damaged storm windows or screens creating a possible safety hazard shall be repaired or removed.

2. Interior/Exterior Doors

a. All doors and hardware shall be present and in good working condition.
b. Interior and exterior doors shall be in good condition free of damage which may cause a hazard.
c. Doors leading to the outside of the unit shall be weather-stripped to prevent air infiltration.
d. Doors shall be located in the following areas: attic areas where there is a staircase, bathrooms, shower rooms, restrooms, bedrooms, basement entrances, and storage rooms.

e. Storm doors, components, and screens shall be in good repair.
f. Door frames, thresholds, and components shall be in good repair.

Partition Standards

1. Wall Coverings

a. All wall coverings shall be securely fastened to the wall assembly.
b. Wall coverings shall be free from excessively loose material, large gouges, holes, and cracks.
c. Excessive amounts of loose or torn wallpaper shall be corrected.

2. Bathrooms and Kitchens

a. Bathtubs with showerheads and shower compartments shall be finished with a nonabsorbent surface. Such wall surfaces shall extend to a height of not less than six feet above the floor.
b. If mildew is present, measures shall be taken to prevent future mildew as well as removing the current mildew.

3. Cabinets and Countertops

a. Cabinets shall be in good repair, all components operational, and be free of safety hazards.
b. Countertop surfaces shall be in good repair, in kitchens provide a sanitary surface to prepare food, and be free of safety hazards.

Stair Standards

1. Stairs

a. Staircases and stairwells shall be in good repair.
b. Stairs shall not pose a tripping hazard.
c. Deteriorated, missing or otherwise defective tread, risers, stringers or the supporting structure shall be corrected.

2. Illumination

a. All exterior and interior stairways shall be provided with illumination of the stairs, landings, and treads.
b. Exterior stairways shall have an artificial light source located in the immediate vicinity of the top landing of the stairway.
c. Exterior stairways providing access to a basement from the outside grade level shall have an artificial light source in the immediate vicinity of the bottom landing of the stairway.
d. The control for the illumination of interior stairways shall be accessible in habitable areas without traversing any step of the stairway. The control for the illumination of exterior stairways shall be located inside the dwelling unit. Lights that are continuously illuminated or automatically activated are exempt from the control standards.

Handrails and Guardrails

1. Handrails

a. All interior and exterior stairways having four or more risers must have at least one handrail. Spiral and winding stairways shall have a handrail on the outside perimeter.

b. Handrails shall have a height of no less than 34 inches and no more than 38 inches, and shall be in good repair. Handrails shall be securely fastened to the floor and/or wall to support loads applied by people using the rails.

2. Guardrails

a. All unenclosed floor and roof openings, open sides of stairways, landings and ramps, balconies, decks or porches that are more than 30 inches above grade or floor below, and roofs used for other than service of the building shall be protected by a guardrail in accordance with the Indiana State Building.

Ceiling Standards

1. Ceiling Performance

a. Ceiling framing shall be in good repair and free from structural defects.
b. Acoustical tile and suspended ceilings shall be in good repair.
c. Ceilings that excessively sag shall be corrected.
d. Any bulging, holes, or loose plaster shall be corrected.

2. Attic Access

a. Existing access panels shall be weatherized and provide a weather-tight seal between the conditioned and unconditioned space.

3. Insulation Clearance

a. Combustible insulation shall be at least three inches from recessed lighting fixtures, fan motors, and other heating devices. However, when heat producing devices are listed for lesser clearances, combustible insulation complying with the listing requirements may be located at the distance specified by the heat producing device.

4. Exhaust Ducts and Plumbing Stack Terminations

a. All plumbing stacks shall continue through the roof, wall, or gable and not terminate in the attic. Plumbing stacks shall be in good repair.
b. Exhaust ducts shall be in good repair and continue through the roof, wall, or gable and not terminate in the attic.

Roofs

1. *Re*-roofing

a. Roof repairs to existing roofs and roof coverings shall comply with the provisions of the Indiana State Building Code.
b. Standing-Seam metal roof systems, that are designed to transmit the roof loads directly to the buildings structure system and that do not rely on existing roofs and roof coverings for support, and comply with all provisions of the Indiana State Building Code, are permitted.

2. Sheathing

a. Sheathing that is sagging, buckling, rotted, or not structurally sound shall be repaired and/or replaced.

3. Underlayment and Moisture Barriers

a. Where shingles or sheathing need to be repaired or replaced, the underlayment and moisture barrier must also be replaced.
b. For roof slopes from 2 units vertical in 12 units horizontal (17% slope) up to four units vertical in 12 units horizontal (33% slope) underlayment shall be two layers cemented together. For roof slopes 4 units vertical in 12 units horizontal (33% slope) or greater, underlayment shall be one layer. The felt paper must be rolled and fastened according to manufacturer's directions. Successive courses shall be overlapped 2 inches, and fastened properly.

4. Shingles

a. Shingles must be replaced if one of the following exists: missing, excessive curling, cupping, or deterioration.
b. Shingles installed on a roof slope below State Building Code requirements for shingles shall be removed and an approved covering installed.
c. Standing water causing potential or visible damage shall be repaired.

5. Flat Roofs

a. Punctured, cracked, blistered, wrinkled, or otherwise distressed areas shall be corrected.
b. Drains shall be in good repair and free of obstructions.

6. Flashing and Vents

a. Flashing shall be in good repair and used wherever the roof abuts a wall or vent, around other extensions through the roof, and around masonry chimneys.
b. Properly sized attic venting shall be installed on all new construction and re-roofs and shall be free of damage or obstructions.

7. Gutters, Downspouts, Soffit, and Fascia

a. Missing, sagging, or deteriorated gutters must be repaired or replaced.
b. Wood is only acceptable if required by Department of Natural Resources – Division of Historic Preservation & Archeology.
c. Downspouts shall be color coordinated with gutters and shall be proportional in size to the drainage needs of the roof.
d. Gutters shall be supported as per the manufacturer's specifications with spikes and ferrules, wrap-around straphangers, or with hidden hangers.
e. Downspouts shall be securely attached to the house and connected to an exterior drainage system if one exists or installed in such a manner that storm water will drain away from the house and not result in washing, erosion, or damage to the foundation of the house. If there is no drainage system present, splash blocks or leaders shall be present.
f. Damage and missing soffit and/or fascia shall be repaired or replaced.

