



State of Indiana

# ANNUAL ACTION PLAN 2026

PREPARED FOR:

Indiana Housing & Community Development Authority  
Indiana Office of Community and Rural Affairs

DRAFT

**07/06/2026**

Note: Items in blue text have been updated since the first public draft was posted and available for review between April 1 and 30, 2026.

## 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 ("non-entitlement" areas), which do not receive such funds directly from HUD.

The Indiana Office of Rural and Community Affairs (OCRA) receives and administers CDBG. The Indiana Housing & Community Development Authority (IHCDA) receives and administers HOME, ESG, HOPWA, and HTF. As a condition for receiving HUD block grant funding, the State must complete a five-year strategic plan called a Consolidated Plan for Housing and Community Development (Consolidated Plan). The Consolidated Plan identifies the State's housing and community development needs and specifies how block grant funds will be used to address the needs. Each year, the state completes an Annual Action Plan which determines how the funds will be spent in the coming program year (PY). The 2025-2029 five-year Consolidated Plan was approved by HUD in July 2025. This document, the 2026 Annual Action Plan, is the second action plan in the 2025-2029 Five-year Consolidated Plan cycle. It describes how OCRA and IHCDA plan to allocate HUD block grant funds during the 2026 program year (PY2026), which runs from July 1, 2026, through June 30, 2027.

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

The following objectives and outcomes summarized by block grant program were identified in the Consolidated Plan process and continue to be relevant in the second year of this planning cycle.

**CDBG:** Wastewater Drinking systems and Stormwater improvements; Revitalization activities for Indiana's smaller communities (economic development, Main Street, public facilities); Owner-occupied rehabilitation.

**CDBG-DR:** Note that a separate plan exists for expenditure of CDBG-DR funding for Sullivan County and can be found here <https://www.in.gov/ocra/cdbg/disaster-recovery/>. It is anticipated that during the program year applications will be taken in fall 2026 and funds will be fully expended by June 2027.

**HOME:** Rental construction, followed by Affordable homeownership.

**ESG:** Rapid Rehousing, Homelessness prevention, Homeless Management Information System (HMIS), Rental assistance, Shelter operations, Street outreach.

**HOPWA:** Rental assistance, STRMU, Housing information services and permanent housing placement, Facility-based subsidies.

**HTF:** Supportive housing for extremely low-income households.

Contingency plans were developed to adjust the allocation if PY2026 funding is different than estimated in the draft plan.

**CDBG Contingency Plan:**

If cuts are more or less than 25%:

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

**HOME, HTF, ESG, HOPWA Contingency Plans**

For HOME, reductions or increases of less than 20% would be applied to Affordable Rental Construction.

For HTF, any increase to the allocation will be applied to the Affordable Rental Construction. Any reduction will be allocated proportionally between Rental Construction and Admin.

For ESG, reductions or increases would be applied to RRH. For HOPWA, reductions or increases would be applied to TBRA.

Reductions or increases of greater magnitude may prompt a reconsideration of the overall allocation among activities and an amendment.

### 3. Evaluation of past performance

**OCRA** remains committed to continuous improvement, and to ensuring that its CDBG programs consistently serve and prioritize the most current needs of rural areas. A study conducted by Ball State University (BSU) and commissioned by the Office of Community and Rural Affairs in 2022 showed that many Hoosier counties are primed for success, and that how OCRA develops plans and programs to enhance that potential is critical. Recommendations outlined in the BSU study have assisted OCRA in the development of strategies and approaches to more effectively deliver programming in rural communities throughout the State of Indiana. These are reflected in the Five-year Consolidated Plan and remain in place for this Action Plan.

OCRA continues to regularly evaluate every aspect of its CDBG grant program. These ongoing reviews aim to streamline processes, increase efficiency, improve clarity, and ensure the program functions smoothly for all communities. Internal reviews have resulted in ongoing improvements to the grant programs and processes such as:

- Updating OCRA's existing policies, forms, and administrative guides so they are compliant with Federal and State requirements.
- Leveraging strategic partner agencies and organizations, such as Indiana Housing and Community Development Authority (IHCDA), Indiana Finance Authority (IFA), Indiana Department of Health (ISHD), Indiana Landmarks, National Council of State Community Development Agencies (COSCEDA), National Mainstreet of America (MSA), Indiana Water, Energy, & Environment Funding Source Committee (ACEC), and Indiana Association of Regional Councils (IARC).
- Provide regular training opportunities as part of OCRA's continuous development efforts to assist certified grant administrators, strengthen their skills, stay current on best practices, and remain informed about updates to program requirements.
- Review all CDBG application processes to provide clear guidance and expectations as well as simplify and minimize unnecessary submittal process steps.
- Utilize the electronic grants management system (eGMS) more effectively so it is a tool for program staff, certified grant administrators, and communities to better assess data and process applications including new upgrades to application scoresheets, new program income reporting, modification request, automation of notices for publication.
- Reallocating funds to ensure Federal obligation and expenditure rates are met.

**IHCDA** updates its policies annually as it identifies improvements through stakeholder and partner outreach. IHCDA has also provided tailored technical assistance to partners who are serving Indiana residents with the most acute needs and is making process improvements to the Coordinated Entry System (CES).

**HOME.** IHCDA reviewed past uses of its HOME program and the method of distribution. IHCDA also considered demand and market for various housing types (rental, homebuyer and tenant-based rental

assistance), the number of annual applications for HOME funding, increases in construction costs, increases in rental rates, and the need for homebuyer affordability.

**ESG and HOPWA.** The Community Services Team that oversees ESG and HOPWA has identified minor barriers to efficiency and effectiveness of ESG and HOPWA. Changes to ESG and HOPWA were made to 1) ensure accuracy and compliance with requirements; 2) address gaps and barriers to effective program administration; and 3) enhance program delivery and maximize the quality of services.

The Program Manager made several changes to ESG in the Consolidated Plan.

- 1) Updating the program metrics tracked and reported in ESG to focus on essential outcomes for homeless services programs and ensure all metrics can be collected from HMIS.
- 2) Adding eligible activities in Rapid Rehousing/Homeless Prevention to include providing support for housing navigation for clients served in the Coordinated Entry system.
- 3) Adding expenses related to the HMIS system as an eligible cost. This will allow us flexibility in allocations or reallocations.

The Grant Analyst and Grants Manager made several changes to HOPWA in the Consolidated Plan.

- 1) Removing funding restrictions that are not included in HOPWA regulation.
- 2) Adding the eligible cost of “Resource Identification” which will support HOPWA programs coordination with their Regional Planning Council, Coordinated Entry, healthcare networks and collaborative groups, and other initiatives that support the coordination of multiple resources and funding opportunities to support clients.
- 3) Adjusting language on requiring subrecipients to be IDOH Care Coordination sites. First, the terminology is now “Non-Medical Case Management” Provider (NMCMP). Second, staff also propose we require subrecipients to either operate as a designated NMCMP or have a formal agreement with one.

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

**Public comment period.** The first Draft 2026 Annual Action Plan public comment period occurred from April 1, 2026, through April 30, 2026. The draft plan was posted on both the OCRA and IHCD websites beginning on April 1, 2026.

A second public comment period occurred from July 6 through August 5, 2026. The draft plan was posted on both the OCRA and IHCD websites beginning on July 6, 2026.

**Pre-draft Public Hearings / Thematic Community Meetings.** Three pre-draft public hearings/community meetings were held on February 27, 2026, to collect perspectives on housing and community development needs, inform the development of the 2026 Annual Action Plan, and receive public comments. The meetings were organized around specific topics, and stakeholders were invited to participate in any of the discussions that best aligned with their expertise and interests. The topics were:

- Housing Affordability and Development;
- Homelessness and Special Needs Populations; and
- Community and Economic Development.

The public notice for these was posted on January 28, 2026 and circulated through notices to partners.

**Public hearings.** The initial public hearings were held on Monday, April 20, 2026 from 12-1 p.m., and Wednesday, April 22, 2026 from 5-6 p.m. at the OCRA main floor conference room, 1 N. Capitol Avenue, Indianapolis, and virtually.

Two hearings were held for the revised draft on Friday, July 17, 2026 from 12-1 p.m. and 4-5 p.m. virtually.

Notifications of the hearings are posted through RED notices, a statewide press release, and through the Community Liaisons team.

#### 5. Summary of public comments

Across the pre-draft community meetings and hearings, a large number of comments were centered on the overall lack of sufficient funding to address the gap in deeply affordable housing, housing for specific groups who struggle to attain housing due to application requirements and special needs, services requisite to maintaining housing stability, homelessness prevention, and water infrastructure challenges in rural Indiana.

##### Comments received at the April 20 public hearing:

1. One commenter said they would like to see more funding allocated in the future, specifically state funding for homelessness, or people at risk of homelessness. Rapid rehousing is really successful, but limited with funds; would like to have more funds to qualify more people.  
**Response: IHCD views Rapid Rehousing and Homeless Prevention as highly successful**

*programs in addressing and reducing homelessness. Leadership and staff monitor local, state, and federal funders for opportunities to increase the amount of funding IHCD has available for these programs.*

2. Appreciate IHCD having fewer restrictions with CHDOs. **Response: IHCD leadership and staff strive to stay current on program requirements and make efforts to reduce burdens and restrictions where appropriate.**

#### Comments received at the April 22 public hearing:

One comment was received in support of continued infrastructure improvement for utilities. The commenter indicated that aging utilities infrastructure increases costs which are passed on to renters who are already struggling to pay rent.

Comments received by email:

#### Comment 1.

1. Additional funding should be added to Stormwater project appropriation. **Response: Over the last few funding rounds, no communities have submitted stormwater project applications, so for FY2026, the line item was reduced. FY2025 stormwater funds are currently still available.**
2. Consider reducing OOR funding amount to allow for more water, wastewater, stormwater funds. \$500,000 more for wastewater/drinking water is not a lot at all. This likely will only cover 1 small project. OOR funding is consistently going to the same communities with repeat recipients. Application structure should allow for more points to be awarded if a recipient has NOT received funding in the past 5 years. **Response: OOR is a relatively new program to OCRA, FY2025 saw an increase in demand and has become more popular with communities. Additional FY2025 funds were reallocated to meet the demand. The FY2026 OOR line item matches the demand demonstrated in FY2025.**
3. Consider management of OOR funds moving back to IHCD, where program delivery fees were eligible and are now not with OCRA. This is a very time intensive program to administer.
4. Increasing planning grant funding is a great idea-plans are needed to thoroughly plan for future construction projects and should be encouraged.
5. If eliminating funding for Preserving Main Street, I feel there should be some funds for Main Street Revitalization-even if it is 1 or 2 awards a year. Maintaining downtowns is very important. **Response: Over the last few funding rounds, few communities submitted Mainstreet Revitalization applications, so for FY2026, the line item was temporarily suspended. FY2025 MSRP funds are currently still available.**

#### Comment 2.

1. Thank you for continuing funding for infrastructure projects including the WDW and SIP programs. Given past studies describing the level of need for infrastructure in Indiana, we thank OCRA for continuing to fund these programs. Funding through the USDA-Rural Development and State Revolving Fund (SRF) Loan Program continues to be more limited due to demand. For example, SRF's Project Priority Lists have gotten more and more lengthy over the last 5 years. The continued allocation of funding to these programs is critical for Indiana.

2. Planning Grants: We are pleased to note continued funding for Planning Grants. Planning Funds are critical for developing future projects and helping low-moderate income communities with their long-term development visions. Please consider options for modifying application review or scoring to ensure the grants are more attainable for applicants. We understand that only 47% of planning grant applications have recently been awarded. Please review processes to avoid discouraging applications to this program. **Response: CDBG has sent a Spring GA Follow Up survey to all grant administrators to gain feedback on the planning grant program with the intent to make necessary program adjustments. We are also training grant administrators, so they are more successful in their planning application submission. In addition, the FY2026 action plan includes a change in the Match Formula from 1:1 to 1:3 to award more application Match points.**
  
3. We note that the Stellar Pathways Program will receive continued funding. We believe the \$4 million funding for Stellar Pathways is not as critical for meeting unmet needs in Indiana compared to WDW, Planning, SIP, and Public Facilities. We ask OCRA to continue to analyze the effectiveness of Stellar Pathways compared to other programs. **Response: The Stellar Pathways Program is a multi-agency, multi-million-dollar investment initiative led by the Office of Community and Rural Affairs. The program works with communities on a shared vision for community and economic development. OCRA is one of several State agencies that contribute to this program. The funds allocated by OCRA are for CDBG eligible projects only which include WDW, Planning, SIP, Public Facilities, etc.**

**Comment 3.**

1. Commenter is concerned about the proposed reduction of funding for stormwater projects (\$750,000 for PY2026 compared to \$3.5 million in PY2025).
2. Funds such as these are vital to small communities like ours and at this level of funding, it is likely only one or two projects in the entire state could be funded. The need greatly outpaces one to two projects statewide annually.
3. Please reconsider funding stormwater, as well as the other project areas at similar levels to years past to ensure our state's infrastructure stays up-to-date and functional.

**Response: Over the last few funding rounds, no communities have submitted stormwater project applications, so for FY2026, the line item was reduced. FY2025 stormwater funds are currently still available.**

**Comment 4.**

1. Indiana is now tied for the lowest rate in the Midwest of affordable and available homes for extremely low-income renter households, with only 34 homes for every 100 ELI Hoosier households, leaving a gap of 137,138 units needed statewide. **Response: Noted. IHEDA continues use all National Housing Trust Fund allocations for this lowest income group. IHEDA also incentivizes the use of other capital funding to provide housing for lower income households.**

2. Affordable housing is increasingly out of reach, even for the median renter. From 2023 to 2025, the ‘housing wage’ necessary to rent a modest two-bedroom home increased by \$6,614 annually, from \$19/hour in 2023 to \$22.18 in 2025. However, the average renter’s full-time hourly wage over that period increased only \$395 annually, from \$17.86 in 2023 to \$18.05 in 2025. In addition, 14 of Indiana’s top 20 largest occupations no longer pays enough to meet the state’s ‘housing wage’ in 2025, up from 9 of the top 20 in 2022. **Response: Noted. IHCD continues to utilize HOME and HTF funding, along with tax credit investments, to address this need.**
3. The combination of Indiana’s shortage of affordable homes, housing and other basic costs that continue rising far faster than incomes, and reduced resources for organizations who serve LMI Hoosiers means that it is more important than ever that the State of Indiana leverage all available federal funds to strengthen Indiana’s communities and meet the housing needs of as many of the most vulnerable Hoosiers as possible. Prosperity Indiana has also recommended that Governor Mike Braun create and convene a Governor’s Commission on Housing Safety, Stability, and Affordability to align these federal funds with additional public and private resources, informed by state agencies, courts, and other community stakeholders closest to the problem. But unless that Governor’s Housing Commission is created, and until the next state budget legislative session in 2027, the draft 2026 Annual Action plan provides the most immediate opportunity for Indiana to prioritize Hoosiers’ most pressing housing and community development needs. **Response: Noted. IHCD recognizes the needs of the most vulnerable families and households and is working to use HOME, HTF, and other sources as efficiently and effectively as possible.**
4. The feedback from Prosperity Indiana members on the draft 2026 Annual Action plan reinforces the desire for Indiana to effectively align and braid existing resources in order to address the state’s most pressing LMI housing and community development needs. We are also concerned about only awarding National Housing Trust Fund funding to PSH projects. We have a large renter population that earns less than 30% AMI but does not qualify for, or need, supportive housing. If we could layer NHTF on LIHTC funding to support <30% AMI units in LIHTC projects, we could better address the need. Also, IHCD’s policy that PSH projects funded with NHTF must be 100% PSH precludes us from using NHTF for mixed-income projects that include some PSH units. Additionally, in general, we need more funding allocated to rental assistance (vouchers) for under 30% AMI units. Even if we figure out how to fund development costs, 30% AMI rents do not support operating costs of those units, yet alone any debt that is likely necessary to build those units.” **Response: IHCD continues to utilize HOME Funds, tax credits, and other discretionary funds for addressing the “general” population with lower incomes. The limited HTF funds are the tool best suited for addressing the need for Permanent Supportive Housing.**

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

N/A; all comments received were accepted and considered in development of the 2026 Action Plan.

## 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.

**Table 1 – Responsible Agencies**

Agency Role	Name	Department/Agency
Lead Agency	INDIANA	
CDBG Administrator	Steven St. John	Indiana Office of Community and Rural Affairs
HOME, HTF Administrator	Stephen Enz	Indiana Housing & Community Development Authority
ESG, HOPWA Administrator	Kristin Svyantek Garvey	Indiana Housing & Community Development Authority

### Consolidated Plan Public Contact Information

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

### **1. Introduction**

**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 is committed to developing meaningful strategic partnerships that strengthen coordination between private and public social service providers, enhancing support, education, and training for rural communities and their residents, and continues to actively participate in state task forces alongside multiple state agencies and key stakeholders to meet program objectives.

Recent activities include the following:

- Host five (5) Regional Networking Conferences across rural Indiana where local and state agency program representatives share education, information, challenges, and best practices tailored to each region.
- Co-Host of the annual Indiana Historic Landmarks Preserving Historic Places conference to educate, inspire, and connect professionals and advocates involved in rescuing and revitalizing Indiana's historic structures.
- Coordinate with the Indiana Department of Health to ensure proper procedures are in place for radon and lead testing of owner-occupied homes.
- 2025-2026 sponsor of the Fair Housing training series delivered by the Fair Housing Center of Central Indiana (FHCCI) which offered twenty-three sessions covering Fair Housing Rental Basics, Fair Housing and Disability, and Fair Housing 90 (Intermediate courses) for 1,198 registrants.
- Conduct regular meetings between OCRA and the Indiana Finance Authority's (IFA) State Revolving Fund (SRF) Loan program and the U.S. Department of Agriculture's USDA Rural Development office to discuss ongoing and future rural community projects and funding streams.
- Participate in the Indiana Department of Homeland Security (IDHS), Division of Emergency Management and Preparedness, State Disaster Resilience Plan Taskforce member to build a strategic approach to resilience building with the implication of the 'whole community' of Indiana. Adopting the Resilience Maturity Model, promoted by the FEMA.
- OCRA is the State Coordinating Agency for the Indiana Mainstreet program, acting as the primary liaison to local Main Street organizations across Indiana and ensuring their compliance with national program requirements.
- Sponsor the Indiana Mainstreet Advisor Group which delivers strategic guidance, technical assistance, and ongoing support to strengthen and grow local Main Street organizations across Indiana.

CDBG staff collaborate with the IU Environmental Resilience Institute to gain insights into the challenges that hinder the development of resilient and healthy communities. The Institute is partnering with local governments, as well as private and nonprofit organizations across the state, to enhance Indiana's capacity to cope with health and environmental challenges. One significant barrier identified is the limited availability of funding for rural communities, which restricts their ability to address the project needs essential for promoting healthy communities. The aim is to ensure that the CDBG program effectively promotes the development of healthy communities through its Owner-Occupied Rehabilitation Program, Public Facilities Program, and Main Street Rehabilitation Program.