Chimney Standards

1. General Performance

a. Any operable chimney must meet all applicable chimney requirements.

b. When an existing chimney is found not fit for its intended application it shall be repaired, rebuilt, lined, relined, or replaced with a vent or chimney to conform to the applicable code.
c. Inoperable and/or deteriorated chimneys, which pose a health/safety risk, shall be corrected or removed.
d. All empty or cracked mortar joints, including those in interior areas, such as basements and attics shall be tuck-pointed.
e. Solid fuel burning chimneys, for burning of wood or coal, shall be provided with spark arrestors (screens).

2. Flue Lining

a. All operable chimneys shall have flue liners in good condition.

3. Chimney Hood

a. The chimney hood shall have a height above the vent of at least 25 percent of the narrowest dimension of the vent. Hoods shall also be free from spalling or rust.
b. Minor spalling shall be repaired. If more than small portions are spalling, the hood shall be replaced. If a metal chimney hood has excessive rust, it shall be replaced.

<u>Electrical – Hazards</u>

1. General

a. There shall be a minimum service of 100-ampre per dwelling unit.
b. Fused service panels shall be replaced by a panel with circuit breakers.
c. Open ports within a panel box shall be properly concealed.
d. Service-drop conductors shall meet the applicable code requirements.
e. All circuits within the panel-box shall be identified and labeled.
f. All wiring in basements, attics and/or garages shall be properly secured.
g. Whereas a bathroom does not have a receptacle, one shall be installed in accordance with the Indiana State Building Code. Half-bathrooms are exempt from this requirement.
h. All counter-top receptacles, in the kitchen, shall be GFCI protected.
i. Bathroom and exterior receptacles shall be GFCI protected.
j. All 240-volt appliances or equipment except baseboard heating units shall be on separate circuits.
k. Wall or ceiling light fixtures and/or ceiling fans shall be securely installed.
l. Moisture leaks, puddling, or ponding on or near energized electrical components shall be investigated and remediated.
m. Electrical panel access and working clearance shall not be obstructed.
n. Breakers with evidence of melting, arching, or carbon residue shall be investigated and properly repaired.
o. Electrical enclosures/equipment shall be free of moisture stains, water leaks in close proximity, rust, and other signs of corrosion, or safety issues.

2. Wiring

a. Existing wiring and equipment shall be in proper operating condition, free of fraying, nicks, and abrasions, and pose no health or safety risk.
b. All wiring in areas other than the basement, unused attic areas, and garages shall be run in walls, wire mold or in conduit.
c. A new or old service shall be grounded to a ground rod.

d. Circuit extensions made with flexible cord wiring in lieu of permanent wiring shall be eliminated.
e. Copper wiring shall have proper connections to aluminum wiring. It is recommended that aluminum wiring be replaced with copper wiring when possible.

3. Receptacles

a. All damaged or inoperable receptacles shall be replaced. Broken cover plates shall be replaced.
b. Replacement of an existing non-utility or non-appliance two-prong receptacle may be with a 15-ampre non-grounding type receptacle.
c. New or existing grounding type receptacles must be grounded or meet the current requirements of the Indiana State Building Code.
d. Existing baseboard receptacles properly set are acceptable.
e. Any equipment or appliances with grounded plugs shall have immediate access to a proper size grounded receptacle.

4. Lighting

a. A permanently installed light fixture controlled by a wall switch is required in the kitchen, bathroom, basement, stairwells, and hallways.
b. Light fixtures shall be installed properly and have a shield/globe installed.

Plumbing

1. Water Distribution System

a. Please ensure that anyone performing plumbing work meets the proper licensing requirements as required by the State of Indiana or local jurisdictions.
b. Dwelling units shall be served by an approved sanitary sewage disposal system.
c. Leaking drain or supply lines, the presence of lead piping, failed polybutylene joints or pipes, low water pressure, or corroded or broken pipes shall be repaired or replaced. Any cross connections or siphonage between fixtures shall be corrected.
d. There shall be a properly operating main shut-off valve on the house side of the meter.
e. Replacement sill-cocks shall be freeze-proof and/or have a shut-off valve located and in accordance with the Indiana State Building Code.

2. Drain, Waste, and Vent System

a. Leaks; clogged, slow, or non-working drains; or odors and any cross connections or siphonage between fixtures shall be corrected. Supplies that are located below the overflow drain must be corrected.
b. Horizontal drainage piping shall be installed in uniform alignment at uniform slopes.
c. The size of drainage pipe shall not be reduced in the direction of flow. A 4-inch by 3-inch water closet connection shall not be considered a reduction in size.

3. Hot Water Supply System

a. Each dwelling unit shall have a water heater located, equipped, and installed in accordance to the Indiana State Building Code.
b. A discharge pipe, extending from the TPR (temperature relief valve) and no less than the diameter of the TPR inlet, shall be installed not less than six inches from the floor. The end of the discharge pipe shall not be threaded.

4. Fixtures and Faucets

a. Kitchen Sink. Any sink rusted, severely chipped or with badly worn enamel or not in good repair shall be corrected.
b. Lavatory Sink and Cabinet. A rusted, severely chipped or badly worn enamel or not in good repair shall be corrected. The lavatory sink may be located in the same room as the flush water closet, or, if located in another room, it shall be in close proximity to the water closet compartment. Damaged or missing cabinet components shall be repaired/replaced.
c. Bathtub/Showers. A rusted bathtub and/or shower unit or one that is chipped or has badly worn enamel, or not in good repair shall be corrected.
d. Flush Water Closet. The water closet shall be in good repair and securely installed. All water closets, existing or newly installed, shall have a functioning shut-off valve.

HVAC Standards

1. Controls and Operation

a. Each thermostat shall be functional and user friendly.
b. Each gas and oil combustion system shall have a master switch that serves as an emergency shutoff for the HVAC burner. The switch shall be easily accessible by the client in case an emergency shutoff is necessary. The switch shall also be in the line of sight of the appliances it controls.
c. Abnormal vibrations, noise, or leaks shall be investigated and repaired if needed.