OCRA remains committed to growing the expertise of its staff through ongoing professional development trainings to increase their knowledge in the areas of federal grants management, CDBG programming requirements, rural economic and community development, community-based projects, facilitative leadership, environmental factors, and resource optimization. OCRA has strengthened its technical assistance to grant administrators and rural communities, and the lessons learned through this work have guided important enhancements to the agency's long-term planning, grants management procedures, and CDBG programming. In total, OCRA staff members have completed training provided by reputable organizations such as the National Grants Management Association (NGMA), Ball State University's Indiana Communities Institute (ICI), Purdue University's Center for Regional Development, Indiana University's Environmental Resilience Institute, and the National Council of State Community Development Agencies (COSDA).

Throughout 2024, 2025, and the first six months of 2026, OCRA dedicated a significant amount of its resources and staff time to create a more comprehensive and functional CDBG handbook with an interactive format using the Articulate platform. It will be operational in July or August of 2026. This handbook serves as a key resource for OCRA-certified grant administrators who assist rural communities obtain CDBG funding across the state. This resource will assist OCRA with training and development of new staff, while ensuring current policies are communicated to stakeholders with more transparency and efficiency. With one consolidated policy manual resource, OCRA is better equipped to stay engaged with federal regulatory changes from agencies.

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

IHCDA has implemented a second iteration, and is working toward a third version, of [IndianaHousingDashboard.com](https://IndianaHousingDashboard.com), a curated website of demographic, economic, educational, housing, and other publicly available statistics for use by local units of government, community development corporations and boards, for-profit and non-profit developers, and other interested parties. These statistics can be viewed on a 10-year time horizon, with comparisons between any number of local geographies within the state. The latest version of the Dashboard also provides guidance for public outreach, cooperation with local government, zoning and permitting processes, and much more. The goal

of the Dashboard is to empower housing providers and local planning boards to work together on setting goals, with solid data behind their decisions.

In addition to HMIS, IHCD maintains DV ClientTrack, a comparable database for victim service providers. This database allows IHCD to provide the same level of service, data tracking, and aggregated reports for the 32 agencies providing housing services to survivors of DV. In 2026, the Community Services division of IHCD will be redesigning the coordinated entry system for survivors of domestic violence. Specific tasks will center around required network trainings, support for HMIS and DV ClientTrack, and assistance to the Coordinated Entry process for Domestic Violence survivors.

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

- IHCD has partnered with the State's Division of Mental Health and Addiction and the Family and Social Service Agency to support the construction of housing specifically for persons at risk of homelessness who have a Substance Use Disorder or Mental Health Disorder.
- In cooperation with the Indiana Family and Social Services Administration (FSSA) Division of Aging, IHCD published a study in 2024 on the projected supply and demand of age-restricted and assisted living units and services across the state.
- IHCD partners with the Indiana Department of Corrections for referrals for the HOME TBRA re-entry rental assistance for individuals exiting incarceration. DOC also advises on policy and planning.
- In 2026, the IHCD Community Services division continues its work in convening a multi-agency group to provide advisory assistance for a homelessness response systems improvement grant as it relates to youth and young adults.

IHCD maintains good relationships and communication with the Indiana Affordable Housing Council and the Affordable Housing Association of Indiana, both groups which include developers, owners, and property managers who are involved in affordable housing. We collaborate in trainings, conferences, and other conversations throughout the year.

**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**

IHCD and the Indiana Balance of State Continuum of Care (CoC) operates the Coordinated Entry System (CES) assessment process that ensure households are served in a more trauma-informed manner, stably housed quickly, and matched with the appropriate housing placement. IHCD and the CoC have engaged a contractor to provide an *annual evaluation* of the CES, which is required by HUD. The contractor has submitted a benchmark evaluation of the entire CES and produced two regional evaluations of four regions. By the end of 2027, all sixteen regions will be provided a more extensive evaluation.

The Indiana Balance of State Continuum of Care continues providing guidance, training, and technical assistance to support Regional Planning Councils in order to strengthen internal operations to ensure organizations and people are supported within the homeless response system. Action steps towards fulfilling this objective require a monitoring schedule of ESG projects to ensure that necessary information is included to meet HUD and CoC requirements and use of consistent metrics to evaluate active participation by HUD-funded programs in Coordinated Entry and Housing First implementation. This allows for continuity and consistency across programs policies and procedures, ensuring individuals are tracked throughout their experience in homelessness. Starting in April 2025, the CoC and IHCD now hosts an annual Regional Leadership Summit that includes training on responsibilities, including those related to ESG.

The IN BoS CoC utilizes a customized Collaborative Housing Assessment Tool (CHAT) for its Coordinated Entry assessment process. The CHAT process was designed with intentional language choices informed by PLE, DV Survivors, both COC and ESG service providers, and other special population stakeholders.

The State ESG program presents their program plans to the BoS CoC Board, in addition to entitlement cities at their meeting annually. The IN BoS CoC Board is committed to building and maintaining a more efficient and performance-based system to respond to homelessness.

**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**

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 variety of geographically representative stakeholders with the knowledge and expertise to create policy priorities and make funding decisions related to homelessness. The CoC Board or the Executive Committee meets a minimum of 4 times per year. IN-502 covers every county in the state except Marion County (equivalent to the City of Indianapolis).

The CoC Board members represent populations in the homeless community, including subpopulations such as chronic homeless, seriously mentally ill, chronic substance abuse, families, domestic violence, youth, and veterans as well as two representatives from the Regional Planning Councils on Homelessness. As the Collaborative Applicant and HMIS Lead for the BoS CoC board, IHCD, through the Community Services (CS) Division, oversees CoC, ESG, and HOPWA funding sources. This structure allows for open communication and collaboration between CoC and ESG subrecipients, which contributes to effective coordination of efforts to address the needs of homeless persons as well as continuity across funding sources and performance measures. Being in Indianapolis also allows IHCD to meet and partner with the Indianapolis CoC for statewide communication and coordination.

The IN BoS CoC continues to advocate for more resources that support the homeless response system and to right-size and refine programs across the housing spectrum for people experiencing homelessness.

The State ESG program presents their program plans to the BoS CoC Board, in addition to entitlement cities at their meeting annually. In determining the ESG Allocation, a request for proposals is distributed to current subrecipients of the ESG program and current permanent supportive housing rental assistance programs who have had experience with rental assistance. The application is also available publicly on the IHCD website and any new partners interested in the funds are sent a reminder once it is public.

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

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

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

Table 2 includes all organizations and agencies that rsvp'd and/or attended the public hearings/community meetings on February 27, 2026. All agencies were provided with the power point presentation after the meetings and the opportunity to provide comments on the Annual Action Plan.

Agency/Group/Organization	Agency/Group/Organization Type	What section of the Plan was addressed by Consultation?	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?
Affordable Housing and Community Development Corp.	Affordable Housing Developer	All	Stakeholder Public Hearing / Meeting
A SafeHouse	Homeless shelter and services	All	Stakeholder Public Hearing / Meeting
Advantage Housing	Affordable Housing Developer	All	Stakeholder Public Hearing / Meeting
Anchor House	Homeless shelter and services	All	Stakeholder Public Hearing / Meeting
Aspire Indiana	Nonprofit services	All	Stakeholder Public Hearing / Meeting
Aspire Johnson County (Chamber)	Health services	All	Stakeholder Public Hearing / Meeting
Aurora, Housing for Homeless	Homeless shelter and services	All	Stakeholder Public Hearing / Meeting
Centerstone	Health services / addiction	All	Stakeholder Public Hearing / Meeting
City of Auburn	Government Agency	All	Stakeholder Public Hearing / Meeting
City of Delphi	Government Agency	All	Stakeholder Public Hearing / Meeting
City of Michigan City	Government Agency	All	Stakeholder Public Hearing / Meeting
City of New Albany	Government Agency	All	Stakeholder Public Hearing / Meeting
City of South Bend	Government Agency	All	Stakeholder Public Hearing / Meeting
Coldwell Banker	Realtor	All	Stakeholder Public Hearing / Meeting
Community Revitalization	Community Development	All	Stakeholder Public Hearing / Meeting
Dominium Apartments	Apartment	All	Stakeholder Public Hearing / Meeting
ECHO Housing and Community Development	Housing and community development	All	Stakeholder Public Hearing / Meeting
Edgewater Health	Healthcare	All	Stakeholder Public Hearing / Meeting
Englewood CDC	Community Development	All	Stakeholder Public Hearing / Meeting
Family Crisis Shelter	Homeless shelter and services	All	Stakeholder Public Hearing / Meeting
Family Service Association of Howard County	Nonprofit services	All	Stakeholder Public Hearing / Meeting
GoNHA	Other /unknown	All	Stakeholder Public Hearing / Meeting
Habitat for Humanity	Affordable Housing Developer	All	Stakeholder Public Hearing / Meeting

Habitat Greater Fort Wayne	Affordable Housing Developer	All	Stakeholder Public Hearing / Meeting
Hand, Inc.	Affordable Housing Developer	All	Stakeholder Public Hearing / Meeting
Hope Southern Indiana	Nonprofit services / food access	All	Stakeholder Public Hearing / Meeting
Human Services, Inc	Nonprofit services	All	Stakeholder Public Hearing / Meeting
IN Neighborhood Resource Center	Nonprofit services	All	Stakeholder Public Hearing / Meeting
Indiana Arts Commission	Nonprofit Community Development	All	Stakeholder Public Hearing / Meeting
Indiana Family and Social Services	Government Agency	All	Stakeholder Public Hearing / Meeting
Indiana Landmarks	Nonprofit Community Development	All	Stakeholder Public Hearing / Meeting
Indiana University	Academia	All	Stakeholder Public Hearing / Meeting
Indiana University Health	Academia / health	All	Stakeholder Public Hearing / Meeting
Intend Indiana	Nonprofit services	All	Stakeholder Public Hearing / Meeting
Jane Pauley community health center	Healthcare	All	Stakeholder Public Hearing / Meeting
Johnson County Housing Coalition	Housing services	All	Stakeholder Public Hearing / Meeting
Kokomo Rescue Mission	Homeless services	All	Stakeholder Public Hearing / Meeting
Legacy House	Mental Health Services	All	Stakeholder Public Hearing / Meeting
Lifespring Health Systems	Healthcare	All	Stakeholder Public Hearing / Meeting
Martinsville Affordable Housing Development Project	Affordable Housing Developer	All	Stakeholder Public Hearing / Meeting
Memorial Community Development Corporation	Community Development	All	Stakeholder Public Hearing / Meeting
Mental Health America	Mental Health Services	All	Stakeholder Public Hearing / Meeting
Mercy Housing Lakefront	Housing services	All	Stakeholder Public Hearing / Meeting
PathStone Corp	Housing services	All	Stakeholder Public Hearing / Meeting
Raintree Habitat for Humanity	Affordable Housing Developer	All	Stakeholder Public Hearing / Meeting
rate.com	Real estate	All	Stakeholder Public Hearing / Meeting
Rauch, Inc.	Affordable Housing Developer	All	Stakeholder Public Hearing / Meeting
Reach Services	Housing and resources services	All	Stakeholder Public Hearing / Meeting
Real Services	Nonprofit services / seniors	All	Stakeholder Public Hearing / Meeting
South Central Community Action Program	Advocacy Organization	All	Stakeholder Public Hearing / Meeting

Summit Hill Community Development Corp	Community Development	All	Stakeholder Public Hearing / Meeting
VA Community Resource and Referral Center	Healthcare and services	All	Stakeholder Public Hearing / Meeting
Wayne County	Government Agency	All	Stakeholder Public Hearing / Meeting
YWCA North Central Indiana	Nonprofit services	All	Stakeholder Public Hearing / Meeting
YWCA Evansville	Nonprofit services	All	Stakeholder Public Hearing / Meeting
YWCA Greater Lafayette	Nonprofit services	All	Stakeholder Public Hearing / Meeting

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

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

No agency types or organizations were excluded from participation.

**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?
State of Indiana 2025-2029 Consolidated Plan and 2025 Annual Action Plan	IHCDA and OCRA	Consolidated Plan Goals guide the Annual Action Plan allocations.
Continuum of Care and IN Balance of State PIT Count, 2024	IHCDA	ESG goals are developed in collaboration with CoC planning through the inclusion of one board member that represents an ESG entitlement city interest.
OCRA Strategic Plan	OCRA	CDBG goals and priorities relate to rural challenges identified in the plan including the addiction crisis, affordable housing shortages, and aging water infrastructure.
Indiana Institute for a Sustainable Future	Purdue University	Data were used to inform the hazard risk analysis.
2024 Annual Report	IHCDA	Goals were based on past program outcomes.
IN Housing Dashboard	IHCDA	Data informed needs assessment and market analysis sections of the Consolidated Plan, which were used for priority needs.

**Table 3 - Other local / regional / federal planning efforts**

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

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

## 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	Public Hearing/ Community Meeting 1: Housing supply and affordability	Affordable housing developers, nonprofit service providers, public agencies, community advocates	58 RSVPs, 38 in attendance	Please see community engagement overview in appendix	All comments accepted	
2	Public Hearing/ Community Meeting Group 2: Homelessness and Special Needs	Nonprofit service providers, public agencies, community advocates	44 RSVP's, 26 in attendance	Please see community engagement overview in appendix	All comments accepted	
3	Public Hearing/ Community Meeting Group 3: Community and Economic Development	Nonprofit service providers, public agencies, community advocates	45 RSVP's, 28 in attendance	Please see community engagement overview in appendix	All comments accepted	
4	Public Comment Period	All residents and stakeholders	April 1 to April 30, 2026	Summarized in the above ES	All comments accepted	
5	Public Hearing #1	All residents and stakeholders	April 20, noon EST	Summarized in the above ES	All comments 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)
6	Public Hearing #2	All residents and stakeholders	April 22, 5 p.m. EST	Summarized in the above ES and comments (if requested) added to the Citizen Participation Appendix	All comments accepted	

**Table 4 – Citizen Participation Outreach**

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

**Introduction**

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	Federal	Admin and Planning, Economic Development, Housing, Public Improvements, Public Services	\$30,863,204			\$30,863,204	\$92 million	Annually: \$13 million for wastewater; \$4 million Stellar Pathways, \$3.5 million public facilities, \$750,000 stormwater, \$5.5 million owner occupied rehabilitation, \$1.5 million blight clearance, approx. \$1.7 million planning fund, approx. \$920,000 TA and admin

HOME	Federal	Admin, Affordable Rental and Homeownership Construction, TBRA, CHDO Support	\$13,317,804.27			\$13,317,804.27	\$40.7 million	Annually: \$8.25 million rental, \$2 million homebuyer, \$1.2 million TBRA, \$1.2 million admin, \$670,000 CHDO
HTF	Federal	Admin, Affordable Rental Units	\$3,296,363			\$3,296,363	\$10 million	Annually: \$2.97 million rental construction, \$329,600 admin
ESG	Federal	Emergency Shelter, Street Outreach, Rapid Rehousing, Homeless Prevention, Admin, and HMIS	\$3,949,380			\$3,949,380	\$12 million	Annually: \$2.3 million shelter operations, essential services, outreach, \$875,000 million RRH, \$110,000 Street Outreach and \$291,387 Homeless Prevention, \$296,000 admin and \$118,000 HMIS
HOPWA	Federal	TBRA, information, STRMU, Permanent housing facilities, Placement, Services	\$2,428,342			\$2,428,342	\$7.2 million	Annually: \$1,015,000 TBRA, \$505,253.90 housing information and placement, \$440,253.90 STRMU, \$225,000 facilities, admin \$242,834.20

Other	public - federal	Acquisition Admin and Planning, Economic Development, Homeowner rehab, Public Improvements	\$1,532,600	0	0	\$1,532,600	Funds will be distributed on a competitive basis to applicants with programs that effectively align with the objectives of the CDBG-DR Action Plan and HUD's overarching goals for recovery and mitigation in disaster-affected areas. Applications will be accepted on a competitive, first-come, first-serve basis for mitigation and resilience planning and a competitive basis with up to 3 rounds per year for other activities. As such, it is difficult to predict the timing of fund distribution; however, initial funding should be distributed during the program year.
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**Table 5 - Expected Resources – Priority Table**

Annual Action Plan

**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 public funding (federal, state and local funding) or private sector in-kind services, cash or debt allocated to the CDBG project. The level of local matching funds for CDBG projects is 8%, 10%, or 20% 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% pre-approved and validated in-kind contributions. Any in-kind over and above the specified 5% may be designated as local effort.

**IHCDA match.** Past 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 continues to use the match pool, which is a collection of resources taken from closed HOME-funded projects that documented match in excess of the required 25%. 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% of the ESG award, and can include cash, grants, and in-kind donations.

**HOPWA Leveraging.** The primary sources of funding are from the Ryan White Grants, public funding from the Indiana Department of Health and HIV Care Coordination, in-kind donations, and other grants like ESG.

**HOME match.** The HOME program requires a 25% match, which is the Federal requirement. Applicants must demonstrate eligible matching funds equal to 25% of the amount of HOME funds requested. If the applicant is proposing to utilize banked match for the activity:

- 1) To use the applicant's own banked match, the match liability on the previous award during which the match was generated must already have been met and documented with IHCDA for the match to be eligible as of the application due date. Only HOME-eligible matches generated on IHCDA awards made in 1999 or later are eligible to be banked.
- 2) To use another Recipient's match, the applicant must provide an executed agreement with the application verifying that the Recipient is willing to donate the match.