2. Fuel Supply

Piping

a. Piping shall be properly supported, but not supported by other piping. A sediment trap shall be located as close as practical to the inlet of each combustion appliance (illuminating appliances, ranges, dryers, and outdoor grills need not be equipped). Shutoff valves shall be installed where required by the Indiana State Building Code and have easy access, be user friendly, and be protected from damage.
b. Piping shall be supported with appropriate hangers for the size of pipe. Supports shall be at such an interval and strength to prevent or dampen excessive vibration. Pipe supports shall be installed so movement of the pipe being supported will not detach them.
c. Any leaks from a fuel tank or line shall be reported and immediately repaired.

3. Combustion Heat (Forced Air Systems only)

Basic Conditions

c. The unit must have the minimum manufacturer's requirements in front of the unit for maintenance. The unit shall also be free from rust or other physical damage. The heat exchanger must be free from cracks or other openings. Barometric draft regulators shall be located above the unit or on the vent or vent connector in oil burning appliances.

d. The heating system must be capable of heating all habitable rooms, bathrooms, and water closets to a temperature of at least 70° F for a local design temperature at a distance of 36 inches above floor level.

c. Combustion air requirements shall be in accordance with the Indiana State Building Code.

Vents

General Conditions

a. Vents shall be sized to properly exhaust all combustion products outdoors. Vents shall also consist of the appropriate vent type for the combustion appliance(s) being vented. Vents shall be free from damage or rust and be tightly connected.

b. Vents shall be properly supported so that they are generally vertical and comply with the listed clearance to combustible materials of the vent.

c. Direct vent sealed combustion; power venting, and other approved methods of venting are permitted if they are installed according to manufacturer's instructions.

Vent Termination

a. Gas vents 12 inches or smaller must terminate at least 8 feet from a vertical wall or other similar obstruction and have a minimum height (from highest roof penetration to lowest discharge opening) according to the Indiana State Building Code. All other gas vents must terminate at least 2 feet from the highest point where the vent passes through the roof and at least 2 feet higher than any portion of a building within 10 feet.

b. Type B or L vents shall terminate at least 5 feet above the highest connected draft hood or flue collar. Vents must terminate vertically unless direct vent sealed combustion, power venting, or other approved methods of horizontal venting are used and installed according to manufacturer's instructions.

Vent Connectors

a. Vent connectors shall be sized to properly vent combustion products. Vents shall also consist of the appropriate vent type for the combustion appliance(s) being vented. Vents shall be free from damage or rust and be tightly connected. All segments of vent connectors shall be accessible at all times.

b. Vent connectors shall be properly supported and have a minimum slope of $^1/_4$ inch per foot and comply with the listed clearance to combustible materials of the vent.

4. Electric Heat

Observable heat source

a. All heating elements shall be functional. Heating units shall also be in good condition. The heating system must be capable of heating all habitable rooms, bathrooms, and water closets to a temperature of at least 70° F for local design temperatures at a distance of 36 inches above floor level. Heating elements shall have good connections and no damaged or charred wires. Aluminum shall not be used as wiring unless specified by the manufacturer.

b. Any heating element that does not adequately heat shall be checked to make sure the connections to the element are satisfactory and that the relay is not malfunctioning.

5. Cooling

a. Central air conditioners shall be in good, working condition.
b. Unit/Window and Packaged terminal air conditioners shall have a tight seal around the unit and be properly supported. Unit/Window air conditioners shall also be properly grounded.
c. If a heat pump is equipped with a reversing valve, it shall function properly.
d. Bent fins on air conditioners should be combed to straighten them. The condensate shall be properly drained so that moisture problems are not created. Fiberglass shall not be used as an air sealant around window/unit air conditioners. Both indoor and outdoor coils should be clean. Suction lines should also be insulated to prevent possible moisture problems.
e. A disconnecting means shall be installed in accordance with the Indiana State Building Code.

6. Distribution Systems

a. Duct systems shall be intact, supported properly, and well-sealed.
b. Air shall be allowed to flow freely from supply registers into return registers.
c. When furnaces are converted from a gravity fed heating system to a forced air system the duct system should be reconfigured and properly sized so that the heating system functions properly.
d. Duck tape shall not be used to seal or connect ducts.
e. When possible, supply and return registers shall be located in the same room, except for bathrooms or kitchens. No returns should be located in bathrooms and kitchens. If supplies and returns cannot be in the same room, measures must be taken to allow for air to flow from supplies to a return even if doors are closed separating the rooms. Grills and louvers are two methods of allowing air to flow from room to room.
f. Boiler/Pump water or steam leaks creating a safety hazard shall be properly repaired.

<u>Ventilation</u>

1. Minimum Ventilation Standards

a. All habitable rooms shall be provided with natural or mechanical ventilation.
b. Louvers, windows and doors shall be able to let air pass freely between the room and the outdoors.
c. Exhaust fans must terminate outdoors and not in the attic. Excessive amounts of exhaust ductwork shall be avoided.

Bathrooms

a. Bathrooms that have a tub or shower shall be ventilated.
b. Windows must have at least 1.5 square feet of area that air can pass through if mechanical ventilation is not available.
c. Ventilated air shall be exhausted directly outside and not terminate in any other part of the building.
d. Any ductwork passing through attics shall be insulated.

2. Clothes Dryer Exhaust

General

a. Dryer exhaust systems shall be independent of all other systems; shall convey the moisture to the outdoors and shall terminate on the outside of the building. Screens shall not be installed at the duct termination. Transition ducts shall not be concealed within construction.
b. Exhaust ducts shall not be connected with sheet-metal screws or fastening means which extend into the duct.
c. Exhaust ducts shall be equipped with a backdraft damper.
d. Exhaust ducts shall be constructed of minimum 0.016-inch thick rigid metal ducts, having smooth interior surfaces with joints running in the direction of the airflow.
e. Flexible transition ducts used to connect the dryer to the exhaust duct system shall be limited to single lengths, not to exceed eight feet in length, and shall be listed and labeled in accordance with UL 2158A.
f. Exhaust duct terminations shall be in accordance with the dryer manufacturer's installation instructions.

Lint collector

a. All ducts expelling lint shall be provided with a lint collector unless the dryer is already equipped with one.
b. Lint collectors shall be installed according to manufacturer's instructions.

Exhaust duct size

a. The minimum diameter of the exhaust duct shall be as recommended by the manufacturer and shall be at least the diameter of the appliance outlet.

Exhaust clearance

a. Exhaust ducts for clothes dryers shall have a clearance of at least one inch from combustible materials.

Length limitation

a. The maximum length of a clothes dryer exhaust duct shall not exceed 25 feet from the dryer location to the wall or roof termination. The maximum length of the duct shall be reduced by 2.5 feet for each 45-degree turn and 5 feet for each 90-degree turn. The maximum length of the exhaust duct does not include the transition duct.

3. Range Hoods

a. Range hoods for gas stoves that discharge to the outdoors must be through a single wall duct. The duct serving the hood shall be airtight and shall be equipped with a backdraft damper. Ducts serving range hoods shall be constructed of galvanized steel or stainless steel and not terminate in an attic or crawl space or areas inside the building.
b. Variations can be made where installed in accordance with the manufacturer's installation instructions, and where mechanical or natural ventilation is otherwise provided

4. Overhead exhaust hoods

a. Overhead exhaust hoods shall discharge to the outdoors and shall be equipped with a backdraft damper. Broiler units incorporating an integral exhaust system, and listed and labeled for use without an exhaust hood, need not be provided with an exhaust hood.
b. Domestic open-top broiler units shall be provided with a metal exhaust hood, not less than 28 gauge, with a clearance of not less than 0.25 inch between the hood and the underside of

combustible material or cabinets. A clearance of at least 24 inches shall be maintained between the cooking surface and the combustible material or cabinet. The hood shall be at least as wide as the broiler unit and shall extend over the entire unit and be centered over the unit

Fire Safety

1. **Emergency Escape and Rescue Openings**

   a. Emergency escape and rescue opening shall comply with the Indiana State Building Code.
   b. Fire escapes, including ladders, shall not be blocked by stored items or barriers.
   c. All components of a fire escape such as a ladder, shall be present and in proper working order.

2. **Exits**

   a. Exits shall comply with the Indiana State Building Code.
   b. Emergency lighting that provides illumination during power outages shall be in proper working order at all times.

3. **Smoke Alarms**

   a. Individual dwelling units shall be provided with smoke alarms as required by the Indiana State Building Code.

4. **Flammable Materials**

   a. All flammable materials shall be properly stored in accordance with the manufacturer's specifications, state, and/or local codes.

5. **Fire Protection**

   a. All components of a sprinkler system shall be present and in proper working order.
   b. Required fire extinguishers shall be present, accessible, and the inspection tag up to date.

Hazardous Materials

1. **Asbestos**

   a. The Local or State Health Department should be contacted regarding any questions concerning the proper treatment and/or disposal of any material possibly containing asbestos.

2. **Lead-Based Paint** – Reference HUDs Lead Safe Housing Rule at 24 CFR Part 35

Energy Efficiency

1. **Exterior Walls**

   a. Walls should be insulated in accordance with the Indiana State Building Code when any of the following activities occur:
      - New walls,
      - Walls that have become exposed during rehabilitation, and

- If the exterior covering is removed.

2. Attics/Ceilings

a. Attic areas are recommended to have a minimum of R-38 insulation.
b. Any attic walls that connect to an interior space are recommended to be insulated at a minimum of R-18.
c. Insulation should be installed in accordance to manufacturer's specifications. All insulation in the attic should meet the appropriate fire safety codes. Thorough air sealing of the attic floor must be accomplished prior to addition of insulation.

3. Ductwork

a. All supply and return air ducts and plenums shall be insulated with a minimum of R-5 insulation when located outside the thermal boundary and with a minimum of R-8 insulation when located outside the building envelope.

4. Piping

a. All piping serving as part of a heating or cooling system shall be thermally insulated in accordance with the Indiana State Building Code.

5. Air Sealing

a. Exterior joints, seams or penetrations in the building envelope, that are sources of air leakage, shall be sealed.

Accessible Features

1. Elevators

a. Elevators shall be operational with an up to date inspection certificate present, and properly aligned and leveled with each floor to prevent trip hazards.

2. Call for aid

a. Systems shall be fully operational as designed.

APPENDIX C.

Analysis of Impediments Update

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Suite 2200
Denver, Colorado 80202-9750
303.321.2547 fax 303.399.0448
www.bbcresearch.com
bbc@bbcresearch.com

MEMORANDUM

To: OCRA
From: Heidi Aggeler
Re: Summary of Process to Complete State AI in AFH format
Date: July 31, 2017

Background

During the summer of 2017, the State of Indiana, Office of Community and Rural Affairs (OCRA) and the Indiana Housing and Community Development Authority (IHCDA), completed a statewide Analysis of Impediments to Fair Housing Choice (AI).

That AI incorporated some components of the Assessment of Fair Housing (AFH) format. This was done to embrace the principles of housing and community development planning that produce positive returns. Specifically,

1) **Studies have shown long term public sector savings from economic mobility investments.** As summarized below, investing in children when they are young results in higher incomes (as adults) and lower antisocial behavior (as children and adults). These payoffs have long been known for early childhood education programs. Recent research has demonstrated that they exist for housing stability programs too. Specifically:

    - Dr. Raj Chetty's well known Equality of Opportunity research found economic gains for adults who moved out of high poverty neighborhoods when they were children. These children earned more as adults and were less likely to engage in activities that are costly to the public sector (e.g., criminal behavior, teenage pregnancy). The gains were larger the earlier the children were when they moved.[1]
    - A companion study on social mobility isolated the neighborhood factors that led to positive economic mobility for children. These include lower levels of racial and ethnic segregation, lower levels of income inequality (economic

[1] http://www.equality-of-opportunity.org and http://www.equality-of-opportunity.org/images/mto_exec_summary.pdf

segregation), high quality education, greater community involvement ("social capital"), and greater family stability.

- A 2016 study by the National Bureau of Economic Research (NBER) found positive economic and social outcomes for children raised in publicly subsidized housing, regardless of the poverty level of the neighborhood.[2]

- **Consumers evaluate a "package of amenities" when choosing where to live.** Housing is no longer perceived by consumer as a place to sleep and relax; consumers now view housing as a "bundle of amenities." When choosing a place to buy or rent consumers consider school quality, access to parks and recreation, access to shopping and restaurants, neighborhood conditions, and resident diversity. A diverse set of housing product types and prices—including dense housing products—promotes community desirability and is critical to the creation of active retail, restaurant, and community spaces—and higher public sector revenues.