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

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

## 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 (Annual Estimate)	Goal Outcome Indicator
1	Improve Community Water, Wastewater and Stormwater	2025	2029	Non-Housing Community Development		Water, wastewater and storm water system	CDBG: \$13 million for wastewater drinking water (WDW); \$750,000 stormwater improvements (SIP)	Other: 25 Other
2	Support Community Revitalization	2025	2029	Non-Housing Community Development		Support of comprehensive community development	CDBG: \$4 million Stellar Pathways, \$3.5 million public facilities, \$1.5 blight clearance	Other: 3 Brownfield/Clearance projects, 5 Public Facility projects, 3 Main Street Revitalization Community projects, 2 Stellar Pathways Designees
3	Provide Planning Grants to Local Governments	2025	2029	Non-Housing Community Development		Support of comprehensive community development	CDBG: \$1,692,521	Other: 20 Other
4	Preserve Owner-occupied Homes and Create New Affordable Homes	2025	2029	Affordable Housing Non-Homeless Special Needs		Housing for low and very low income persons Homeownership opportunities low income households	CDBG: \$5.5 million HOME: \$2 million	Rehabilitated: 150 Households HOME Homebuyer units: 20 Units
5	Create and Preserve Affordable Rental Housing	2025	2029	Affordable Housing		Housing for low and very low income persons	HOME: \$8,247,804.27 HTF: \$2,966,762.68	Rental units constructed: ~70 Household Housing Unit Rental units rehabilitated: unknown

6	Build Nonprofit Affordable Housing Developer Capacity	2025	2029	Affordable Housing		Support affordable housing creation	HOME: \$670,000	Other: 8 Other (capacity building)
7	Rapid Re-Housing and TBRA to Prevent Homelessness	2025	2029	Homeless Non-Homeless Special Needs		Tenant based rental and rapid re-housing	HOME: \$1.2 million ESG: \$874,161.50 RRH and \$291,387 Homeless Prevention	Tenant-based rental assistance / Rapid Rehousing: 500 Households Assisted
8	Provide Operating Support for Shelters	2025	2029	Homeless Non-Homeless Special Needs		Assistance to homeless shelters	ESG: \$2,259,628	Other: 10,000 Other
9	Assist Residents Remain in Housing- (STRMU)	2025	2029	Non-Homeless Special Needs HIV/AIDS		Housing for low and very low income persons Tenant based rental and rapid re-housing	HOPWA: \$440,253.90	Housing for People with HIV/AIDS added: 200 Households
10	Assist HIV/AIDS Residents Remain in Housing (TBRA)	2025	2029	Non-Homeless Special Needs		Tenant based rental and rapid re-housing	HOPWA: \$1,015,000	Tenant-based rental assistance / Rapid Rehousing: 150 Households Assisted
11	Provide Housing Information and Placement Services	2025	2029	Non-Homeless Special Needs		Affordable housing access	HOPWA: \$505,253.90 ESG: \$110,000 street outreach	Other: 250 Other
12	Support Facilities Serving HIV/AIDS Residents	2025	2029	Non-Homeless Special Needs HIV/AIDS		Assistance to facilities	HOPWA: \$225,000	Other: 250 Other
13	Provide technical assistance and admin support	2025	2029	TA and admin activities			CDBG: \$920,000 HOPWA: \$242,834.20 HOME: \$1,200,000 ESG: \$296,203.50 admin and \$118,000 HMIS support HTF: \$329,600	Other: 1 Other

14	Address the Needs of Disaster-Affected Areas	2025	2029	Non-Housing Community Development			CDBG-DR: \$1,532,600 (Sullivan County)	<a href="https://www.in.gov/ocra/cdbg/disaster-recovery/">https://www.in.gov/ocra/cdbg/disaster-recovery/</a>
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**Table 6 – Goals Summary**

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

**Funding Allocation Priorities**

	Improve Community Water, Wastewater and Stormwater (%)	Support Community Revitalization (%)	Provide Planning Grants (%)	Preserve Owner-occupied Homes and Create New (%)	Create and Preserve Affordable Rental Housing (%)	Build Nonprofit Affordable Housing Developer Capac (%)	Rapid Re-Housing and TBRA to Prevent Homelessness (%)	Provide Operating Support for Shelters (%)	Assist Residents Remain in Housing (%)	Assist HIV/AIDS Residents Remain in Housing (%)	Provide Housing Information and Placement Services (%)	Support Facilities Serving HIV/AIDS Residents (%)	Provide technical assistance and admin support (%)	Address the Needs of Disaster-Affected Areas (%)	Total (%)
CDBG	45	29	5	18	0	0	0	0	0	0	0	0	3	0	100
HOME	0	0	0	15	61	5	9	0	0	0	0	0	10	0	100
HOPWA	0	0	0	0	0	0	0	0	18	41	20	9	12	0	100
ESG	0	0	0	0	0	0	32	57	0	0	1	0	10	0	100
HTF	0	0	0	0	90	0	0	0	0	0	0	0	10	0	100
CDBG-DR	0	0	0	0	0	0	0	0	0	0	0	0	0	100	100

**Table 7 – Funding Allocation Priorities**

**Reason for Allocation Priorities**

Stakeholder engagement, resident and stakeholder survey, successful programs, and continued high demand for funding.

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

Funding allocation will be guided by the following priorities:

**CDBG:** Wastewater Drinking systems and Stormwater improvements; Revitalization activities for Indiana’s smaller communities (economic development, public facilities); Owner-occupied rehabilitation.

**HOME:** Rental construction, followed by Affordable homeownership.

**ESG:** Rapid rehousing, Homelessness prevention, HMIS, Rental assistance, Emergency Shelter, Street outreach.

**HOPWA:** Rental assistance, STRMU, Housing information services and permanent housing placement, Facility-based subsidies.

**HTF:** Supportive housing for extremely low-income households.

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

### Distribution Methods

Table 8 - Distribution Methods by State Program

1	State Program Name:	Indiana non-entitlement HUD Block Grants
	Funding Sources:	CDBG HOPWA HOME ESG HTF
	Describe the state program addressed by the Method of Distribution.	<p>CDBG: Wastewater &amp; Drinking Water (WDW), Stellar Pathways, Public Facilities Program (PFP), Stormwater Improvements Program (SIP), Owner-Occupied Rehabilitation (OOR), Blight Clearance Program (BCP), Planning Grants.</p> <p>HOME: Rental unit construction, affordable homeownership construction, unit rehabilitation and accessibility improvements.</p> <p>HTF: Rental unit construction.</p> <p>ESG: HMIS support, Shelter operations, Rapid Rehousing.</p> <p>HOPWA: Project sponsor support, STRMU, Housing information and placement, Facilities support, TBRA.</p>
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Please see the method of distribution, grantee application and policy and procedure manuals attached in the Grantee Unique Appendix.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Yes; the CDBG Method of Distribution is attached to the Annual Action Plan (Grantee Unique Appendix) here: <a href="https://www.in.gov/ocra/cdbg/cdbg-resources/">https://www.in.gov/ocra/cdbg/cdbg-resources/</a>

<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>Rapid Rehousing and shelter operations programs funded through ESG are awarded to nonprofit organizations, including faith-based organizations by responding to a Request for Proposal. Please see the Grantee Unique Appendix for further detail.</p>
<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>HOPWA funded activities are awarded through Request for Applications. Detail is provided in the Grantee Unique Appendix and here: <a href="https://www.in.gov/ihcda/program-partners/housing-opportunities-for-persons-with-aids-hopwa/">https://www.in.gov/ihcda/program-partners/housing-opportunities-for-persons-with-aids-hopwa/</a></p>
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p><b>CDBG:</b> Wastewater Drinking Water Program (WDW) \$13 million, Stellar Pathways \$4 million, Public Facilities \$3.5 million, Stormwater Improvements \$750,000, Owner-occupied Rehab \$5.5 million, Blight Clearance \$1.5 million, Planning Grant \$1,692,521, Technical Assistance and CDBG Administration \$920,683</p> <p><b>HOME:</b> Rental = \$8,247,804.27, HOME homebuyer = \$2,000,000, TBRA = \$1,200,000, CHDO operating = \$550,000, CHDO pre-development = \$120,000, HOME admin = \$1,200,000</p> <p><b>HTF:</b> HTF Rental = \$2,966,763, HTF admin = \$329,600</p> <p><b>ESG:</b> Shelter operations = \$2,259,628, Rapid rehousing = \$874,161.50, Street outreach = \$110,000, Homeless prevention = \$291,387, HMIS = \$118,0000, ESG admin = \$296,203.50</p> <p><b>HOPWA:</b> TBRA = \$1,015,000, Housing information/placement = \$505,253.90, STRMU = \$440,253.90, Support facilities = \$225,000, Admin = \$242,834.20</p>

<p><b>Describe threshold factors and grant size limits.</b></p>	<p>Please see the method of distribution, grantee application and policy and procedure manuals attached in the Grantee Unique Appendix.</p>
<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>Projected outcomes for the first year Action Plan are reported in the Goals sections of SP and AP.</p>

**Table 9 - Distribution Methods by State Program**

## Discussion:

OCRA made the following changes to the Method of Distribution from PY2025 to PY2026:

- 1) Increased funding for the owner-occupied rehabilitation program by \$2.5 million;
- 2) Increased funding slightly for wastewater/drinking water (\$500,000 more), public facilities (\$1 million more) and planning grants (\$675,000 more);
- 3) Paused funding for the Main Street revitalization program;
- 4) Decreased funding for the stormwater improvements program (\$2.75 million less).

**CDBG-DR:** Note that a separate plan exists for expenditure of CDBG-DR funding for Sullivan County and can be found here <https://www.in.gov/ocra/cdbg/disaster-recovery/>. It is anticipated that during the program year applications will be taken in fall 2026 and funds will be fully expended by June 2027.

The Formula Grants Manager will make several changes to ESG in the Consolidated Plan.

- 1) Updating the program metrics tracked and reported in ESG to focus on essential outcomes for homeless services programs and ensure all metrics can be collected from HMIS.
- 2) Adding eligible activities in Rapid Rehousing/Homeless Prevention to include providing support for housing navigation for clients served in the Coordinated Entry system.
- 3) Adding expenses related to the HMIS system as an eligible cost. This will allow us flexibility in allocations or reallocations.

IHCDA will make minor changes to the HOPWA program:

- 1) Removing funding restrictions that are not included in HOPWA regulation.
- 2) Adding the eligible cost of “Resource Identification” which will support HOPWA programs coordination with their Regional Planning Council, Coordinated Entry, healthcare networks and collaborative groups, and other initiatives that support the coordination of multiple resources and funding opportunities to support clients.
- 3) Adjusting language on requiring subrecipients to be IDOH Care Coordination sites. First, the terminology is now “Non-Medical Case Management” Provider (NMCMP). Second, staff also propose we require subrecipients to either operate as a designated NMCMP or have a formal agreement with one.
- 4) [Changing the Balance of State service area for PY2026 by removing Tipton County and adding Putnam County and Union County.](#)

## AP-38 Project Summary

### CDBG Uses of Funds:

<b>LMI BENEFIT (70% minimum)</b>	
Wastewater Drinking Water (WDW)	\$ 13,000,000.00
Stellar Pathways	\$ 4,000,000.00
Public Facilities (PFP)	\$ 3,500,000.00
Stormwater Improvements (SIP)	\$ 750,000.00
Needs Responsive Fund	\$ 0.00
Urgent Needs Funds	\$ 0.00
<b>Low Moderate Housing (LMH)</b>	
Owner Occupied Rehabilitation (OOR)	\$ 5,500,000.00
<b>SLUM &amp; BLIGHT (30% max)</b>	
Blight Clearance (BCP)	\$ 1,500,000.00
Main Street Revitalization (MSRP)	\$ 0.00
PreservINg Mainstreet	\$ 0.00
<b>PLANNING ONLY (LMI and/or Slum/Blight)</b>	
Planning and Capacity Building	\$1,692,521.00
<b>CDBG ADMINISTRATION (3% max plus \$100,000)</b>	
State Administration and Technical Assistance	\$ 920,683.00
<b>Total Amount</b>	<b>\$30,863,204.00</b>

### CDBG Project Summary Information

1	<b>Project Name</b>	<b>Owner Occupied Rehabilitation (OOR)</b>
	<b>Target Area</b>	State nonentitlement communities
	<b>Goals Supported</b>	Preserve Owner-occupied Homes and Create New Assist Residents Remain in Housing
	<b>Needs Addressed</b>	Owner-occupied rehabilitation
	<b>Funding</b>	CDBG \$5,500,000
	<b>Description</b>	The Owner-Occupied Rehabilitation program empowers Indiana communities to establish local home repair initiatives. These programs directly fund repairs for owner-occupied residential properties
	<b>Target Date</b>	6/30/2027
2	<b>Project Name</b>	<b>Stellar Pathways Program</b>
	<b>Target Area</b>	State nonentitlement communities
	<b>Goals Supported</b>	Support Community Revitalization
	<b>Needs Addressed</b>	Economic development and revitalization
	<b>Funding</b>	CDBG \$4,000,000
	<b>Description</b>	The Stellar Pathways Program is a multi-year initiative that helps rural and small-town regions develop and implement long-term community and economic development projects. The program encourages local and regional partnerships, combining state, local, and private resources to tackle challenges facing Indiana’s rural communities.
	<b>Target Date</b>	6/30/2027

3	<b>Project Name</b>	<b>Blight Clearance Program (BCP)</b>
	<b>Target Area</b>	State nonentitlement communities
	<b>Goals Supported</b>	Support Community Revitalization
	<b>Needs Addressed</b>	Revitalization Activities
	<b>Funding</b>	CDBG \$1,500,000
	<b>Description</b>	The Blight Clearance Program (BCP) provides funding to help communities demolish and remove abandoned, unsafe, or blighted structures to improve safety, property values, and economic development opportunities.
	<b>Target Date</b>	6/30/2027
4	<b>Project Name</b>	<b>Main Street Revitalization Program (MSRP)</b>
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Support Community Revitalization
	<b>Needs Addressed</b>	Revitalization Activities
	<b>Funding</b>	CDBG \$0; <b>currently paused</b>
	<b>Description</b>	The Main Street Revitalization Program (MSRP) provides funding and support to help communities revitalize their downtowns, strengthen local economies, and encourages Indiana towns and cities to focus on long-term community development planning centered around their downtown areas. Projects must be led by a designated Indiana Main Street organization in accredited and good standing.

5	<b>Project Name</b>	<b>PreservINg MainStreet Program</b>
	<b>Target Area</b>	N/A
	<b>Goals Supported</b>	Support Community Revitalization
	<b>Needs Addressed</b>	Revitalization Activities
	<b>Funding</b>	CDBG \$0; <b>currently paused</b>
	<b>Description</b>	The PreservINg Main Street Program helps small towns revitalize their downtowns by preserving historic buildings and strengthening local economies.
6	<b>Project Name</b>	<b>Public Facilities Program (PFP)</b>
	<b>Target Area</b>	State nonentitlement communities
	<b>Goals Supported</b>	Support Community Revitalization
	<b>Needs Addressed</b>	Revitalization Activities
	<b>Funding</b>	CDBG \$3,500,000
	<b>Description</b>	The Public Facilities Program (PFP) provides funding to rural communities to improve or expand essential facilities that enhance quality of life, accessibility, and community development.
	<b>Target Date</b>	6/30/2027
6	<b>Project Name</b>	<b>Wastewater Drinking Water (WDW) Program</b>
	<b>Target Area</b>	State nonentitlement communities

	<b>Goals Supported</b>	Improve Community Water, Wastewater, and Stormwater
	<b>Needs Addressed</b>	Water and wastewater improvements
	<b>Funding</b>	CDBG \$13,000,000
	<b>Description</b>	The Wastewater/Drinking Water (WDW) Program provides funding for rural communities to modernize water and sewer systems, safeguarding health, environment, and long-term growth.
	<b>Target Date</b>	6/30/2027
7	<b>Project Name</b>	<b>Stormwater Improvements Program (SIP)</b>
	<b>Target Area</b>	State nonentitlement communities
	<b>Goals Supported</b>	Improve Community Water, Wastewater, and Stormwater
	<b>Needs Addressed</b>	Water and wastewater improvements
	<b>Funding</b>	CDBG \$750,000
	<b>Description</b>	The Stormwater Improvements Program (SIP) provides funding to rural communities to upgrade stormwater infrastructure, reduce flooding, and improve water quality.
	<b>Target Date</b>	6/30/2027
9	<b>Project Name</b>	<b>Needs Responsive Fund</b>
	<b>Target Area</b>	Dependent on needs

	<b>Goals Supported</b>	Address the Needs of Disaster-Affected Areas
	<b>Needs Addressed</b>	Urgent or emergency needs
	<b>Funding</b>	CDBG (regular) \$0. Note that a separate plan exists for expenditure of CDBG-DR funding for Sullivan County and can be found here <a href="https://www.in.gov/ocra/cdbg/disaster-recovery/">https://www.in.gov/ocra/cdbg/disaster-recovery/</a> . It is anticipated that during the program year applications will be taken in fall 2026 and funds will be fully expended by June 2027.
	<b>Description</b>	The Needs Responsive Fund is designed to provide OCRA with the flexibility to address unique or unforeseen community development needs that fall within the scope of eligible CDBG activities but are not otherwise covered by existing programs.
	<b>Target Date</b>	6/30/2027
10	<b>Project Name</b>	<b>Urgent Need Fund</b>
	<b>Target Area</b>	Dependent on needs
	<b>Goals Supported</b>	Will be utilized as needed to allow for operational flexibility and expediency in addressing urgent needs.
	<b>Needs Addressed</b>	Urgent or emergency needs
	<b>Funding</b>	CDBG \$0
	<b>Description</b>	The Urgent Need Fund is designed to provide immediate assistance to communities facing imminent threats to public health and safety.
	<b>Target Date</b>	6/30/2027
11	<b>Project Name</b>	<b>Planning Grant Program</b>

	<b>Target Area</b>	
	<b>Goals Supported</b>	Provide Planning Grants
	<b>Needs Addressed</b>	
	<b>Funding</b>	CDBG \$1,692,521
	<b>Description</b>	The Planning Grant Program provides funding to support local governments in undertaking planning-only activities that strengthen community development efforts.
	<b>Target Date</b>	6/30/2027
12	<b>Project Name</b>	<b>Technical Assistance</b>
	<b>Target Area</b>	
	<b>Goals Supported</b>	Provide technical assistance and admin support
	<b>Needs Addressed</b>	
	<b>Funding</b>	CDBG \$306,894
	<b>Description</b>	Funds may be used to deliver technical support directly through OCRA staff or contracted services and may also support pilot initiatives or adjustments to existing programs.
	<b>Target Date</b>	6/30/2027
13	<b>Project Name</b>	<b>Administrative Cost</b>
	<b>Target Area</b>	N/A

<b>Goals Supported</b>	Provide technical assistance and admin support
<b>Needs Addressed</b>	Supports all needs and goals
<b>Funding</b>	CDBG \$613,789
<b>Description</b>	Funds cover costs associated with administering the State's CDBG Program.
<b>Target Date</b>	6/30/2027

## HOME, HTF, ESG, Project Summary Information

### Allocation—HOME

HOME rental = \$8,247,804.27

HOME homebuyer = \$2,000,000

TBRA = \$1,200,000

CHDO operating = \$550,000

CHDO pre-development = \$120,000

HOME admin = \$1,200,000

### Allocation—HTF

HTF Rental = \$2,966,763

HTF admin = \$329,600

### Allocation—ESG

Shelter operations = \$2,259,628

Rapid rehousing = \$874,161.50

Shelter outreach = \$110,000

Homeless prevention = \$291,387

HMIS = \$118,000

ESG admin = \$291,387

### Allocation—HOPWA

TBRA = \$1,015,000

Housing information/placement = \$505,235.90

STRMU = \$440,253.90

Support facilities = \$225,000

Admin = \$242,834.20

**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?**

No.

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

N/A

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

**Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed. Provide rationale for the priorities for allocating investments geographically.**

For CDBG awards, OCRA allocates funds to the areas of greatest need, based on stakeholder consultation from the 2025-2029 Consolidated Plan and 2026 Annual Action Plan, as well as data from the needs assessment and market analysis in the 2025-2029 Consolidated Plan. This information is used to guide the funding priorities for each program year.

IHCDA does not allocate funding based solely on geography but does allocate funding to all areas of the state based on other criteria.

For IHCDA's HOME program, applications for rental and homeownership projects located within non-participating jurisdictions and those Participating Jurisdictions will be considered if the Participating Jurisdiction receives an amount of HOME funding which is less than 5% of the amount of HOME funds granted to the State.

Several IHCDA programs are available for projects statewide. This includes IHCDA's HOME Tenant-Based Rental Assistance Program, and projects selected through its Supportive Housing Institute, which utilize HOME and HTF.

All other HTF projects for rental development will be allocated statewide. Exact criteria vary by program, yet all programs prioritize assisting low-income households. Most of IHCDA's housing programs prioritize 50% AMI households; ESG and HOPWA generally reach lower income levels due to the nature of the populations they serve.

ESG allocates funds to emergency shelter, rapid re-housing, homeless prevention, and outreach activities statewide. These and the HOPWA funds follow the CoC jurisdiction of every county outside of Marion. IHCDA has allocated a small percentage of ESG funds towards HMIS. This funding will cover the technical support and access the HMIS Lead provides to ESG subrecipients, including CAPER preparation. The allocation would also allow the HMIS Lead to expand the system to include night-by-night tracking and more robust data analysis opportunities.

The HOPWA grant does rely on a geographic allocation, determined through the Continuum of Care regions. With the exception of Region 7, IHCDA will allocate HOPWA funding to Project Sponsors that either are a Non-Medical Case Management Provider (NMCMP - as designated by IDOH) or have a formal agreement with a NMCMP. This will remain true for all regions across the borders of the Indiana Balance of State. If a distinct eligible population with specific needs exists in a region, IHCDA will work with the regional Project Sponsor or the City of Indianapolis' HOPWA program to tailor services to meet the needs of the population.

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

## Affordable Housing

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

#### Introduction:

One Year Goals for the Number of Households to be Supported	
Homeless	400
Non-Homeless	240
Special-Needs	50
Total	690

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

One Year Goals for the Number of Households Supported Through	
Rental Assistance	450
The Production of New Units	90
Rehab of Existing Units	150
Acquisition of Existing Units	unknown
Total	690

**Table 11 - One Year Goals for Affordable Housing by Support Type**

#### Discussion:

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

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

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

IHCDA will set aside 12.25% of available annual Rental Housing Tax Credits for Developments involving the substantial rehabilitation of existing federally-assisted affordable housing and/or the demolition and reconstruction of federally- assisted affordable housing units utilizing the same site (over 50% of the units must be replaced in the Development/Application).

This includes:

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

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

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

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

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

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

The Indiana Supportive Housing Institute is an important element of the Indiana Permanent Supportive Housing Initiative (IPSHI), which was launched by IHCD and the Corporation for Supportive Housing (CSH) in 2008 to further the strategy to end long-term and recurring homelessness.

The 2025 Institute developments will be eligible for only 100% permanent supportive housing developments. Developments are eligible for a set-aside of funding through the HOME Investment Partnerships Program. Development teams are eligible to request additional capital funds in the form of low-interest loans from IHCD through the Indiana Affordable Housing and Community Development Fund program. Teams will also have access to project-based rental assistance from IHCD in the form of project-based vouchers if local project-based vouchers are not available.

The Institute and its partners will provide targeted training, technical assistance, capacity-building resources, and the opportunity to apply for predevelopment financing for both new and experienced development teams. Teams will receive over 80 hours of training including individualized technical assistance and resources to assist in completing their project. In addition, industry experts, including staff from IHCD, will provide insight on property management, financing, and building design. As stated in the Institute's RFP, upon completion, partners will have individualized supportive housing plans with supportive service and delivery strategies; skills to operate existing supportive housing and develop new projects; strong property management and service teams; and access to capital funding and rental assistance from IHCD. Institute deliverables include approved project concept including site selection and minimum development design characteristics; Memorandum of Understanding; a shared mission statement; Community Support Plan; Detailed Supportive Services Plan; Tenant Selection Plan; Tenant Involvement Plan; Property Management Plan; Eviction Prevention Plan; operating policies and protocols; and preliminary project proposals and budgets.

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

N/A

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

### **Introduction**

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

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

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

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

For the past three years, IHCD has released a report and evaluation of the state's Balance of State CoC Coordinated Entry System (CES) processes. The report is completed in collaboration with C4 Innovations to gather information to evaluate the effectiveness of the client flow through the CES and to identify disparities within the CoC's CES.

Recommendations were developed from stakeholder interviews, surveys, and HMIS data analysis. After the benchmark evaluation of the entire CES in 2023, C4 provides regional recommendations for improvement and IHCD staff provide technical assistance and training throughout the year to improve the implementation of the CES in those regions. The goal is to provide consistent application of the coordinated entry assessment within the IN BoS CoC IHCD works with its partners to implement the following action items to increase homeless outreach and improve homeless needs assessments:

- Develop targeted outreach strategies for youth, young adults, families, lawfully present immigrants, and seniors that address their unique needs.
- Enhance communication and advertising throughout the CES system, especially in rural areas and regions to increase residents' awareness of available resources.
- Maximize the PIT count to engage with individuals experiencing homelessness and connect them with CES resources.

These recommendations are currently being implemented by IHCD.

## **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 shelter and outreach portions of these funds as well as a larger coordination across the CoC. These needs are then communicated up to IHCD and the CoC board as a whole. Together, IHCD and the board incorporate this input into the board's vision for meeting these needs across the CoC. During the next five years, the board plans to create a strategic plan and blueprint for the CoC. They will use data from the HIC, PIT, and other HUD data points to make strategic decisions on which areas of the state need additional emergency and transitional shelter.

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

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

Subrecipients that receive RRH funds are required to collaborate with shelters and other homeless serving organizations in their region to further strengthen the connection from emergency housing to permanent options including rentals with short/medium term subsidy.

**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**

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

The Indiana Supportive Housing Institute is an important element of the Indiana Permanent Supportive Housing Initiative (IPSHI), which was launched by IHCD and the Corporation for Supportive Housing (CSH)

in 2008 to further the strategy to end long-term and recurring homelessness. The focus is on funding lasting solutions instead of stop-gap programs.

The Institute and its partners will provide targeted training, technical assistance, capacity-building resources, and the opportunity to apply for predevelopment financing for both new and experienced development teams. Teams will receive over 80 hours of training including individualized technical assistance and resources to assist in completing their project. In addition, industry experts, including staff from IHCD, will provide insight on property management, financing, and building design. As stated in the Institute's RFPs, upon completion, partners will have individualized supportive housing plans with supportive service and delivery strategies; skills to operate existing supportive housing and develop new projects; strong property management and service teams; and access to capital funding and rental assistance from IHCD. Institute deliverables include approved project concept including site selection and minimum development design characteristics; Memorandum of Understanding; a shared mission statement; Community Support Plan; Detailed Supportive Services Plan; Tenant Selection Plan; Tenant Involvement Plan; Property Management Plan; Eviction Prevention Plan; operating policies and protocols; and preliminary project proposals and budgets.

In addition, IHCD provides staff support to the IN BoS CoC, which includes providing training and technical assistance to regional planning councils in order to increase their effectiveness in:

- Supporting and actively engaging in IN BoS CoC strategies to prevent and end homelessness;
- Engaging in local collaborative planning around homeless programming;
- Organizing and conducting the local Point-in-time Count process and assisting with updating Housing Inventory Charts (HIC);
- Ensuring the statewide Coordinated Entry System is implemented consistently in each region, including establishing a local prioritization process and maintaining a prioritization list;
- Coordinating Winter and Summer Contingency planning; and
- Representing the IN BoS CoC by interacting with local Entitlement Cities on their Consolidated Plans.

## 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	225
Tenant-based rental assistance	125
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	25
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	375

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

The following barriers to addressing affordable housing needs have been identified in the housing analysis from the Consolidated Plan, stakeholder feedback for the 2026 Annual Action Plan, and supporting studies:

- Poor condition of affordable housing stock according to residents and stakeholders. Inability of residents to make needed improvements due to low incomes. Difficulty obtaining private sector loans to complete needed improvements due to low incomes of those living in units in poor condition.
- Disproportionately high levels of cost burden and lower homeownership rates for certain populations due to historically low incomes, high mortgage denial rates, and lack of affordable/ publicly subsidized housing to meet their needs. Cost burden gaps are greatest for residents earning between 30 and 50% AMI—those just over the poverty level. Homeownership rates are lowest for Black or African American residents.
- High mortgage loan denial rates for non-White residents, even when adjusting for income level.
- Non-White residents and residents with disabilities are most likely to express challenges with home buying associated with saving enough for down payments and meeting mortgage loan qualifications.
- Higher use of publicly-supported housing by African American residents, suggesting challenges obtaining private market housing.
- Restricted housing choice for residents with disabilities because of the lack of available, affordable, accessible housing.
- 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% of Housing Choice Voucher wait lists are families with children.
- Rental application requirements including credit and criminal history create significant barriers to accessing affordable housing in a competitive market, specifically for survivors of domestic violence and formerly incarcerated residents.
- Fixed incomes can no longer support the cost of housing resulting in increasing housing instability and homelessness among seniors and people with disabilities.
- Zoning restrictions, minimum lot requirements, NIMBYism, and high construction costs significantly limit new housing development.
- Gaps in behavioral health treatment and transportation infrastructure undermine housing stability efforts.

### 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, lack of opportunity and available housing perpetuate similar 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 non-entitlement 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 face limited 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 laws, particularly reasonable accommodations.
- Insufficient resources to fund ADA improvements to public buildings and infrastructure, particularly in rural areas.
- Indiana Senate Bill 285 passed in 2026 could lead to increased criminal convictions of people experiencing unsheltered homelessness leading to compounding challenges in securing housing stability.
- Insufficient public funding to provide requisite services in conjunction with housing to maintain long-term stability.
- Lack of adequate resources for timely intervention to keep people in their current housing which is less costly (economically and socially) than rapid rehousing or addressing homelessness.

**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**

OCRA and IHCD work closely with the Fair Housing Center of Central Indiana (FHCCI) and the Indiana Civil Rights Division (ICRC) to address the identified barriers.

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

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

### **Introduction:**

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

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

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

As an example, the IHCD HOME Rental Policy contains an Opportunity Index scoring section. The purpose of this category is to incentivize developments in areas of opportunity. The Opportunity Index awards points for locating projects in areas close to public transportation and fresh produce as well as in areas with low unemployment rates, high job growth, and high median household incomes. Together, these categories enable IHCD to ensure projects are being funded in areas of opportunity and in areas where there is a high need for assistance.

The state will continue the Neighborhood Assistance Program which provides tax credits for nonprofit organizations to leverage contributions for neighborhood programs and projects that benefit economically disadvantaged areas and persons. Projects eligible for tax credits include affordable housing; counseling services; childcare; education assistance; emergency assistance; job training; medical care; recreational facilities; downtown rehabilitation activities; and neighborhood revitalization activities. Tax credits are awarded in the amount of \$40,000 per organization.

Annually, IHCD hosts a technical assistance webinar to answer general questions about HOME Rental Construction application forms for developers. The webinar aims to educate applicants about IHCD's goal of funding housing for low-income people that are accessible, energy-efficient, and include MBE, WBE, Federal Disadvantaged Business Enterprise (DBE), VOSB, and/or SDVOSB contractors and team members.

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

IHCD has also worked on providing and supporting capacity building of non-profits and CHDOs, offering a myriad of trainings including, but not limited to: National Development Council Rental Housing

Development Certification, CHDO and Non-Profit Executive Course, HOME Fundamentals Training, Project Development Training, Green Building Certification, Lead and RRP Training and Certification, Aging in Place Certification, Universal Design Certification, Fair Housing Training, and training on Environmental Reviews and Section 106. Through this training, IHCDCA hopes to continue to provide quality training on how to use its federal funding and to ensure the highest quality of affordable housing.

Annually, IHCDCA provides training and technical assistance to owner and management agents to support program administration and compliance with federal and state requirements. These trainings address core topics such as income and rent compliance, certification processes, policy updates, and using IHCDCA Online. In addition, IHCDCA has partnered with national and state technical assistance providers to deliver structured, multi-week trainings on CHDO regulations, nonprofit management, and project oversight to further strengthen partner capacity. In 2026, IHCDCA will partner with Costello Compliance to offer a ten-part compliance webinar series benefiting owners, developers, compliance professionals, and onsite property management staff of LIHTC, HOME, and other affordable housing properties.

IHCDCA maintains its funding for Tenant Based Rental Assistance. IHCDCA designed its TBRA program to improve the range of housing options for income qualified formerly incarcerated individuals. Under IHCDCA's TBRA Program, IHCDCA may provide security deposits, utility deposit assistance, or rental assistance. Waivers and extensions which were granted and subsequently extended by HUD in response to the COVID-19 pandemic expired on September 30, 2021. Therefore, all original program requirements have been reinstated.

A separate and distinct program offered by IHCDCA is the RampUp Program. RampUp provides grants to nonprofits to install exterior ramps to homes (up to \$5,000 per home) to improve accessibility for those Hoosiers with mobility and movement challenges. This program can assist any household with a member who is under six years of age, who is over 62 years of age, or who has a disability. Other limited repairs and modifications can be done to improve access, including the widening of doorways and the minimization of thresholds.

In 2023, IHCDCA and the Indiana Balance of State Continuum of Care engaged a contractor to create a new Coordinated Entry System (CES) assessment process to improve outcomes and ensure households are served in a more trauma-informed manner, stably housed quickly, and matched with the appropriate housing placement. In addition, IHCDCA has also identified an additional contractor to provide an annual evaluation of the CES, which is required by HUD.

### **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. IHCDCA uses each of its programs to target a variety of needs and populations including, though not limited to seniors, persons who are homeless, persons with physical or developmental disabilities, persons with mental impairments, persons

with chemical addictions, single parents, victims of domestic violence, abused children families with children six and under veterans, and the re-entry population. IHCD has supported numerous trainings on different facets on developing and maintaining affordable housing, and supporting safe, quality housing across the state.

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

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

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

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

Additionally, the State utilizes other programs (summarized earlier in this section) to help foster and maintain affordable housing, these include:

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

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

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

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

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

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

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

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

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

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

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

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

Lead-based paint hazards will primary be addressed through CDBG and HOME funded rehabilitation activities. IHCDCA has developed new lead forms and done multiple trainings on how to address lead-based paint through both these programs. IHCDCA also administers multiple HUD programs to address lead paint hazards under its Healthy Homes Resource Program; IHCDCA has also developed a program to allow for reimbursement for contractors to receive their appropriate lead licenses.

IHCDCA maintains a partnership with the Indiana Department of Health – Lead and Healthy Homes Division; the two agencies work to identify children with elevated blood lead levels and enroll those families in IHCDCA’s Healthy Homes Resource Program. IHCDCA maintains a list of rental properties that have received lead hazard control through its programs.

IHCDCA will continue to offer workshops on the Lead Safe Housing Rule and HUD lead regulations to administrators and contractors. IHCDCA will also be addressing the dearth of eligible risk assessors, inspectors and licensed contractors by working with the Indiana Builders Association to advertise trainings. IHCDCA has also developed a program to allow for reimbursement for contractors to receive their appropriate lead licenses.

As part of the Healthy Homes Resource Program, and in cooperation with the Department of Health, IHCDCA keeps a website of all state-lead programming, a Lead Paint Safety guide, and applications in both English and Spanish for interested families on this website: <https://www.in.gov/ihcda/homeowners-and-renters/lead-protection-program/>.

IHCDCA developed a flowchart that guides tenant-based rental assistance (TBRA) subrecipients through any of the LBP scenarios they may encounter. The flowchart instructs subrecipients on when to use each of the LBP forms and, for each scenario, provides a clear and detailed list of what documentation must be present in the client file.

IHCDCA updated LBP language in its CoC PSH award agreements and is gearing up to have uniform TBRA LBP guidance appearing in its program manuals for CoC, ESG, and HOPWA.

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

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

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

statewide.

In 2023, the State of Indiana established several education and workforce development programs including the career scholarship account program and fund; career scholarship account administration and donation fund; connecting students with careers fund; teacher higher education and industry collaboration grant program and fund; career coaching grant fund; and the intermediary capacity building fund. As part of this effort, the Commission for Higher Education will develop and implement a comprehensive career navigation and coaching system for Indiana and award grants to eligible entities to establish navigation and coaching systems. Schools will be required to provide instruction to students on career awareness including skill competencies, career fairs, and opportunities to meet with employers or labor organizations. Since 2023, Indiana has launched and expanded additional workforce initiatives, such as Power Up Indiana, expanded Jobs for America's Graduates (JAG) programming, and continued investment in paid work-based learning through EARN Indiana.

The state also created the Northeast Indiana Strategic Development Fund and the Strategic Development Commission in 2023 to develop and implement plans and policies that will increase the per capita personal income relative to the national average; increase the population in development areas; increase postsecondary education and credential attainment; increase the number of business startups and programs to support entrepreneurs; incentivize collaboration between K-12 school systems, higher education institutions, and industries; expand access to and the availability of infrastructure needed to facilitate development and population density; and perform strategic planning involving regional efforts for economic development. In April 2024, the Indiana State Budget Committee approved \$30 million in state grant funding for the Northeast Indiana Strategic Development Commission to implement its five-year plan.

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

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

in bid solicitations and is covered during the award trainings.

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

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

- Regional Capacity Building workshops;
- Webinars and regional meetings to discuss funding opportunities and answer questions from grantees;
- Participation in state conferences to market programs;
- The Indiana Permanent Supportive Housing Institute;
- Trainings on Reasonable Accommodations, Lead Based Paint, Certified Green Professional Certification, Certified Aging in Place Training, and Universal Design; and
- Affordable housing development training.

IHEDA continues to offer its trainings at no cost to partners and in an online format for those from around the state who wish to participate without the burden of additional expenses related to travel.

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

The State has an active network of community development corporations, many of which have become increasingly focused on housing and community development issues. These organizations are engaged in a variety of projects to meet their communities' needs, from small-scale rehabilitation programs to main street revitalization. Public housing authorities exist in the major metropolitan areas and in small to medium-sized communities throughout the State.

The State also has several organizations that advocate for State policies and organize housing and community development activities at the State level. Prosperity Indiana provides policy coordination, as well as training and technical assistance, to support nonprofit housing and community development activities. The Back Home in Indiana Alliance is composed of Indiana leaders in several affordable-housing and disability-related organizations and helps people with disabilities become homeowners in several Indiana communities.

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

OCRA's community liaisons (found at <https://www.in.gov/ocra/2330.htm>) partner with local units of government, the private sector, and nonprofits to locate and proactively work to locate funding and other

resources for community and economic development projects, as well as facilitate the meeting of local officials with state and federal agencies. They also provide technical assistance on all OCRA programs.

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

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

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

IHCDA continues to partner with the Indiana Department of Health on its Healthy Homes Resource Program. IHCDA has started the Indiana Healthy Homes Roundtable which meets monthly to discuss lead-based paint issues throughout the state. The group consists of IHCDA and Indiana State Department of Health. IHCDA has established a strong relationship with the Family and Social Services Administration (FSSA) to assess affordable assisted living supply, along with production of housing for persons with intellectual or developmental disabilities, or persons who have a chemical addiction.

IHCDA will continue to foster partnerships with organizations providing eviction and legal services to residents across the state.