Process

Stakeholder and resident engagement. Following the AFH emphasis on "meaningful" community engagement, the AI incorporated a variety of efforts to engage residents and stakeholders:

- Two online stakeholder surveys with more than 550 participants;
- An online survey of Public Housing Authorities[3] (PHAs)—28 PHAs responded;
- A statistically valid representative telephone survey of residents living in the state's nonentitlement areas—400 respondents comprise the general market sample, 121 respondents in a nonwhite subsample and 189 households containing a member with a disability in a disability subsample;
- An online resident survey—99 residents responded; and
- Five focus groups facilitated by BBC's subconsultant Engaging Solutions—33 participated. Focus groups were held in Fort Wayne, Gary, Indianapolis, Jeffersonville, and Terre Haute.

The online survey was promoted through organizations that serve members of protected classes. The online surveys were hosted by SurveyMonkey.com, a certified Section 508 compliant website. The telephone survey was offered in two languages. Because the survey was completed verbally, respondents were able to receive a variety of reasonable accommodations (e.g., visually impaired individuals could complete the survey in the same manner as those not visually impaired).

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[2] http://www.nber.org/papers/w19843.pdf
[3] As with the stakeholder survey, the PHA survey was fielded as part of the Consolidated Plan and AI development.

Participants in the stakeholder consultation represented more than 40 types of industries and organizations offering services at the municipal, county, regional and statewide level.

The figure below presents the types of industries and organizations represented by survey respondents. The greatest proportions of respondents provide services to low income residents and persons with disabilities. Respondents represent the public, private and nonprofit sectors.

Type of Industry/Organization

Industry/Organization Type	Percent 2013	Percent 2015	Industry/Organization Type	Percent 2013	Percent 2015
Services for low income residents	26%	27%	Landlord/tenant services	4%	3%
Services for persons with disabilities	26%	26%	Lending	1%	3%
Homeless services	22%	22%	Public housing authority	3%	3%
Local government	22%	21%	Mental health services	2%	3%
Government	23%	18%	Business owner/manager	4%	2%
Services for seniors	17%	16%	Criminal justice	1%	2%
Economic development	17%	16%	Services for farmworkers	0%	2%
Affordable housing advocacy	15%	13%	Domestic violence shelter/services	2%	1%
Services for persons with drug or alcohol addictions	12%	11%	Foundation	2%	1%
Affordable housing development	14%	10%	Transit provider	3%	1%
Services for veterans	13%	8%	Legal aid	0%	1%
Food pantry	8%	8%	Services for immigrants	5%	1%
Education	9%	7%	Services for refugees	3%	1%
Affordable housing provision	9%	7%	Services for youth	1%	0%
Property management	11%	6%	Health care	1%	0%
Own rental property	11%	6%	Sales	2%	0%
Fair housing	9%	6%	Insurance	1%	0%
Regional planning	8%	5%	Market rate housing development	2%	0%
Services for persons with HIV/AIDS	9%	4%	Residential appraisals	0%	0%
Homeownership counseling or services	7%	4%	Environmental justice	0%	0%
Land use planning	5%	4%	Independent living services/advocacy	1%	0%
Services for businesses	3%	4%	Other	4%	6%

Note: 2013 n=332, 2015 n=225. Numbers add to greater than 100 percent due to multiple response.

Source: BBC Research & Consulting 2013 and 2015 stakeholder Surveys.

Demographic and socioeconomic characteristics of respondents to the statistically valid, representative resident telephone survey include:

- **Race and ethnicity—**Among general market sample participants, 93 percent identify as white, followed by 2 percent Hispanic, 2 percent African American and 2 percent Native American. In the nonwhite sample, 37 percent of respondents identify as Hispanic; 23 percent African American; 11 percent multi-racial; 8 percent Native American; and 8 percent Asian. Eighty-three percent of the disability sample are white; 5 percent Hispanic 4 percent multi-racial and 3 percent Native American.

- **Age—**Respondents in the general market sample ranged in age from 19 to 90, with a median age of 46. The nonwhite sample respondents have a median age of 52, ranging overall from 18 to 87. The disability sample skews older with a median age of 56.

- **Household size and composition—**The average household size in each sample is three members. Large households (five or more members) comprise 17 percent of the general market sample, 23 percent of the nonwhite sample and 17 percent of the disability sample. The greatest proportion of households in each sample consists of the respondent, a spouse/partner and children (41% general market, 39% nonwhite, and 28% disability).

- **Household income—**The median household income in the general market sample is $50,000 up to $75,000. The median household income in the nonwhite and disability samples is lower, falling between $35,000 and $50,000 for nonwhite households and between $25,000 and $35,000 for disability sample households. Households earning less than $25,000 are 12 percent of the general market sample, 24 percent of the nonwhite sample and 40 percent of the disability sample.

- **Disability—**By design, all of the respondents included in the disability sample have at least one household member with a disability of any type (e.g., physical, mental, intellectual, or developmental). Households with a member with a disability comprise 17 percent of the general market sample and 23 percent of the nonwhite sample.

Analysis. The quantitative analysis completed for the AI involved:

- A demographic overview and segregation and integration analysis;

- An examination of public sector barriers to housing choice;

- An examination of private sector barriers to housing choice;

- Identification of disproportionate housing needs; and

- A review of access to economic opportunity barriers by protected class.

Fair Housing Issues and Contributing Factors

The following fair housing issues were identified through the 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.

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 homebuying associated with downpayments 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.

Development of Goals, Strategies, and Action Items

Prioritization. The state's prioritization of contributing factors and the goals and strategies to address them considered the following:

- Geographic focus: Is the issue isolated to a handful of counties? Entitlement areas only? Rural areas only? Or a statewide concern?
- The significance of the factor in contributing to fair housing and access to opportunity barriers: How will addressing the factor affect housing and opportunity?
- The ability of the Grantees address the factor: Do the Grantees have the authority to address the issue? Adequate resources, now and in the future?
- The effect of addressing the factor on affected protected classes: Will addressing the issue affect the protected classes who are facing the most barriers to housing choice and access to opportunity?