## Program Specific Requirements

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

#### Introduction:

#### 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
<b>Total Program Income:</b>	<b>0</b>

#### 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%

**HOME Investment Partnership Program (HOME)  
Reference 24 CFR 91.320(k)(2)**

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

N/A

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

The recipient must implement recapture restrictions for any homebuyer property purchased, in whole or in part, by a homebuyer that received a direct buyer subsidy from the recipient in an amount greater than or equal to One Thousand and 01/100 Dollars (\$1,000.01) 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 CHDOs, 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:

- a) The homebuyer transfers or conveys the property by deed, land contract, or otherwise;
- b) Foreclosure proceedings are commenced against the property;
- c) The property is transferred by an instrument in lieu of foreclosure; or,
- d) 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 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. The Forgiven Ratio is a ratio used to calculate the amount of the Direct Subsidy that is forgiven. This ratio shall be calculated by dividing the number of full months that the owner occupies the property as its principal residence by the total of number of months in the Affordability Period.

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

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

The recipient will be required to use IHCD's form of Homebuyer Recapture Agreement.

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

a. Resale restriction

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 Developer 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. 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 does not exceed 29 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"); 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 IHCD) 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%

$(\$5,000 + \$9,000) \times 3.5\% = \$490$  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 driveway, 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.

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.

Developer must use documents that are prepared by IHEDA.

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 (HOME Homebuyer policy on pages 31-32). IHEDA does use the home affordable homeownership limits published by HUD.

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.

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. For newly constructed housing, the value limits are 95% of the median purchase price for the area based on the Federal Housing Administration (FHA) single family mortgage program data for newly constructed housing. HUD has established a minimum limit, or floor, based on 95% of the U.S. median purchase price for new construction.

For existing housing, the value limits are 95% of the median purchase price for the area based on FHA single family mortgage program data for existing housing and other appropriate data that is available. HUD has established a minimum limit, or floor based on 95% of the state-wide nonmetropolitan area median purchase price for existing housing.

The limits can be accessed from HUD here: <https://www.hudexchange.info/resource/2312/home-maximum-purchase-price-after-rehab-value/>

It is important to note that while these are the maximum limits, the amount may not be affordable to a potential HOME-buyer. IHEDA, through its underwriting as defined in the earlier section, may deny the final sales contract if the purchase price (the mortgaged amount), even reduced, is determined to be higher than the homebuyer may safely afford. The HOME-assisted housing unit must be occupied as the homebuyer's principal residence throughout the affordability period.

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

5. If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)).

N/A

6. If applicable to a planned HOME TBRA activity, a description of how the preference for a specific category of individuals with disabilities (e.g. persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)).

N/A

7. If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a).

N/A

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

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

Please see the Grantee Unique Appendices for the guidelines.

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

In 2024, the IN BoS CoC launched the Collaborative Housing Assessment Tool (CHAT) as its new Coordinated Entry (CE) process. This has helped to standardize the process across the various regions and with all stakeholders who use the Coordinated Entry System (CES). The CHAT process was designed with intentional language choices informed by PLE, DV Survivors, both COC and ESG service providers, and other special population stakeholders. The process was designed to be conversational and phased, collecting only necessary information at each stage. The process was also created with intentional break points to allow the participants to pause the assessment at each phase if they would prefer. In 2025, the CHAT Evaluation Task Force will be reviewing the tool to gauge outcomes and identify any updates, edits, or corrections needed. The Service Provision Committee (SPC) of the IN BoS CoC Board includes regional representation from each region across the CoC and offers opportunities for ESG and CoC services providers to provide input on policy changes being considered. The SPC reviews the CE Policies and Procedures annually.

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

IHCDA plans to allocate funding to approximately 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 the emergency shelter component that includes operations, essentials, and financial assistance; approximately two to six agencies may apply for the Annual Action Plan street outreach activity. No more than 60% of ESG funds will be allocated to operations, essentials, and street outreach. A request for proposals will be distributed to the current subrecipients of the ESG program and current permanent supportive housing rental assistance programs (mental health centers, housing agencies, community action agencies, nonprofits) 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 (for shelters) and \$250,000 (for Rapid Re-housing) each.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly

homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The State ESG recipient – IHCD - has a member of the Resource & Funding Committee and the Balance of State CoC Board who has been formerly homeless and currently lives in a permanent home after recently leaving permanent supportive housing. The committee provides guidance to our CoC Programs and their policies and procedures. The State of Indiana recognizes the invaluable perspective of individuals who are currently homeless and formerly homeless in developing an effective person-centered program and system. The State program strongly encourages subrecipients of the ESG program to incorporate this type of participation, to the maximum extent practicable. This will be a threshold item and will require the subrecipient to provide documentation around their policies for verification. This issue is also reviewed during program monitoring visits.

5. Describe performance standards for evaluating ESG.

The performance standards were developed in collaboration with the governing body for the Balance of State CoC Board and the Resource & Funding Committee and approved by the Balance of State CoC Board by using the national standards outlined in Section 427 of the McKinney-Vento Act, as amended by the HEARTH Act. Baseline performance measurements will be reports generated by the HMIS system and mainly from the ESG CAPER reports for the current grant prior year. These include impact measures (average length of project participation, percent of leavers who exit to permanent housing, increases in exits to permanent housing, and increases in the number of chronically homeless served) and cost efficiency measures (average cost per exit to permanent housing).

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

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

Applications submitted by eligible recipients

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

N/A

3. If distributing HTF funds by selecting applications submitted by eligible recipients,

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

Eligible applicants include non- and for-profit affordable housing developers, joint venture partnerships, and Public Housing Authorities (Public Housing Authorities are eligible to apply under the conditions set forth in 24 CFR 93.203). 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 income 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 Indiana Supportive Housing Institute;
4. If the development ranking is sufficient for it to be awarded RHTC pursuant to the RHTC process as outlined in the current Qualified Action Plan (QAP); and,
5. The availability of HTF funds.

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

Application requirements are described in detail in Part 2 of the IHEDA HTF 2024-2025 Program Policy which is part of Appendix A (Methods of Distribution) in the Grantee Unique Appendices. Appendix A MOD also includes HOME Rental Application Policy, HOME Homebuyer Policy, HOME Innovation Round RFP, and Institute RFP.

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 income households;
2. Whether the development meets State and Federal requirements of all programs for which the applicant is applying, including the threshold requirements;
3. Successful completion of the Permanent Supportive Housing Institute;

4. If the development ranking is sufficient for it to be awarded RHTC pursuant to the RHTC process as outlined in the current QAP; and,
5. The availability of HTF funds.

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

Selection criteria are described in detail in Part 2 of the IHCDTA HTF 2024-2025 Program Policy which is part of Appendix A (Methods of Distribution) in the Grantee Unique Appendices.

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

Geographic Diversity – moderate priority: IHCDTA will make no preference to geographic diversity in projects during the HTF application scoring process. IHCDTA 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. IHCDTA will, however, consider geographic factors in scoring related to "desirable sites" as defined within the QAP:

- An application can score up to 10 points for proximity to positive land uses, transportation, etc. An application can score another 8 points for being in areas of opportunity or high need.
- An application can receive a negative point if the proposed development is located within a ½ mile radius of undesirable facilities and locations that produce objectionable noise, smells, excessive traffic, hazardous activity, etc.
- IHCDTA also considers where it has previously allocated funds.

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

Timely Undertaking- moderate priority: 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 any other applicable policy. If IHCDTA requests additional information from the applicant, all requests are due on or before the date provided by IHCDTA staff.

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

- own, construct, or rehabilitate, and manage and operate an affordable multifamily rental housing development; or
- undertake the activities set forth in its application upon receipt of the HTF award and begin construction within 12 months of receipt of the award and complete the development within a 24-month period.

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

Project-Based Rental Assistance – high priority: As stated under Threshold Items Section 6.3 (c) and 6.3 (e), in order to be eligible for 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 6.1 Rents Charged, Applicants may be eligible for 16 points for rent targeting.

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

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

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

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

h. Describe the grantee’s required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter “N/A”.

Priority Housing Needs of Indiana- high priority: The 2025-2029 Consolidated Plan includes development of rental housing, including permanent supportive housing, as a priority need.

To be eligible 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

(if applying for RHTC) and in Sections 2.1 and 6.3 (e) of this Allocation Plan will not be eligible for funding.

In addition, IHCD may award additional scoring of 63 points under Sections 6.1 Affordability; 6.2 Development Characteristics; 6.3 Market Characteristics, and 6.5 Other Scoring to prioritize projects which best serve their residents.

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

Extent of Non-Federal Funding – moderate priority: As stated under the Threshold Items Section 6.3 (c), the applicant must demonstrate all subsidy sources. IHCD may also award up to 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.

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

Yes

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

Yes

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

Yes

**7. Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds.** Enter or attach the grantee's maximum per-unit development subsidy limits for housing assisted with HTF funds.

The maximum HTF loan request per application is \$1,500,000 for eligible rental projects. Based on availability of funding, IHCD may, at its discretion, issue a RED Notice prior to a funding round to reduce or increase the amount allowed per application. The \$1,500,000 maximum request will also apply at a project level. An applicant who divides an existing project or contiguous sites into multiple applications will only be allowed to request \$1,500,000 total for the project, not \$1,500,000 per application.

The maximum per-unit subsidy limits for HTF will be set at IHCD'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. IHCDCA has updated the limits based on the increase in the Consumer Price Index.

Due to the unique costs associated with Permanent Supportive Housing projects that are often not present in non-PSH HOME rental projects and, in light of public comments received, IHCDCA has elected to increase the HTF subsidy limits by approximately 7.5% over current HOME subsidy limits. IHCDCA will revisit these limits on an annual basis to determine whether they remain appropriate. IHCDCA will allow HTF applicants applying in conjunction with HOME Investment Partnerships Program-American Rescue Plan (“HOME-ARP”) to use the maximum HOME subsidy limits as published by HUD.

HTF funds used for acquisition, rehabilitation, and new construction combined cannot exceed:

Bedroom Size	Per Unit Subsidy Limit
0	\$139,750
1	\$163,400
2	\$187,050
3	\$225,750
4+	\$249,400

See Part 4.1 Subsidy and Budget Limitations of the IHCDCA HTF 2024-2025 Program Policy for more further detail. The per unit subsidy limits can be found on page 15.

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

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

All IHCDCA 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. All HTF funded projects must meet the NSPIRE Affirmative Habitability Requirements, which can be found in section 3.4 of the IHCDCA HTF 2024-2025 Program Policy.

All HTF funded projects must meet the property standards outlined in 93.301.

- Developments must use Uniform Physical Condition Standards (UPCS). Beyond the UPCS standards, projects must also comply with IHCDCA 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.

To ensure rehabilitation standards are met, upon receipt of an application proposing rehabilitation (regardless of number of units), IHCDCA will conduct an initial inspection to verify the deficiencies that must be addressed during rehabilitation to ensure the units will meet HTF requirements at completion. This inspection will occur prior to IHCDCA making a funding recommendation.

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

N/A

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

N/A

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

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

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

Tax Credit Program (RHTC) and (2) successfully completed the Indiana Supportive Housing Institute and/or HOME Rental Applications.

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

**12. Refinancing of Existing Debt.** Enter or attach the grantee's refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee's refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter "N/A."

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

**Discussion:**

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

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

By having the threshold that all applicants must be or have a relationship with a current Indiana State Department of Health Care Coordination Site, we are providing a one stop shop for persons to access the

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. Trained professionals provide assistance such as access to health insurance, housing programs, emergency funds, medications, utility assistance, mental health and substance abuse programs, and HIV testing and prevention programs.

The RFQ will be evaluated through a tool that will verify that each applicant meets the threshold requirements and has financial capacity by meeting accounting and financial standards. It will be verified that each subrecipient is certified to be a care coordination site by requiring they attach the certificate or agreement showing they meet the standard.

GRANTEE UNIQUE APPENDIX.

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METHODS OF DISTRIBUTION AND FUNDING  
APPLICATIONS

CDBG.

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METHOD OF DISTRIBUTION

**STATE OF INDIANA**  
**STATE COMMUNITY DEVELOPMENT BLOCK GRANT**  
**(CDBG) PROGRAM (CFDA: 14-228)**  
**INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS**  
**FY2026 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 (OCRA), 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). Per 24 CFR 570.485(a) and 24 CFR 91, the State must submit a Consolidated Plan to HUD by May 15th of each year following an appropriate citizen participation process according to 24 CFR 91.325, which prescribes the State's Consolidated Plan process as well as the proposed method of distribution of CDBG funds.

This document applies to all federal Small Cities CDBG funds allocated by HUD to the State of Indiana, through OCRA. **The allocation of federal CDBG funds for FY2026 is \$30,863,204.00.**

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 fosters growth and resilience in rural cities and towns by investing in local initiatives that encourage communities to build, strengthen and thrive. Attention is given to activities that promote long term community development.

OCRA pursues the goal of investing CDBG funds wisely and aligns with all applicable strategic priorities by distributing CDBG funds in a manner that promotes the exploration of all alternative resources (financial and personnel) when making funding decisions regarding applications for CDBG funding.

**PROGRAM AMENDMENT POLICY**

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

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

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

## **PROGRAM INCOME POLICY**

The State of Indiana via OCRA does not encourage program income generating CDBG projects. No receipt of CDBG program income for the period covered by this Annual Action Plan is projected. In the event CDBG Program Income is received, such funds will be placed in an existing program based on current needs, as determined by OCRA, to make additional grants under that program. Reversions of other years' funding will also be allocated based on current needs as determined by OCRA. OCRA will allocate and expend all CDBG Program Income funds received before drawing additional CDBG funds from the U.S. Department of Treasury. However, the following exceptions shall apply:

1. This 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 IHCDA by OCRA.
2. In accordance with 24 CFR 570.489(e)(2), program income does not cover funds generated by grantees and/or subrecipients from CDBG grants awarded by OCRA that are \$35,000 or less during a calendar year. In such cases, OCRA may allow local governments to keep the funding that doesn't exceed the \$35,000 threshold established by this policy.
3. This policy shall not apply to program income generated by locally administered revolving loan funds to carry out specific activities. Grantees are not required to use the program income generated before drawing down grant funds awarded by OCRA for a different CDBG funded activity. However, program income in the revolving loan fund must be used before drawing down additional grant funds for other revolving fund activities in accordance with 24 CFR 570.489(f).
4. Any interest earned, above the threshold in accordance 24 CFR 570.489(e)(2)(iv)(C), on a deposit of CDBG grant funds before disbursement of those funds for an eligible CDBG activity will be considered CDBG program income by OCRA. Interest earned should subsequently be used as a credit toward additional claims submitted, reducing the payment of a future claim by the amount of interest earned.

### **Program Income Generated by Units of General Local Government**

In accordance with 24 CFR 570.489(e)(2), program income does not cover funds that are \$35,000 or less during a program year. In such cases, OCRA may allow local governments to keep the funding that doesn't exceed \$35,000.

Program income generated by grantees and/or subrecipients from CDBG grants awarded by OCRA must be returned to OCRA if such amounts are equal to or greater than \$35,000 per calendar year according to 24 CFR 570.489. If a local government or its subrecipients receive program income, it must be reported to OCRA at least annually. This income retains its CDBG federal identity in accordance with 24 CFR 570.489.

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

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

Furthermore, US Department of Treasury regulations require that CDBG program income cash on hand

balances be expended on any active CDBG grant being administered by a grantee before additional federal CDBG funds can be requested from OCRA. These US Treasury regulations apply to projects funded both by IHCD and OCRA. Eligible applicants with CDBG program income should strive to close out all active grant projects presently being administered before seeking additional CDBG assistance from the OCRA or IHCD.

### **Revolving Loan Fund (RLF) Program Income by a Units of General Local Government**

If OCRA permits Units of General Local Government to establish locally administered revolving loan funds to carry out specific activities in accordance with 24 CFR 570.489 (f), program income generated by the RLF shall refer to the repayment of CDBG funds received by borrowers including principal and any interest earned without regard to the amount collected.

Local revolving fund balances must be held in an interest-bearing account in accordance with 24 CFR 570.500(b).

Program income collected by Grantees should only be maintained in a local revolving loan fund account for a short period of time before they are awarded back out to new local applicants. Units of General Local Government must ensure any RLF funds held are revolved in order for the account to be considered active by OCRA in accordance with 24 CFR 570.489(f).

It is OCRA's policy that grantees with local revolving loan funds must report on any program income earned and the RLF's activity on a quarterly basis. This report should be governed by guidelines provided by OCRA to its grantees in order to ensure the timely and proper reporting of any RLF program income generated.

Local governments who do not forgive loans issued as part of a CDBG funded RLF program will continue to generate program income and must continue to report on in perpetuity on each loan made until all payments have been paid in-full, forgiven, or written off.

At closeout of a HUD funded award including, but not limited to, CDBG, CDBG Disaster Recovery (CDBG-DR), CDBG Cares Act (CDBG-CV), and the Neighborhood Stabilization Program (NSP), program income on hand or subsequently received by a grantee or subrecipient generated by that award may become program income of OCRA's CDBG formula grant program. Grantees may transfer any amount of program income collected to OCRA. Program income generated by a grantee or its subrecipients that is transferred to OCRA continues to be subject to all CDBG requirements as outlined in 24 CFR 570.504(b)(3), even after closeout is achieved, until all program income is fully expended.

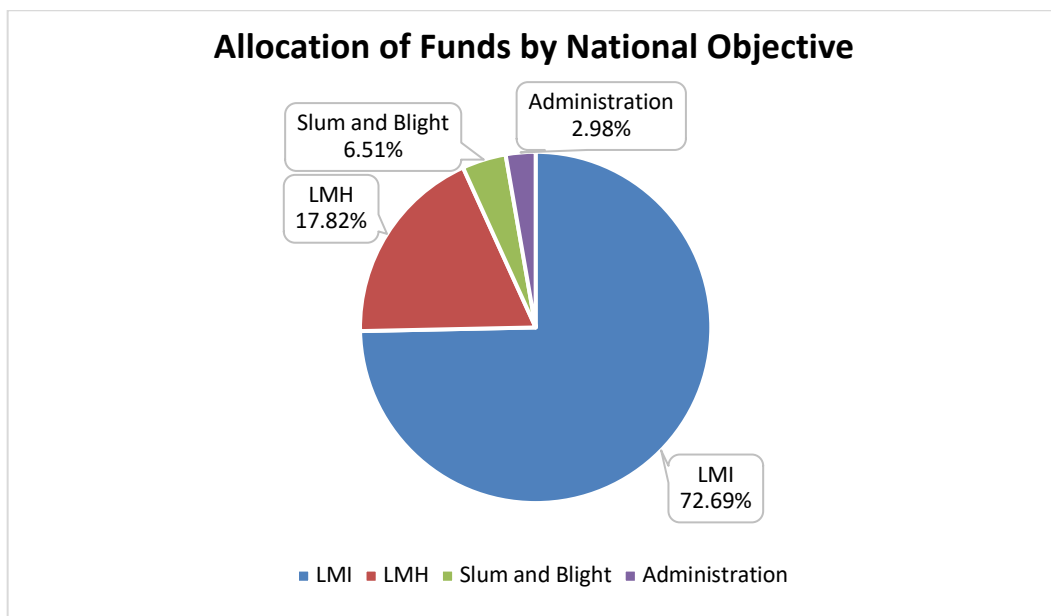
The transfer of program income generated by other HUD funded awards must comply with CPD 14- 02: Closeout Instructions for CDBG Programs Grant.