The action steps, which appear in the Goal Setting Table in the AI, are:

- Are strategic in approach,
- Are specific, measurable and establish a responsible party, and
- Identify the resources that are needed to address the goals.

These goals and action items will be incorporated into the state's Action Plans, Five Year Consolidated Plan, and progress will be reported on in annual CAPERs.

APPENDIX D.

S-424s and Certificates for the State of Indiana

OMB Number: 4040-0004
Expiration Date: 10/31/2019

Application for Federal Assistance SF-424

* 1. Type of Submission:
- [ ] Preapplication
- [x] Application
- [ ] Changed/Corrected Application

* 2. Type of Application:
- [x] New
- [ ] Continuation
- [ ] Revision

* If Revision, select appropriate letter(s):

* Other (Specify):

* 3. Date Received: AUG 10 2017

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name: Indiana Housing and Community Development Authority

* b. Employer/Taxpayer Identification Number (EIN/TIN): 351485172

* c. Organizational DUNS: 0868704790000

d. Address:

* Street1: 30 South Meridian Street
Street2: Suite 1000
* City: Indianapolis
County/Parish:
* State: IN: Indiana
Province:
* Country: USA: UNITED STATES
* Zip / Postal Code: 46204-3565

e. Organizational Unit:

Department Name:

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Ms.
* First Name: Jill
Middle Name:
* Last Name: Robertson
Suffix:

Title: Director of Community Services

Organizational Affiliation:

* Telephone Number: 317-234-7572
Fax Number:

* Email: jirobertson@ihcda.in.gov

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

A: State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.231

CFDA Title:

Emergency Solutions Grant

*** 12. Funding Opportunity Number:**

14.231

* Title:

Emergency Solutions Grant

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment | Delete Attachment | View Attachment

*** 15. Descriptive Title of Applicant's Project:**

State of Indiana's Emergency Solutions Grant

Attach supporting documents as specified in agency instructions.

Add Attachments | Delete Attachments | View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant: IN-07

* b. Program/Project: IN-All

Attach an additional list of Program/Project Congressional Districts if needed.

[ ] Add Attachment | Delete Attachment | View Attachment

17. Proposed Project:

* a. Start Date: 07/01/2017

* b. End Date: 06/30/2018

18. Estimated Funding ($):

* a. Federal	4,642,725.00
* b. Applicant	
* c. State	
* d. Local	
* e. Other	
* f. Program Income	0.00
* g. TOTAL	4,642,725.00

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

[ ] a. This application was made available to the State under the Executive Order 12372 Process for review on [ ].

[ ] b. Program is subject to E.O. 12372 but has not been selected by the State for review.

[X] c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

[ ] Yes [X] No

If "Yes", provide explanation and attach

[ ] Add Attachment | Delete Attachment | View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

[X] ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: Mr.

* First Name: J.

Middle Name: Jacob

* Last Name: Sipe

Suffix:

* Title: Executive Director

* Telephone Number: 317-232-7777

Fax Number:

* Email: jsipe@ihcda.in.gov

* Signature of Authorized Representative: [signature]

* Date Signed: 8-8-17

OMB Number: 4040-0004
Expiration Date: 10/31/2019

Application for Federal Assistance SF-424

* 1. Type of Submission:	* 2. Type of Application:	* If Revision, select appropriate letter(s):
☐ Preapplication	☒ New	
☒ Application	☐ Continuation	* Other (Specify):
☐ Changed/Corrected Application	☐ Revision	

* 3. Date Received: AUG 1 0 2017
4. Applicant Identifier:

5a. Federal Entity Identifier:
5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:
7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name: Indiana Housing and Community Development Authority

* b. Employer/Taxpayer Identification Number (EIN/TIN): 351485172

* c. Organizational DUNS: 0868704790000

d. Address:

* Street1: 30 South Meridian Street
Street2: Suite 1000
* City: Indianapolis
County/Parish:
* State: IN: Indiana
Province:
* Country: USA: UNITED STATES
* Zip / Postal Code: 46204-3565

e. Organizational Unit:

Department Name:
Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Ms.
* First Name: Jill
Middle Name:
* Last Name: Robertson
Suffix:

Title: Director of Community Services

Organizational Affiliation:

* Telephone Number: 317-234-7572
Fax Number:

* Email: jirobertson@ihcda.in.gov

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

A: State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.241

CFDA Title:

Housing Opportunities with Persons with AIDS (HOPWA)

*** 12. Funding Opportunity Number:**

14.241

* Title:

Housing Opportunities with Persons with AIDS (HOPWA)

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment | Delete Attachment | View Attachment

*** 15. Descriptive Title of Applicant's Project:**

State of Indiana's Housing Opportunities for Persons with AIDS (HOPWA)

Attach supporting documents as specified in agency instructions.

Add Attachments | Delete Attachments | View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant: IN-07
* b. Program/Project: IN-All

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment | Delete Attachment | View Attachment

17. Proposed Project:

* a. Start Date: 07/01/2017
* b. End Date: 06/30/2018

18. Estimated Funding ($):

* a. Federal	1,103,995.00
* b. Applicant	
* c. State	
* d. Local	
* e. Other	
* f. Program Income	0.00
* g. TOTAL	1,103,995.00

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on ______.

☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.

☒ c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

☐ Yes ☒ No

If "Yes", provide explanation and attach

Add Attachment | Delete Attachment | View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: Mr.
* First Name: J.

Middle Name: Jacob

* Last Name: Sipe

Suffix:

* Title: Executive Director

* Telephone Number: 317-232-7777
Fax Number:

* Email: jsipe@ihcda.in.gov

* Signature of Authorized Representative: [signature]
* Date Signed: 8.8.17

OMB Number: 4040-0004
Expiration Date: 10/31/2019

Application for Federal Assistance SF-424

* 1. Type of Submission:
- ☐ Preapplication
- ☒ Application
- ☐ Changed/Corrected Application

* 2. Type of Application:
- ☒ New
- ☐ Continuation
- ☐ Revision

* If Revision, select appropriate letter(s):

* Other (Specify):

* 3. Date Received: AUG 10 2017

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name: Indiana Housing and Community Development Authority

* b. Employer/Taxpayer Identification Number (EIN/TIN): 351485172

* c. Organizational DUNS: 0868704790000

d. Address:

* Street1:	30 South Meridian Street
Street2:	Suite 1000
* City:	Indianapolis
County/Parish:	
* State:	IN: Indiana
Province:	
* Country:	USA: UNITED STATES
* Zip / Postal Code:	46204-3565

e. Organizational Unit:

Department Name:

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:	Ms.
* First Name:	Samantha
Middle Name:	
* Last Name:	Spergel
Suffix:	

Title: Director of Real Estate Production

Organizational Affiliation:

* Telephone Number: 317-232-0599

Fax Number:

* Email: sspergel@ihcda.in.gov

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

A: State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.275

CFDA Title:

National Housing Trust tFund

*** 12. Funding Opportunity Number:**

14.275

* Title:

National Housing Trust Fund

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment | Delete Attachment | View Attachment

*** 15. Descriptive Title of Applicant's Project:**

State of Indiana's National Housing Trust Fund

Attach supporting documents as specified in agency instructions.