OCRA will assess the best use of any program income transferred to CDBG based on current needs and any applicable HUD guidance. Grantees must maintain an inventory of acquired real property and equipment and must properly report any new program income generated as instructed by HUD.

**FY2026 FUND DISTRIBUTION TABLE**

Available HUD CDBG resources are allocated to maximize benefit to low and moderate income (LMI) persons.

<b>LMI BENEFIT (70% minimum)</b>	
Wastewater Drinking Water (WDW)	\$ 13,000,000.00
Stellar Pathways	\$ 4,000,000.00
Public Facilities (PFP)	\$ 3,500,000.00
Stormwater Improvements (SIP)	\$ 750,000.00
Needs Responsive Fund	\$ 0.00
Urgent Needs Funds	\$ 0.00
<b>Low Moderate Housing (LMH)</b>	
Owner Occupied Rehabilitation (OOR)	\$ 5,500,000.00
<b>SLUM &amp; BLIGHT (30% max)</b>	
Blight Clearance (BCP)	\$ 1,500,000.00
Main Street Revitalization (MSRP)	\$ 0.00
PreservINg Mainstreet	\$ 0.00
<b>PLANNING ONLY (LMI and/or Slum/Blight)</b>	
Planning and Capacity Building	\$ 1,692,521.00
<b>CDBG ADMINISTRATION (3% max plus \$100,000)</b>	
State Administration and Technical Assistance	\$ 920,683
<b>Total Amount</b>	<b>\$30,863,204.00</b>



\*For Allocation by National Objective Chart, Planning is allocated as 70% LMI and 30% Slum & Blight.

## **METHOD OF DISTRIBUTION**

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

All projects/activities funded by OCRA will 1) address 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 and 2) only use CDBG funds for eligible activities as prescribed under Section 105(a) of the Federal Act, 24 CFR 570.201, and 24 CFR 570.482.

CDBG funds will be distributed according to the following Method of Distribution:

### **Eligible Activities and Funding**

All activities that 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 OCRA's CDBG program. However, OCRA maintains the right to prioritize funding toward certain eligible activities. OCRA has determined to prioritize funding toward activities that yield tangible benefits for low- and moderate-income individuals in Indiana.

For all programs, OCRA will adopt a competitive approach to distribute funds to proposed projects that effectively align with the objectives of this Action Plan and HUD's overarching goals. Funding decisions will be made using criteria and rating systems used for the State's programs, subject to the availability of funds. OCRA will prioritize the use of CDBG funds toward actual project costs and not to local government administrative costs. **The State of Indiana certifies that not less than seventy percent (70%) of each fiscal year's CDBG funds will be expended for activities principally benefiting low- and moderate-income persons, as prescribed by 24 CFR 570.484, et. seq.**

### **Eligible Applicants**

1. All Indiana counties, cities, and incorporated towns that do not receive CDBG entitlement funding directly from HUD or are not located in an "urban county" or other areas eligible for "entitlement" funding from HUD.
2. All Indian tribes meeting the criteria outlined in Section 102 (a)(17) of the Federal Act.

To be eligible for CDBG funding, applicants must not be under suspension from any CDBG-funded programs or from OCRA due to issues or irregularities with prior CDBG grants, such as overdue reports, late responses to monitoring inquiries, overdue closeout documents for current grants, or any other factors that may cast doubt on their capacity to comply with all requirements of the State's CDBG program. Applicants may also be suspended from participating in state CDBG-funded projects that are administered by the Indiana Housing & Community Development Authority (IHCDA).

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

Other specific eligibility criteria is outlined in the **General Eligibility Requirements** provided in Attachment C.

**Program Descriptions**

**A. Wastewater Drinking Water Program (WDW)**

**Allocation:** Refer to Fund Distribution Table.

**National Objective:** Benefit to Low and Moderate-Income Persons 24 CFR 570.483(b).

**Eligible Activities:** Activities that improve wastewater and drinking water systems under section 105(a) of the Federal Act.

**Funding Cycles:** Subject to the availability of funds, applications will generally be accepted in up to two rounds per year, with additional rounds conducted as necessary.

**Other Requirements:** Grants shall be awarded on a competitive basis only to applicants that satisfy the threshold requirements and minimum scoring criteria set forth in Attachments C and D.

**Maximum Award per Beneficiary:** WDW shall have a maximum grant amount based on present combined user rates (water and wastewater) as shown in the matrix below. The amount of CDBG funds granted will be limited to \$5,000 cost per project beneficiary.

Maximum Grant Amounts	Rates for 4,000 gallons		
	User Rates (Over \$50)	User Rates (\$30 to \$50)	User Rates (Under \$30)
Projects over \$1 million in total project cost	\$800,000	\$750,000	\$700,000
Projects under \$1 million in total project cost	\$750,000	\$700,000	\$650,000

**Matching Funds:** Matching funds of at least 20% of the total project cost are required for this program.

**Local Administrative Costs:** 8% of the CDBG grant amount is eligible for local administrative expenses.

**B. Stellar Pathways Program**

**Allocation:** Refer to Fund Distribution Table

- Funds will be allocated in the Action Plan for the fiscal year an applicant is selected.

Timeframe	Amount
FY2026	\$4 Million
FY2027	TBD

**National Objective:** Benefit to Low and Moderate-Income Persons 24 CFR 570.483(b) or Slum and Blight 24 CFR 570.483(c)

**Eligible Activities:** CDBG funds may be used for eligible activities under 24 CFR 570.201, 24 CFR 570.202(a), 24 CFR 570.202(d), 24 CFR 570.202(e) including acquisition, disposition, public facilities and improvements, clearance and remediation activities, privately owned utilities, rehabilitation and preservation activities, historical preservation, renovation of closed buildings. OCRA reserves the right

to evaluate the eligibility of additional proposed activities that are not listed in this section for consideration under this program.

All projects funded by IHCD with HOME, ESG and/or HOPWA funds will meet the specific requirements set forth by those programs.

**Other Requirements:** Indiana’s Stellar Pathways Program is a collaborative effort of the Office of Community and Rural Affairs (OCRA) and other state, philanthropic or private partnerships. However, any component of a Stellar Pathway project receiving CDBG funds must meet CDBG program requirements. In addition, OCRA reserves the right to select the projects that will be funded with CDBG funds.

The Stellar Pathways Program provides an opportunity to achieve a holistic, three-year revitalization strategy that will leverage unified state investment and other available funding from the partnering agencies to complete transformational projects. In the revitalization strategy, selected finalists will identify areas of interest and types of projects along four pathways following robust community outreach and engagement and through facilitated, pathway-specific focus groups. The resultant Strategic Development Plan (SDP) will produce a schedule to complete projects, cost estimates, identify local match amounts and additional funding resources needed, indicate the level of community impact, and describe the significance each project will have on the overall comprehensive revitalization of the region. Each partner will choose catalyst projects to fund from the SDP plan, setting communities along a path to become Stellar upon completion of all selected projects.

Evaluation and selection of the final applicants to the Stellar Pathways Program will be based on:

- Letter of Intent submitted.
- Completion of all outlined requirements of the Stellar Pathway Finalist designation.
- Document the level of need and significance of each project in overall community revitalization efforts.
- Capacity of the applicant to complete all activities and to administer the funds.

**Maximum Award:** No more than two (2) designees will be selected to participate in the program per program year. Designees will receive up to \$4,000,000 for their eligible CDBG projects. Funding may come from multiple program years.

**Local Administrative Costs:** 8% of the CDBG grant amount is eligible for local administrative expenses for each submitted application.

### C. Stormwater Improvements Program (SIP)

**Allocation:** Refer to Fund Distribution Table.

**National Objective:** Benefit to Low and Moderate-Income Persons 24 CFR 570.483(b).

**Eligible Activities:** Activities that improve stormwater systems under section 105(a) of the Federal Act.

**Funding Cycles:** As needed.

**Other Requirements:** Grants shall be awarded on a competitive basis only to applicants that satisfy

the threshold requirements and minimum scoring criteria set forth in Attachments C and D.

**Maximum Award Per Beneficiary:** The Stormwater Improvement Program shall have a maximum grant amount of \$750,000. The amount of CDBG funds granted will be limited to \$5,000 cost per project beneficiary.

**Matching Funds:** Matching funds of at least 10% of the total project cost are required for this program.

**Local Administrative Costs:** 8% of the CDBG grant amount is eligible for local administrative expenses.

#### **D. Owner Occupied Rehabilitation Program (OOR)**

**Allocation:** Refer to Fund Distribution Table.

**National Objective:** Benefit to Low and Moderate-Income Households 24 CFR 570.483(b)(3).

**Eligible Activities:** Housing activities that support the rehabilitation of Owner-Occupied Housing Units under section 105(a) of the Federal Act.

**Funding Cycles:** Subject to the availability of funds, applications will generally be accepted in up to three rounds per year, with additional rounds conducted as necessary.

**Other Requirements:** Grants shall be awarded on a competitive basis only to applicants that satisfy the threshold requirements and minimum scoring criteria set forth in Attachments C and D.

**Maximum Award Per Beneficiary:** The OOR program shall have a maximum grant of \$350,000 for cities or towns, and \$500,000 for counties to establish or support a local Owner-Occupied Rehabilitation Program. Individual homeowner grants will be limited to a maximum of \$25,000.

**Matching Funds:** Matching funds of at least 10% of the total project cost is required for participation in this program.

**Local Administrative Costs:** Up to 10% of the CDBG grant amount is eligible for local administrative expenses.

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

**Allocation:** Refer to Fund Distribution Table.

**National Objective:** Benefit to Low and Moderate-Income Persons 24 CFR 570.483(b) or Slum and Blight 24 CFR 570.483(c).

**Eligible Activities:** Activities under 24 CFR 570.201 (a), 24 CFR 570.201 (b), 24 CFR 570.201 (c), 24 CFR 570.201 (d), 24 CFR 570.202, 24 CFR 570.202(d), 24 CFR 570.202(e) including acquisition, disposition, clearance and remediation activities; construction activities, rehabilitation, and improvements; and preservation activities, historical preservation activities, and renovation of closed buildings. OCRA reserves the right to evaluate the eligibility of additional proposed activities that are not listed in this section for consideration under this program.

**Funding Cycles:** Subject to the availability of funds, applications will generally be accepted in up to two rounds per year, with additional rounds conducted as necessary.

**Other Requirements:** Grants shall be awarded on a competitive basis only to applicants that satisfy the threshold requirements and minimum scoring criteria set forth in Attachments C and D.

**Maximum Award Per Beneficiary:** The Public Facilities Program shall have a maximum grant amount of \$750,000. The amount of CDBG funds granted will be limited to \$5,000 cost per project beneficiary.

**Matching Funds:** Matching funds of at least 10% of the total project cost are required for this program.

**Local Administrative Costs:** 8% of the CDBG grant amount is eligible for local administrative expenses.

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

**Allocation:** Refer to Fund Distribution Table.

**National Objective:** Slum and Blight 24 CFR 570.483(c).

**Eligible Activities:** Activities under 570.201(d) and 24 CFR 570.201(a) including acquisition, clearance and remediation activities of non-residential and residential structures.

**Funding Cycles:** Subject to the availability of funds, applications will generally be accepted in up to two rounds per year, with additional rounds conducted as necessary.

**Other Requirements:** Grants shall be awarded on a competitive basis only to applicants that satisfy the threshold requirements and minimum scoring criteria set forth in Attachments C and D.

**Maximum Award Per Beneficiary:** The Blight Clearance Program shall have a maximum grant amount of \$500,000. The amount of CDBG funds granted will be limited to \$5,000 cost per project beneficiary.

**Matching Funds:** Matching funds of at least 10% of the total project cost are required for this program.

**Local Administrative Costs:** 8% of the CDBG grant amount is eligible for local administrative expenses.

#### **G. Main Street Revitalization Program (MSRP)**

**Allocation:** Refer to Fund Distribution Table.

**National Objective:** Slum and Blight 24 CFR 570.483(c).

**Eligible Activities:** Activities under 24 CFR 570.201, 24 CFR 570.202(a), 24 CFR 570.202(d), 24 CFR 570.202(e) that support Indiana communities with streetscape, alley activation, downtown revitalization, and historic preservation.

**Other Requirements:** Each applicant must meet all of the following prerequisites:

1. The applicant must have a designated Indiana Main Street Organization that is:
  - a. A Nationally Accredited Main Street (NAMS); or
  - b. An Indiana Accredited Main Street (IAMS).
2. The Main Street Organization must be in good standing and have met all the reporting requirements;
3. The Main Street Organization must have met its education requirement with the Indiana Main

Street Program during the past calendar year;

4. The Main Street Organization must be functioning within the Main Street 4 Point Approach of Organization, Design, Economic Vitality, and Promotion and, if a Nationally Accredited Main Street, must be using a Transformation Strategy;
5. The Main Street Organization must have current Work Plans for each of its committees that have been submitted to Indiana Main Street; and
6. The local Indiana Main Street Organization must have been involved in the project development process for the application and there must be a plan for its continued involvement if awarded.

**Funding cycles:** Subject to the availability of funds, applications will generally be accepted in up to two rounds per year, with additional rounds conducted as necessary.

**Other Requirements:** Grants shall be awarded on a competitive basis only to applicants that satisfy the threshold requirements and minimum scoring criteria set forth in Attachments C and D.

**Maximum Award per Beneficiary:** The MSRP shall have a maximum grant amount based on the total project cost as shown in the table below. The amount of CDBG funds granted will be limited to \$5,000 cost per project beneficiary.

Project Amount	Award Maximum
Projects over \$2 million in total project cost	\$600,000
Projects under \$2 million in total project cost	\$500,000

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

**Matching funds:** Matching funds of at least 20% of the total project cost are required for all streetscape projects in this program.

**Local Administrative Costs:** 8% of the CDBG grant amount is eligible for local administrative expenses.

#### H. Preserving Main Street

**Allocation:** Refer to Fund Distribution Table.

**National Objective:** All projects funded must meet a national objective under 24 CFR 570.208 and 24 CFR 570.483.

**Eligible Activities:** Activities under 24 CFR 570.201, 24 CFR 570.202(d), and 24 CFR 570.202(e) that support historic preservation in a Nationally Accredited Main Street (NAMS) and Indiana Accredited Main Street (IAMS) communities with registered downtown historic districts.

**Funding Cycles:** Applications will be accepted in a single round every other program year over a period of two (2) years, as funding is available.

**Other Requirements:**

- Preserving Main Street will support one or up to two Nationally Accredited Main Street (NAMS) or Indiana Accredited Main Street (IAMS) communities in their historic preservation and economic revitalization efforts.
- Grants shall be awarded on a competitive basis. The selected community will be eligible to set aside funds to implement downtown preservation projects based on a two-year preservation and revitalization strategy for their downtown historic district.
- The Main Street organization, along with the community foundation and LUG, will be responsible for raising a 10% match (\$200,000) for the project, which could include a mix of private and local funds. The total match must be raised before the end of the 2-year pilot.

Of that 10%:

- 50% will be put in a permanent endowment/revolving loan fund for downtown projects.
- 50% will be supplied to the Main Street organization for long-term sustainability.

For example, this could be used for two years of funding a staff position and thus elevating an IAMS community to a NAMS within those two years.

- Indiana Landmarks may work with the Main Street organization and local building owners to provide training and conditions assessments for preservation projects downtown.
- The LUG will develop and adopt a local preservation ordinance, lead the formation of a local preservation commission, and pursue designation of a downtown local historic district within the first 18 months.
- The Main Street organization will also implement two humanities-based programs and activities focused on historic preservation using Indiana Humanities funding distributed in two tranches. The selected Main Street organization will also attend training provided by Indiana Humanities.

**I. Urgent Need Fund**

**Allocation:** Refer to Fund Distribution Table.

**National Objective:** Urgent Need 24 CFR 570.208(c)

**Eligible Activities:** Activities must be eligible for funding under the requirements of 24 CFR 570.208 and 24 CFR 570.483. The eligibility of any project is at the full discretion of the Office of Community and Rural Affairs.

**Funding Cycles:** As needed.

**Other Requirements:** 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.

**Maximum Award per Beneficiary:** The amount of grant award is determined by OCRA based upon the individual circumstances surrounding the request for emergency funds.

**Matching Funds:** A community may be required to provide a match through cash, debt or provision of employee labor.

#### J. Needs Responsive Fund

**Allocation:** Refer to Fund Distribution Table.

**National Objective:** Must meet a national objective under Section 104(b)(3) of the Federal Act and 24 CFR 570.483.

**Eligible Activities:** The purpose of this fund is to allow OCRA flexibility to respond to the needs of eligible communities. Specifically, this program will allow OCRA to fund projects that are eligible activities under CDBG but are not covered by other programs.

**Funding Cycles:** As needed.

**Other Requirements:** Grants shall be awarded on a competitive basis only to applicants that satisfy the threshold requirements and minimum scoring criteria set forth in Attachments C and D.

**Maximum Award per Beneficiary:** The Needs Responsive Fund shall have a maximum grant amount of \$1,000,000. The amount of CDBG funds granted will be limited to \$5,000 per project beneficiary.

**Matching Funds:** Matching funds of at least 10% of the total project cost are required for this program.

**Local Administrative Costs:** 8% of the CDBG grant amount is eligible for local administrative expenses.

#### K. Planning Grant Program

**Allocation:** Refer to Fund Distribution Table.

**National Objective:** Benefit to Low and Moderate-Income Persons 24 CFR 570.483(b) or Slum and

Blight 24 CFR 570.483(c)

**Eligible Activities:** OCRA will make planning-only grants to units of local government to carry out eligible planning activities under 24 CFR 570.205 including needs assessments, comprehensive plans, capital improvement plans, and feasibility studies. Refer to the OCRA website for a detailed description of available planning activities and their maximum grant amounts. OCRA reserves the right to give preference to one type of plan over others when making funding determinations.

**Funding Cycles:** Subject to the availability of funds, applications will generally be accepted in up to three rounds per year, with additional rounds conducted as necessary.

**Other Requirements:**

- Grants shall be awarded on a competitive basis only to applicants that satisfy the threshold requirements and minimum scoring criteria set forth in Attachments C and D.
- 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.

**Maximum Award per Beneficiary:** The Planning Grant program shall have a maximum grant amount of \$90,000. The amount of CDBG funds granted will be limited to \$5,000 per project beneficiary.

**Matching Funds:** Matching funds of at least 8% of the total project cost are required for this program.

**Local Administrative Costs:** A flat fee for local administrative expenses is established at a maximum of \$7,000.

**L. State Administration and Technical Assistance**

**Funding Formula:**

The amount of the TA set-aside increased with the 2004 Consolidated Appropriations Act which amended and codified Section 106(d)(5) of the Housing and Community Development Act of 1974 to allow states to use up to three percent (3%) of their allocations for administrative expenses, technical assistance, or a combination thereof. The statutory change and subsequent regulatory revisions provide increased flexibility in utilizing funds for both administrative and technical assistance activities.

The total spent on both administrative and technical assistance activities may not exceed one hundred thousand dollars (\$100,000) plus three percent (3%) of the grant amount.

**Requirements:**

- Per 24 CFR 570.489(a)(1)(i), All amounts used to pay administrative expenses, in excess of the \$100,000 base amount, must be matched, on a one-dollar (\$1) for one-dollar (\$1) basis, with the state's own funds.
- The Technical Assistance Program will not be considered a planning cost as defined under Section 105(a)(12) or an administrative cost as defined under Section 105(a)(13). Amounts used for the provision of technical assistance expenses are not subject to the match funding requirement for the State of Indiana and are presumed to have met a national objective.

**Allocation:** Refer to Fund Distribution Table.

### Technical Assistance

**Activities:** The Technical Assistance Program is designed to provide, through direct Office of Community and Rural Affairs staff resources or by contract, training and technical assistance to units of general local government, nonprofit and for-profit entities relative to community and economic development initiatives, activities and associated project management requirements. The Technical Assistance Program will also be used by the Office to conduct pilots of new programs or adjustments to current programs.

**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:

1. Provide technical assistance directly by Office of Community and Rural Affairs or other State staff;
2. Hiring a contractor to provide assistance;
3. Use of subrecipients, such as Regional Planning Organizations, as providers or securers of assistance;
4. Direct allocation of funds to non-profits and units of general local governments to secure/contract for technical assistance.
5. Payment for tuition, training, and/or travel fees for specific trainees from units of general local governments and nonprofits;
6. Transfer of funds to another state agency for the provision of technical assistance; and
7. Contracts with state-funded institutions of higher education to provide the assistance.

**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:

1. Local administrative expenses not related to community development;
2. Any activity that cannot be documented as meeting a technical assistance need;
3. 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
4. Activities that are meant to train State staff to perform state administrative functions, rather than to train units of general local governments and non-profit organizations.

### State Administration

**Activities:** These funds will be used by the Office of Community and Rural Affairs for expenses associated with the general management, oversight, coordination, and reporting its State CDBG Program, including direct personal services and fringe benefits of applicable OCRA 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 may also be used to pay for contractors hired to assist the OCRA in its consolidated planning activities.

### **PRIOR YEARS' METHODS OF DISTRIBUTION**

This Annual Action Plan and statement of Method of Distribution is intended to amend all prior Consolidated and Action Plans for grant years where funds are still available to reflect the new program designs. The Methods of Distribution described in this document will be in effect commencing after final HUD approval on or after July 1st, unless subsequently amended, for all FY2026 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 Amendment Policy" herein.

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

### **OTHER REQUIREMENTS**

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

As a result of the Federal Act, applicants who receive funds through OCRA's selection process will be required to maintain a plan for minimizing displacement of persons as a result of activities assisted with CDBG funds 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 Handbook, which is posted on the Office's website.

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

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

**INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS (OCRA)**

The Office of Community and Rural Affairs is under the Lieutenant Governor’s Family of Business. The OCRA Executive Director is appointed by the Lt. Governor. Principal accountability for the CDBG program is vested in the Executive Director of OCRA.

OCRA has the responsibility for overall program management, compliance, and administering 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 Pathways Program, Main Street Revitalization Fund, Stormwater Improvement Program, Wastewater Drinking Water Program, Public Facilities Program, Owner Occupied Rehabilitation Program and Planning Grants process resides with OCRA. OCRA is also responsible for the development of the CDBG Consolidated Plan and the CAPER.
- The LG’s Business Office will provide internal fiscal support services for program activities and monitoring of all CDBG programs.
- Audits are conducted by the Indiana State Board of Accounts in accordance with 2 CFR 200.

Potential applicants should contact the OCRA with any questions or inquiries they may have regarding these programs or any other program information.

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

<b>Mail</b>	<b>Indiana Office of Community and Rural Affairs CDBG Program Director</b> One North Capitol Avenue, Suite 600 Indianapolis, Indiana 46204-2288
<b>Telephone</b>	(800) 824-2476
<b>Fax</b>	(317) 233-6503
<b>Email</b>	<a href="mailto:cdbg@ocra.in.gov">cdbg@ocra.in.gov</a>

## DEFINITIONS

**Letter of Intent** - (LOI) for a CDBG project is a non-binding pre-application document submitted by a local unit of government (LUG) or eligible organization to notify OCRA of the intent to apply for CDBG funding during a specific funding round.

**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 CDBG Program Director.

**Matching Funds** - is defined as public funds (federal, state or local) or private sector in-kind services, or debt allocated to the CDBG project. The required level of local matching funds for CDBG projects varies by program. This percentage is calculated by adding the proposed grant amount to the local matching amount, then divide the local matching funds amount by the total of these two sums. The definition of match includes a maximum of 10% in pre-approved and validated in-kind contributions. Any in-kind contributions exceeding the specified 10% can be counted as local effort. Other funds provided to applicants by OCRA are not eligible as matching funds.

**Proposal (part of the application process)** - is defined as a document submitted by a non-entitlement unit of local government which outlines the proposed project, includes the principal parties involved, details the project budget, and explains how the proposed project aligns with the goals of the Federal Act. The proposal or pre-application represents a 95% completion of the required documentation and information intended for the final application submission.

**Reversions** - is defined as funds placed under contract with a non-entitlement unit of local government but not expended for the granted purpose because expenses were less than anticipated and/or the project was amended or canceled, and such funds were returned to OCRA upon financial settlement of the project.

**Regional** - is defined as territories that encompass two or more distinct communities—such as a county, municipality, city, town or township. Joined territories with coordinated efforts, shared resources, or unified governance designed to serve a broader geographic area, often to enhance efficiency or strategic impact.

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

More specifically, OCRA defines blight as an area possessing a substantial number of buildings (public or privately owned), and/or public improvements which demonstrate:

1. General deterioration, seen through:
  - a. Neglect or lack of maintenance on the property;

- b. Facilities of plumbing, heating, sewage, and/or others that have been disconnected, destroyed, removed, or rendered inadequate;
  - c. Impaired structural condition, making the building(s) unsafe to a person or property (IC 36-7-9-4); or
  - d. Any combination of these factors.
- 2. Significant noncompliance with current building code, safety code, health code, fire code, state statute, or local ordinance, as seen by:
  - a. Excessive vacancy and/or abandonment of properties;
  - b. Environmental hazards;
  - c. Fire hazards;
  - d. Lack of ventilation, light, or sanitary facilities; or
  - e. any combination of these factors
- 3. Building(s) are conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, increased criminal activity compared to other areas, and detrimental to public health, safety, or welfare through any of the following conditions:
  - a. Age;
  - b. Dilapidation;
  - c. Overcrowding of structures and/or high-density population;
  - d. Excessive land coverage;
  - e. Impairment of overall economic vitality of community through declines in property value, substantially lower property value than surrounding community areas; or
  - f. any combination of these factors

**Urgent Need** - is defined as a 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).

**STATE CDBG RESIDENT AND BUSINESS DISPLACEMENT PLAN****Purpose**

The State of Indiana will take all reasonable steps to minimize displacement and to assist any persons displaced as a result of a federally funded project or activity. Should displacement become necessary, the state will follow the regulations and procedures outlined under Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and the government-wide implementing regulations found at 49 CFR part 24, as they apply to the acquisition of real property and the displacement of persons resulting from Federal or federally-assisted programs or projects. The level of assistance to persons displaced and the actions the state take will be consistent with statutory and regulatory requirements, and HUD policy.

**Actions**

1. The State will fund only those applications whose projects and activities are designed to meet the goals and objectives of the state and local CDBG program.
2. The State will use displacement criterion as one of the guidelines for project selection and funding. Typically, the State will fund only those applications whose proposed projects and activities maintain existing residential and business stability. Exceptions are at the discretion of OCRA.
3. The State will require an applicant during the application process to identify if the funded project includes displacement of residents or businesses.
4. The State will require all funded communities to make available a plan if the project requires displacement of any persons or businesses as a result of CDBG funded activities, pursuant to the federal Uniform Relocation and Acquisitions Policies Act of 1970, as amended.
  - In accordance with 24 CFR 91.105(b)(1)(ii), the plan must also specify the types and levels of assistance that will be made available (or required of others to make available).
5. The State will require that all CDBG funded communities provide assistance to all individuals or businesses 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.
7. The State will provide technical assistance to an applicant in developing or implementing their displacement planning strategies, as requested.

## GENERAL CDBG APPLICATION PROCESS

The application process provides a consistent and transparent framework for evaluating CDBG project proposals, ensuring fairness and accountability in the use of public funds. It also encourages applicants to submit well-developed, high-quality proposals. The scoring criteria help reviewers assess how effectively each project aligns with program priorities, including community need, project impact, feasibility, and long-term benefit. By clearly outlining these expectations in advance, the process supports an objective and uniform review for all applicants.

All projects are subject to the availability of funds. Most project applications will generally be accepted in multiple rounds per year, with the number of rounds potentially reduced or supplemented by additional rounds as necessary.

Indiana utilizes a statewide Certified Grant Administrator Model to ensure eligible units of general local government have sufficient capacity to access funding administered through OCRA. A local government must procure a grant administrator to submit an application on behalf of a community and perform project management services. OCRA Grant administrators earn certification by successfully demonstrating competency and knowledge in OCRA CDBG prerequisite courses, maintaining ongoing continuing education to stay current on federal and state rules, regulations, and processes, adhering to an established code of conduct, and remaining in good standing with the state agency.

When a new funding round opens, OCRA publishes the application instructions. These instructions define the specific requirements applicants must meet to submit a complete and eligible application. Any OCRA CDBG application round/cycle that begins after HUD approves the State CDBG Action Plan must comply with the current MOD, including any new or revised conditions.

### General Eligibility Requirements (all programs)

The Applicant Must (at the time of Application Stage 1 or Proposal Stage 2):

1. Be a legally recognized non-entitlement local unit of government.
2. Have the legal capacity to implement the proposed program.
3. Hire an OCRA certified grant administrator through the appropriate procurement process.
4. Ensure any non-profit partner administering eligible project activities can provide documentation of its not-for-profit status from the U.S. Internal Revenue Service, the Indiana Department of Revenue, and the Indiana Secretary of State.
5. Demonstrate an active and registered SAM.gov account at the time of application submission.
6. Not have any overdue or outstanding semi-annual reports, closeout reports, State Board of Accounts audit findings, or unresolved monitoring issues from OCRA/IHCDA at the time of application. The determination of what constitutes "overdue" is entirely at the discretion of the Indiana Office of Community and Rural Affairs.
7. Clearly demonstrate how the proposed project will fulfill one of the three national CDBG objectives and meet the criteria outlined in 24 CFR 570.483.
8. Demonstrate that the proposed project is an eligible activity under Title 1 of the Housing and

Community Development Act of 1974.

9. Encumber/expend all CDBG program income receipts from other OCRA grant funds.
10. Submit only one (1) 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.
11. Ensure entity has not exceeded the appropriate number of “in progress” projects; cities and incorporated towns may have no more than three (3) open or pending CDBG grants. Counties may have no more than four (4) open or pending CDBG grants. Applicants exceeding these limits are not eligible to apply.
  - a. For applicants with an open Preserving, Stellar Pathways or other OCRA-specified program grant, the community must have successfully closed out that grant before OCRA’s deadline for receiving funding applications.
  - b. For applicants with an open CDBG Construction or Housing Fund grant OCRA must have issued a “Notice of Release of Funds and Authorization to Incur Costs” for the activities and a contract the principal (largest funding amount) construction or housing activity (line item) is executed before OCRA’s application deadline.
  - c. For applicants who have an open Planning Fund grant, the community must have the final plan approved by OCRA prior to submission of a CDBG Construction or Housing Fund grant application.
  - d. Not applicable to Urgent Need Fund projects
  - e. Not applicable to Disaster Recovery Fund projects
12. Not have any unresolved complaints filed against the applying party with the Indiana Civil Rights Commission or any other local human relations commission with jurisdiction (collectively “Commissions”).
13. Ensure the cost/beneficiary ratio for all CDBG funds will be maintained at \$5,000.
14. Ensure required leveraging based on program must be proposed. OCRA may rule on the suitability and eligibility of such leveraging.
15. Be complete and submitted by the announced deadline.

### **Application Types/Process**

OCRA typically utilizes a one stage or two stage application process. OCRA reserves the right to add, remove, or adjust application types to be most advantageous for the project.

### **One Stage Applications:**

- **Planning Grant (PL) and Owner-Occupied Rehabilitation (OOR):**

Eligible local governments must contact their regional OCRA Community Liaison to express their intent to apply to the program. Notification must be done within fifteen (15) calendar days of the round opening in order to be eligible to submit an application. This notification must be specific to the funding cycle from which the community is seeking funding assistance.
- **Stellar Pathways Program:**

Applicants submit a Letter of Intent, from which up to four (4) finalists are selected by the partner organizations. Finalists take part in numerous capacity-building, teamwork, and planning activities throughout the year as they build their Strategic Development Plan (SDP). Each finalist must complete a plan. The Stellar Teams will review completed plans for Catalyst Projects. Each partner then allocates funding to projects within the plan based on alignment with the requirements of each funding source and will work collaboratively to have fundable projects for each community identified as a finalist.

- **PreservINg Main Street:**

Typically open every other year. Interested applicants submit a Letter of Intent, from which up to one (1) will be selected to participate by OCRA and partnering organizations.

A community submits a complete and final application at the designated deadline. Subsequently a threshold review is conducted to determine if the application meets the necessary program and project design requirements in order to proceed to the scoring phase.

**Two Stage Applications:**

- **Blight Clearance Program (BCP), Public Facilities Program (PFP), Stormwater Improvements Program (SIP), the Main Street Revitalization Program (MSRP), and Wastewater/Drinking Water (WDW):**

Eligible local governments must first contact their regional OCRA Community Liaison to express interest in the program. However, the submission of a pre-application by the proposal deadline serves as the community's official indication that it intends to proceed in the application process.

At the proposal stage, a community must submit a pre-application that includes at least 95% of the required application materials. During this phase, proposed projects are evaluated for threshold compliance and initial project design factors to ensure each submission demonstrates sufficient readiness to move forward.

Based on this review, a community may be deemed insufficiently prepared and therefore ineligible to submit a full application. Alternatively, OCRA may schedule a technical assistance meeting to address identified issues. If such a meeting occurs, the community is responsible for resolving all deficiencies within the established timeframe before submitting its final application.

Eligible projects that meet federal requirements and satisfy minimum threshold and project design standards will be invited to submit a final application and advance to the scoring phase.

**Across all programs:**

- OCRA reserves the right to
  - exclude an applicant from submitting a final application if they have not demonstrated the appropriate readiness to proceed.
  - Exclude an OCRA certified grant administrator from participating in the application process if they are not in good standing.
- In the event there is a tie where funding availability is limited, the applicant with the highest LMI percentage according to the most current HUD data available will take priority.
- Results of the application evaluation, including all scored components outlined in the Method of

Distribution will be made available to both funded and unfunded communities following public award announcement.

**CDBG GRANT EVALUATION CRITERIA**

OCRA uses a structured scoring methodology to evaluate the quality and strength of each application. While eligibility is determined beforehand, the scoring process helps assess how competitive the application is for funding. To be eligible for an award, applications must achieve a minimum score of 450 out of the 700 available points.

SCORING FRAMEWORK	
Evaluation Area	Maximum Points
National Objective	100
Community Distress	175
Local Match Contribution	75
Project Design Factors	300
Program Specific	50
<b>Total</b>	<b>700</b>

**Additional Scoring Considerations:**

- **Bonus Points:** All applicants are provided with the opportunity to submit specific information to earn Bonus Points that will be added to their overall application total score.
- **Point Reduction:** when applicable, a deduction of points will be taken from the total score.

**NATIONAL OBJECTIVE (100 POINTS):**

Each proposed project submitted for funding must meet one of the National Objectives listed below.

**National Objective = Area Benefit to Low- and Moderate-Income Persons**

Awarded according to the percentage of low- and moderate-income individuals to be served by the project (100 points maximum). The total is calculated using the formula:

$$\text{National Objective Score} = \% \text{ Low/Mod Beneficiaries} \times 1$$

**National Objective = Benefit to Low- and Moderate-Income Persons - Limited Clientele**

Awarded according to the percentage of low- and moderate- income individuals to be served by the project. (51 points maximum)

**National Objective = Benefit to Low- and Moderate-Income Households**

Total of the points received in each category below (100 points maximum):

- Applicant has a local homeowner application containing community-specific information and current income limits to verify homeowner income. (10 points)

- Applicant provides documentation for how homeowners are selected for participation in the local program. (25 points)
- Applicant provides a waitlist of homeowners interested in participating in the local program. (25 points)
- Applicant provides documentation as evidence that the following populations will be prioritized for funding assistance (40 points total):
  - **Individuals with Disabilities:** Households with at least one individual living in the home with a disability using the Fair Housing definition of disabled as defined by HUD Glossary. (10 points)
  - **Aging in Place:** Households with at least one elderly individual, as defined by HUD Glossary, living in the home. Repairs made to the home must address accessibility and/or livability. (10 points)
  - **Veterans:** Households with at least one veteran individual, as defined in HUD, living in the home. (10 points)
  - **Single Parent Head of Household:** Households with a single parent, grandparent, or guardian head of household. (10 points)

**Note:** Household must be the primary residence for qualifying individual(s). Individuals or households that meet the criteria for two or more categories (i.e., a veteran with a disability or a single parent household with a child with a disability) may only be counted for one of the categories in which they qualify.

#### **National Objective = Prevention or Elimination of Slums or Blight**

Awarded based on the characteristics listed below. The total points given are computed as follows (100 points maximum):

- **For Historical Preservation: National Objective Score<sup>1</sup> = Total of the points received in each category below:**
  - Applicant has a Slum/Blight Resolution for the project area that is no more than 10 years old. (50 points)
  - The building is a historic building. (20 points)
  - The building or district is listed on or is eligible for listing on the Indiana or National Register of Historic Places. (10 points)
  - The building is on the Historic Landmarks Foundation of Indiana’s “10 Most Endangered List.” (20 points)

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

- **For Demolition or Clearance: National Objective Score = Total of the points received in each category below:**
  - Applicant has a Slum/Blight Resolution for the project area that is no more than 10 years old. (50 points)

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<sup>1</sup> The criteria for the Blight Clearance National Objective will be revised to facilitate the rehabilitation and restoration of historic buildings through the Public Facilities Program.

- The building or site has completed a Phase I ESA. (25 points)
- The unsafe building has received an “action order” as defined by IC 36-7-9-5 that is less than two (2) years old. (25 points)

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

OCRA has partnered with Stats Indiana, an Indiana University entity, to analyze and calculate the distress of Indiana’s small cities, towns, counties and townships. Factors used to calculate Community Distress points may be found at [www.stats.indiana.edu](http://www.stats.indiana.edu). Local government scores are updated and published annually on the Stats Indiana website.