Add Attachments | Delete Attachments | View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant: IN-07
* b. Program/Project: IN-All

Attach an additional list of Program/Project Congressional Districts if needed.

[ ] Add Attachment | Delete Attachment | View Attachment

17. Proposed Project:

* a. Start Date: 07/01/2017
* b. End Date: 06/30/2018

18. Estimated Funding ($):

* a. Federal	3,367,317.00
* b. Applicant	
* c. State	
* d. Local	
* e. Other	
* f. Program Income	0.00
* g. TOTAL	3,367,317.00

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- [ ] a. This application was made available to the State under the Executive Order 12372 Process for review on ____.
- [ ] b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- [X] c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

[ ] Yes [X] No

If "Yes", provide explanation and attach

[ ] Add Attachment | Delete Attachment | View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

[X] ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: Mr.
* First Name: J.
Middle Name: Jacob
* Last Name: Sipe
Suffix:

* Title: Executive Director

* Telephone Number: 317-232-7777
Fax Number:

* Email: jsipe@ihcda.in.gov

* Signature of Authorized Representative: JJS
* Date Signed: 8.8.17

OMB Number: 4040-0004
Expiration Date: 10/31/2019

Application for Federal Assistance SF-424

* 1. Type of Submission:	* 2. Type of Application:	* If Revision, select appropriate letter(s):
☐ Preapplication	☒ New	
☒ Application	☐ Continuation	* Other (Specify):
☐ Changed/Corrected Application	☐ Revision	

* 3. Date Received: 08/0?/2017 AUG 1 0 2017

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name: State of Indiana

* b. Employer/Taxpayer Identification Number (EIN/TIN): 35-6000158

* c. Organizational DUNS: 7927374830000

d. Address:

* Street1: 1 North Capitol
Street2: Suite 600
* City: Indianapolis
County/Parish:
* State: IN: Indiana
Province:
* Country: USA: UNITED STATES
* Zip / Postal Code: 46204

e. Organizational Unit:

Department Name: OCRA

Division Name: OCRA

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

* First Name: Matt

Middle Name:

* Last Name: Crouch

Suffix:

Title: Deputy Director

Organizational Affiliation: OCRA

* Telephone Number: 317.750.7670

Fax Number:

* Email: mcrouch@ocra.in.gov

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

A: State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

Housing and Urban Development (HUD)

11. Catalog of Federal Domestic Assistance Number:

14.228

CFDA Title:

State CDBG Program

*** 12. Funding Opportunity Number:**

n/a

* Title:

n/a

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment | Delete Attachment | View Attachment

*** 15. Descriptive Title of Applicant's Project:**

State Community Development Block Grant

Attach supporting documents as specified in agency instructions.

Add Attachments | Delete Attachments | View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant: IN-07 | * b. Program/Project: IN-all

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment | Delete Attachment | View Attachment

17. Proposed Project:

* a. Start Date: 07/01/2017 | * b. End Date: 06/30/2017

18. Estimated Funding ($):

* a. Federal	$27,891,732
* b. Applicant	0
* c. State	0
* d. Local	0
* e. Other	0
* f. Program Income	0
* g. TOTAL	$27,891,732

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on ______.

☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.

☒ c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

☐ Yes ☒ No

If "Yes", provide explanation and attach

Add Attachment | Delete Attachment | View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: | * First Name: Jodi

Middle Name:

* Last Name: Golden

Suffix:

* Title: Executive Director

* Telephone Number: 317.318.0961 | Fax Number:

* Email: jgolden@ocra.in.gov

* Signature of Authorized Representative: Jodi G | * Date Signed: 08/09/2017

OMB Number: 4040-0004
Expiration Date: 10/31/2019

Application for Federal Assistance SF-424

* 1. Type of Submission:	☐ Preapplication ☒ Application ☐ Changed/Corrected Application
* 2. Type of Application:	☒ New ☐ Continuation ☐ Revision
* If Revision, select appropriate letter(s):	
* Other (Specify):	
* 3. Date Received:	
4. Applicant Identifier:	
5a. Federal Entity Identifier:	
5b. Federal Award Identifier:	

State Use Only:

6. Date Received by State:	
7. State Application Identifier:	

8. APPLICANT INFORMATION:

* a. Legal Name:	Indiana Housing and Community Development Authority
* b. Employer/Taxpayer Identification Number (EIN/TIN):	351485172
* c. Organizational DUNS:	0868704790000

d. Address:

* Street1:	30 South Meridian Street
Street2:	Suite 1000
* City:	Indianapolis
County/Parish:	
* State:	IN: Indiana
Province:	
* Country:	USA: UNITED STATES
* Zip / Postal Code:	46204-3565

e. Organizational Unit:

Department Name:	
Division Name:	

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:	Ms.
* First Name:	Samantha
Middle Name:	
* Last Name:	Spergel
Suffix:	
Title:	Director of Real Estate Production
Organizational Affiliation:	
* Telephone Number:	317-232-0599
Fax Number:	
* Email:	sspergel@ihcda.in.gov

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

A: State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14-239

CFDA Title:

HOME Investment Partnerships Program

*** 12. Funding Opportunity Number:**

14-239

* Title:

HOME Investment Partnerships Program

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment | Delete Attachment | View Attachment

*** 15. Descriptive Title of Applicant's Project:**

State of Indiana's HOME Investment Partnerships Programs

Attach supporting documents as specified in agency instructions.

Add Attachments | Delete Attachments | View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant: IN-07 * b. Program/Project: IN-All

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment | Delete Attachment | View Attachment

17. Proposed Project:

* a. Start Date: 07/01/2017 * b. End Date: 06/30/2018

18. Estimated Funding ($):

* a. Federal	10,002,216.00
* b. Applicant	
* c. State	
* d. Local	
* e. Other	
* f. Program Income	1,000,000.00
* g. TOTAL	11,002,216.00

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on

☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.

☒ c. Program is not covered by E.O. 12372.

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☐ Yes ☒ No

If "Yes", provide explanation and attach

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21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: Mr. * First Name: J.

Middle Name: Jacob

* Last Name: Sipe

Suffix:

* Title: Executive Director

* Telephone Number: 317-232-7777 Fax Number:

* Email: jsipe@ihcda.in.gov

* Signature of Authorized Representative: [signature] * Date Signed: 8-8-17

STATE CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the State certifies that:

Affirmatively Further Fair Housing -- The State will affirmatively further fair housing.

Uniform Relocation Act and Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

Anti-Lobbying --To the best of the State's knowledge and belief:

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

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

3. It will require that the language of paragraphs 1 and 2 of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of State -- The submission of the consolidated plan is authorized under State law and the State possesses the legal authority to carry out the programs under the consolidated plan for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the State's consolidated plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR Part 135.

Signature of Authorized Official

8/9/17
Date

Ex. Director
Title

AUG 10 2017

Specific Community Development Block Grant Certifications

The State certifies that:

Citizen Participation -- It is following a detailed citizen participation plan that satisfies the requirements of 24 CFR §91.115 and each unit of general local government that receives assistance from the State is following a detailed citizen participation plan that satisfies the requirements of 24 CFR §570.486.

Consultation with Local Governments --

1. It has consulted with affected units of local government in the nonentitlement area of the State in determining the method of distribution of funding;

2. It engages in or will engage in planning for community development activities;

3. It provides or will provide technical assistance to units of local government in connection with community development programs; and

4. It will not refuse to distribute funds to any unit of general local government on the basis of the particular eligible activity selected by the unit of general local government to meet its community development needs, except that a State is not prevented from establishing priorities in distributing funding on the basis of the activities selected.

Local Needs Identification – It will require each unit of general local government to be funded to identify its community development and housing needs, including the needs of low-income and moderate-income families, and the activities to be undertaken to meet these needs.

Community Development Plan -- Its consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that that have been developed in accordance with the primary objective of the CDBG program (i.e., the development of viable urban communities, by providing decent housing and expanding economic opportunities, primarily for persons of low and moderate income) and requirements of 24 CFR Parts 91 and 570.

Use of Funds -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available.

2. Overall Benefit. In the aggregate, not less than 70 percent of the CDBG funds, including Section 108 guaranteed loans, received by the State during the following fiscal year(s) ___2017___ [a period designated by the State of one, two, or three specific consecutive fiscal year(s)] will be used for activities that benefit persons of low and moderate income.

3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG Funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It will require units of general local government that receive CDBG funds to certify that they have adopted and are enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

Compliance with Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

Compliance with Laws -- It will comply with applicable laws.

Signature of Authorized Official

8/9/17
Date

Ex. Director
Title

OMB Approval No. 2506-0112 (Exp. 3/31/2010)

Certification of Consistency with the Consolidated Plan

U.S. Department of Housing and Urban Development

I certify that the proposed activities/projects in the application are consistent with the jurisdiction's current, approved Consolidated Plan.

(Type or clearly print the following information:)

Applicant Name: Indiana Housing and Community Development Authority

Project Name: National Housing Trust Fund

Location of the Project: State of Indiana

Name of the Federal Program to which the applicant is applying: National Housing Trust Fund

Name of Certifying Jurisdiction: State of Indiana

Certifying Official of the Jurisdiction Name: Jacob Sipe

Title: Executive Director

Signature:

Date: 08/03/2017

Specific HOME Certifications

The State certifies that:

Tenant Based Rental Assistance -- If it plans to use HOME funds for tenant-based rental assistance, tenant-based rental assistance is an essential element of the State's consolidated plan.

Eligible Activities and Costs -- It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR §92.205 through §92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in §92.214.

Subsidy Layering -- Before committing any funds to a project, the State or its recipients will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.

Signature of Authorized Official

8-2-17
Date

Executive Director
Title

Emergency Solutions Grant Certifications

Each State that seeks funding under the Emergency Solutions Grants Program must provide the following certifications:

Matching Funds – The State will obtain any matching amounts required under 24 CFR 576.201 in a manner so that its subrecipients that are least capable of providing matching amounts receive the benefit of the exception under 24 CFR 576.201(a)(2).

Discharge Policy – The State will establish and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.

Confidentiality – The State will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

The State will ensure that its subrecipients comply with the following criteria:

Major rehabilitation/conversion/renovation – If an emergency shelter's rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the building will be maintained as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation. If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the building will be maintained as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion. In all other cases where ESG funds are used for renovation, the building will be maintained as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

Essential Services and Operating Costs – If ESG funds are used for shelter operations or essential services related to street outreach or emergency shelter, the subrecipient will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long the applicant serves the same type of persons (e.g., families with children, unaccompanied youth, veterans, disabled individuals, or victims of domestic violence) or persons in the same geographic area.

Renovation – Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

Supportive Services – The subrecipient will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living), and other Federal State, local, and private assistance available for such individuals.

Homeless Persons Involvement – To the maximum extent practicable, the subrecipient will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under ESG, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted ESG.

Consolidated Plan – All activities the subrecipient undertakes with assistance under ESG are consistent with the State's current HUD-approved consolidated plan.

Signature of Authorized Official

8-2-17
Date

Executive Director
Title

Housing Opportunities for Persons With AIDS Certifications

The State HOPWA grantee certifies that:

Activities -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building -- Any building or structure assisted under the program shall be operated for the purpose specified in the consolidated plan:

> 1. For a period of not less than 10 years, in the case of any building or structure purchased, leased, rehabilitated, renovated, or converted with HOPWA assistance,
>
> 2. For a period of not less than 3 years, in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

Signature of Authorized Official

5-2-17
Date

Executive Director
Title