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

Based on the percentage of local funds devoted to the project. (75 points maximum) This total is calculated using the formulas:

**General Projects:** Total Match Points = % Eligible Local Match X 1

**Planning Projects:** Total Match Points = % Eligible Local Match X 3

**Eligible Local Match Guidelines:**

- Local match may include local cash, debt, or in-kind contributions.
- Federal, state, and local government grants are eligible match sources.
- In-kind contributions are capped at ten percent (10%) of the total project budget or a maximum of seventy-five thousand dollars (\$75,000).
- In-kind match must be approved by CDBG Program Staff by the deadline.
- Refer to the Application Instructions for additional guidance.

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

Project Design is evaluated in at least three categories:

**Project Description:** Is the project clearly defined so outcomes, scope and the development process can be determined? (50 points)

**Project Need:** Is the community need for this project documented and compelling? (125 points)

**Financial Impact:** Is the project sustainable, and is community funding in place to complete this project, if awarded? (125 points)

Project Design Factor points are earned through evaluations conducted by OCRA’s Scoring Committee, using the scoring criteria outlined in the Application Instructions released at the start each round opening.

## PROGRAM SPECIFIC FACTORS (50 POINTS)

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

- **Indiana Finance Authority (IFA) Registry:** Awarded for sites listed on the IFA Brownfield<sup>2</sup> Registry, which indicates prior involvement in the Indiana Brownfield Program, or for sites for which a letter is provided from the IFA Brownfield Program, stating the site is a Brownfield. (25 points maximum)
- **Site Development Plan:** Awarded for projects that have a site development plan for the future use of the site. (25 points maximum)

### **Owner Occupied Rehabilitation (OOR)**

- **Housing Needs Assessment:** Awarded to applicants who have developed a housing needs assessment within the past five (5) years. At minimum, the housing needs assessment must include: current and future housing needs, assessment of data, community engagement, and clear priorities. (25 points maximum)

Points are awarded based on the timeframe within which the assessment was completed, as follows:

- 0 points - Over five years
  - 5 points - Five years
  - 10 points - Four years
  - 15 points - Three years
  - 20 points - Two years
  - 25 points - One year or less
- **Grant Administrator Experience:** Awarded to applicants who are working with administering entities who can demonstrate prior experience in construction management, rehabilitation of built structures, and/or prior CDBG OOR experience through OCRA or a different funding agency. Applicants must provide a written narrative explaining previous relevant experience and a third-party reference of experience in the above-mentioned fields to receive these points. (15 points maximum)

Points are awarded based on the amount of documented relevant experience, as follows:

- 0 points - Less than 2 years
  - 5 points - Between 2 to 2.99 years
  - 8 points - Between 3 to 3.99 years
  - 12 points - Between 4 to 4.99 years
  - 15 points - Greater than 5 years
- **Green Infrastructure:** Inclusion of green infrastructure elements in the project. (10 points maximum)

### **Planning Grant Program (PL)**

- **Supplemental Input and Community Engagement:** Awarded to communities that exceed the basic application requirements of submitting letters of support, surveys, and holding two public

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<sup>2</sup> 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.

hearings to document public engagement and input. Recognizes those that demonstrate meaningful public engagement and collaboration, by taking additional steps or actions to solicit feedback from the community. (25 points maximum)

Points are awarded based on the number of additional documented engagement methods, as follows:

- 0 points - no additional engagement methods
  - 6 points - 1 additional engagement methods
  - 12 points - 2 additional engagement methods
  - 18 points - 3 additional engagement methods
  - 25 points - 4 or more additional engagement methods
- **Connection to Previous Planning Efforts and Implementation:** Awarded to communities that effectively demonstrates their engagement with previous planning initiatives up to ten (10) years prior to application submission date. This includes providing documentation indicating how the current plan relates to a previous planning effort of the community or documenting the successful execution of a previous planning grant. (25 points maximum)

Points are awarded as follows:

- 0 points - no previous planning efforts or documentation of execution of previous planning grant within ten (10) years of application submission.
- 12 points - connection to previous planning efforts OR documentation of execution of previous planning grant.
- 25 points - connection to previous planning efforts and documentation of execution of previous planning grant.

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

- **Philanthropic Contributions<sup>3</sup>:** Points are assigned based on philanthropic contribution to the project (match) as a percentage of total project costs. (20 points maximum)

Points are awarded based on the following percentages:

- 0 points - Less than 1%
- 5 points - 1 to 1.99%
- 10 points - 2 to 2.99%
- 15 points - 3 to 3.99%
- 20 points - 4%+

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<sup>3</sup> Philanthropic contribution is defined as funds given to the project by a foundation, nonprofit organization, or other charitable organization.

- **Project Sustainability:** Establishment of a (or documentation of existing) permanent Community Facility Fund, to be used for ongoing operation and maintenance activities of the project. (20 points maximum)

Points are awarded based on the following Community Facility Fund Balances:

- 0 points - Less than \$3,000
  - 7 points - \$3,000 to \$3,999.99
  - 14 points - \$4,000 to \$4,999.99
  - 20 points - More than \$5,000
- **Green Infrastructure:** Inclusion of green infrastructure elements in the project. (10 points maximum)

#### **Public Facilities Program (PFP) for Historical Preservation Projects**

- **Local Government Incentives:** Awarded for local government that have established and documented their own incentives (e.g., property tax abatements, reductions for historic properties) to encourage homeowners and businesses to maintain and restore historic structures. (25 points maximum)
- **Local Grant Funding Program:** Awarded for local historic preservation grant programs that are made available to support local restoration and preservation projects. (25 points maximum)

#### **Main Street Revitalization Program (MSRP)**

- Community is designated as a Nationally Accredited Main Street Organization. (5 points)
- Documentation of active and continued involvement in the application and project by the Main Street organization. (10 points)
- The Main Street Organization has provided proof of philanthropic match for the project. (10 points maximum)
- The project has unique design elements or is part of a community branding effort. (5 points maximum)
- The project design includes green infrastructure elements. (10 points maximum)
- Community has completed a downtown revitalization plan within the past five (5) years (10 points maximum)

#### **Wastewater Drinking Water (WDW)**

- **Financial Gap:** One point will be awarded per \$1.00 in financial gap. The financial gap is the amount by which CDBG grant funds will reduce or “buy down” customer utility rates. (10 points maximum)
  - The OCRA Gap Calculation Worksheet in GMS calculates this monthly rate impact.
- **Green Infrastructure:** Inclusion of green infrastructure elements in the project. (15 points maximum)
- **Project Sustainability:** Establishment of, or documentation of existing combined utility rate<sup>4</sup> for

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<sup>4</sup> Combined utility rate is defined as the combined monthly rates for water and sewer per 4,000 gallons.

the ongoing operation and maintenance activities of the wastewater and drinking water systems. (25 points maximum)

- Points are calculated using a formula-based linear scale to convert a community's combined utility rate into an assigned value. Combined rates below \$55 receive 0 points, and, beginning with 10 points for a rate of \$55, will increase along the scale to the maximum score of 25 points for combined rates of \$100 or higher.

### **Stormwater Improvement Program (SIP)**

- **Financial Gap:** One point will be awarded per \$1.00 in financial gap. The financial gap is the amount by which CDBG grant funds will reduce or “buy down” customer utility rates. (10 points maximum)
  - The OCRA Gap Calculation Worksheet in GMS calculates this monthly rate impact.
- **Green Infrastructure:** Inclusion of green infrastructure elements in the project. (15 points maximum)
- **Project Sustainability:** Establishment of, or documentation of an existing monthly stormwater utility fee for the ongoing operation and maintenance activities of the storm system (25 points maximum).
  - Points are calculated using a formula-based linear scale to convert a community's utility fee into an assigned value. Fees below \$3 receive 0 points, and beginning with 10 points for fees of \$3, will increase along the scale to the maximum score of 25 points for fees of \$6 or higher.

### **BONUS POINTS POLICY**

OCRA promotes and supports the enhancement of the resilience of rural communities while assisting those with limited financial resources in addressing unmet needs. As a result, the following criteria will be utilized to evaluate bonus opportunities:

- **Community Resilience**
- **Designated Disaster Areas**

Applicants must submit the required documentation by the established deadline in the Application Instruction announced for each round.

Applicants may submit requests for bonus points under both options outlined below to receive up to 35 additional points toward their application total.

### **Community Resilience Bonus Points (25 points maximum)**

BOTH of the following elements must be submitted for consideration of community resilience bonus points:

- **Community Resilience Improvement Plan (5 points maximum)**

The Chief Elected Official must schedule a meeting with their regional OCRA Community Liaison to discuss how the proposed CDBG project or plan in addition to other community projects will increase the community's resilience score.

The Chief Elected Official must submit a community resilience improvement plan clearly

describing how the projects discussed will benefit the community short term and increase community resilience in the long term. The community resilience improvement plan must explain how the CDBG project/plan in addition to other projects will increase the community's resilience score in the next five (5) years across the following metrics:

- Structure of the local economy/Industry diversity
  - Entrepreneurship
  - Human Capital (Education attainment and Labor force participation)
  - Labor force participation
  - Social Network/Social Connectivity
  - Broadband
  - Wealth Gap
  - Homeownership
- **Community Resilience Index** (20 points maximum)

The Community Resilience Index is a composite score calculated by Stats Indiana that measures a community's capacity for future economic growth and adaptability, based on the eight (8) metrics outlined in the Community Resilience Improvement Plan section above.

An applicant's Community Resilience Index bonus points are determined using a linear scale that converts the applicant's Community Resilience Index to a score between 1 and 20, using the highest and lowest Index scores listed for the applicant's community type (county or city/town) as endpoints of the scale. This means that 1 point is assigned to the lowest listed score for that community type, and 20 points are assigned to the highest listed score.

Community Resilience Index scores, which are updated and published annually, can be found at: <http://www.stats.indiana.edu/topic/cdbg.asp>.

#### **Designated Disaster Area Bonus Points** (10 points maximum)

Communities designated as disaster areas with a Presidential Disaster within the last three (3) years from round opening, which have been approved for individual assistance and public assistance categories A-G, if documentation is provided.

#### **POINTS REDUCTION POLICY**

OCRA will not fund more than one phase or component of the same project or planning type in different funding rounds. Even if a community does not intend to phase its project, OCRA will consider previous awards for the same project or planning type. This policy applies to all project and planning types, except OOR<sup>5</sup>, but it is most commonly associated with utility-related initiatives.

OCRA's points reduction policy will apply as follows:

- -50 points - 0 to 5 years since previous funding

**Example 1:** Community submits and is awarded a Wastewater Drinking Water (WDW) grant in 2020. When applying for a WDW grant in 2025, they would be subject to a point reduction of 50 points. In 2026, they

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<sup>5</sup> For OCRA funded OOR projects, eligible communities may reapply to receive additional OOR funding after all prior OOR grants have successfully achieved closeout.

would have no point reduction.

**Example 2:** A community submits and is awarded a utility study grant in 2020 for a single utility study. When applying for another planning grant for a single, two, or master utility study in 2025, they would be subject to a point reduction of 50 points. In 2026, they would have no point reduction for a single, two, or master system utility study.

**RESOURCES:**

**Refer to the application instructions, scoring guide, and other available resources on the OCRA website to successfully address all application criteria.**

# HOME.

## HOMEBUYER PROGRAM POLICY

Due to the length of the policy, a URL link is provided. The most current policy can be found here:

[https://www.in.gov/ihcda/files/HOME-Homebuyer-Final-Policy\\_eff.-2023.pdf](https://www.in.gov/ihcda/files/HOME-Homebuyer-Final-Policy_eff.-2023.pdf)



[IHCDA](#) » [DEVELOPERS](#) » [HOME INVESTMENT PARTNERSHIPS PROGRAM \(HOME\)](#)

### HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

The purpose of the HOME program is to provide subsidies in the form of grants or loans for the acquisition, rehabilitation, and/or new construction of housing for low-income households. Through this program, the Indiana Housing and Community Development Authority (IHCDA) seeks to create or preserve affordable housing options for Indiana households.

Click [here](#) to access a map of HOME Real Estate contacts.

Click [here](#) to access the HOME Rental Application Webinar - February 4, 2025

#### APPLICATION POLICY AND FORMS

##### HOME Homebuyer

- [HOME Homebuyer Final Policy - Updated 2023](#)
- [HOME Homebuyer Closing Manual - Updated October 2023](#)
- [HOME Homebuyer Application Form - Updated October 2024](#)
- [HOME Homebuyer Proforma - Updated June 2024](#)
- [HOME Homebuyer Additional Documents](#)

# HOME.

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## RENTAL CONSTRUCTION POLICY

Due to the length of the policy, a URL link is provided. The most current policy can be found here:

<https://www.in.gov/ihcda/files/PY25-26-HOME-Rental-Application-Policy-Final.pdf>

### **HOME Rental**

- [PY25-26 HOME Rental Application Policy - Final](#)
  - [Summary of Changes to HOME Rental Policy](#)
  - [PY25 HOME Rental Application Form](#)
  - [PY25 Schedules & Forms](#)
  - [HOME Match Spreadsheet](#)

### **HOME Rental - Previous Policies**

- [PY24-25 HOME Rental Policy](#)
- [PY23-24 HOME Rental Policy](#)

### **COMPLIANCE MANUAL AND FORMS**

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- [HOME Manual and Forms](#)
- [IHCDA Online Compliance Reporting](#)
- [Utility Allowances](#)

# NHTF.

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## APPLICATION POLICY

Due to the length of the policy, a URL link is provided. The most current policy can be found here:

<https://www.in.gov/ihcda/developers/housing-trust-fund/2024-2025-HTF-Policy-2025.04.15.pdf>



[ihcda](#) » [DEVELOPERS](#) » [HOUSING TRUST FUND](#)

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### HOUSING TRUST FUND

The [Housing Trust Fund](#) (HTF) may be used for the production or preservation of affordable housing through acquisition, new construction, and/or rehabilitation. The HTF program is required to serve extremely low-income households (households below 30% of the Area Median Income). As such, IHCDA utilizes its HTF program to fund permanent supportive housing for persons experiencing homelessness.

#### APPLICATION POLICY AND FORMS

- [2024-2025 Housing Trust Fund Policy](#)
  - [2024-2025 Housing Trust Fund Supplemental Application](#)
- [2023 Housing Trust Fund Policy](#)
- [2021 Housing Trust Fund Policy](#)
- [2020 Housing Trust Fund Policy](#)

ESG AND HOPWA.

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MODS AND WRITTEN GUIDELINES



**REQUEST FOR APPLICATIONS**

for

**Emergency Solutions Grant (ESG)**

**INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY**  
30 South Meridian Street, Suite 1000  
Indianapolis, IN 46204  
<http://www.in.gov/ihcda/>

**317-232-7777**

**ISSUE DATE: July 7, 2025**  
**RESPONSE DEADLINE: August 1, 2025, 5:00 PM EST**

**1. PURPOSE OF THIS REQUEST FOR APPLICATIONS (“RFA”)**

The Indiana Housing and Community Development Authority (referred to as “IHCDA” or “Grantee” throughout this document) seeks to contract with community-based 501(c)(3) nonprofit organizations (referred to as “Subrecipients” or “Respondents”) to directly administer housing assistance and supportive services under the Emergency Solutions Grant (“ESG”) program.

**2. ABOUT THE INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY****MISSION STATEMENT**

To provide housing opportunities, promote self-sufficiency, and strengthen communities.

**VISION**

An Indiana with a sustainable quality of life for all Hoosiers in the community of their choice.

**OVERVIEW (for more information visit <http://www.in.gov/ihcda/>)**

IHCDA was created in 1978 by the Indiana General Assembly and is a quasi-public financially self-sufficient statewide government agency. IHCDA's programs are successful in large part because of the growing network of partnerships IHCDA has established with local, state, and federal governments, for-profit businesses and not-for-profit organizations. For-profit partners include investment banks, mortgage lenders, commercial banks, corporate investment managers and syndicators, apartment developers, investors, homebuilders, and realtors. Not-for-profit partners include community development corporations, community action agencies, and not-for-profit developers.

**3. ABOUT THE ESG PROGRAM & FUNDING SOURCE**

The Emergency Solutions Grant (ESG) provides funding for essential services, operations, and homeless prevention activities to emergency homeless shelters, transitional housing for the homeless, and day/night homeless shelters. These programs provide basic needs of shelter, food, clothing, and other necessities, and many also provide case management, referrals, rental assistance, and other services to individuals and/or families who are in need of assistance.

IHCDA is the Indiana agency designated to receive the state’s “Balance of State” funding for the Emergency Solutions Program (ESG)), as administered by the U.S. Department of Housing and Urban Development (HUD).

ESG funds may be used for four Program Types: Emergency Shelter, Street Outreach, Rapid Re-Housing assistance, and Homelessness Prevention.

**ELIGIBLE EXPENSES BY PROJECT TYPE*****Emergency Shelter***

Essential Services: case management, child care, education services, employment assistance and job training, outpatient health services, legal services, life skills training, mental health services, substance abuse treatment services, and transportation.

Shelter Operations, including maintenance, rent, repair, security, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the operation of the emergency shelter.

Where no appropriate emergency shelter is available for a homeless family or individual, eligible costs may also include a hotel or motel voucher for that family or individual.

Clients must meet Category 1 or 4 of HUD's Homeless Definition to be eligible for Emergency Shelter assistance.

See [24 CFR 576.102](#).

### ***Street Outreach***

Essential Services related to reaching out to unsheltered homeless individuals and families, connecting them with emergency shelter, housing, or critical services, and providing them with urgent, non-facility-based care. Eligible costs include engagement, case management, emergency health and mental health services, and transportation.

Clients must meet Category 1 or 4 of HUD's Homeless Definition to be eligible for Street Outreach assistance.

See [24 CFR 576.101](#).

### ***Rapid Re-Housing***

Housing relocation and stabilization services and/or short-and/or medium-term rental assistance as necessary to help individuals or families living in shelters or in places not meant for human habitation move as quickly as possible into permanent housing and achieve stability in that housing.

Eligible costs:

- Rental Assistance: rental assistance and rental arrears
- Financial Assistance: rental application fees, security and utility deposit, utility payments, first month's rent, last month's rent, and moving costs
- Services: housing search and placement, housing stability case management, landlord-tenant mediation, tenant legal services, and credit repair.

Clients must meet Category 1 or 4 of HUD's Homeless Definition to be eligible for Rapid Re-Housing assistance. ESG RRH clients must have household income of less than or equal to 30% Area Median Income (AMI). This does not apply for the initial intake but is enforced when income is reassessed during interim-evaluations. Clients must be referred to RRH from the Coordinated Entry system.

See [24 CFR 576.104](#).

### ***Homelessness Prevention***

Housing relocation and stabilization services and short-and/or medium-term rental assistance as necessary to prevent the individual or family from moving to an emergency shelter, a place not meant for human habitation, or another place described in paragraph (1) of the homeless definition.

The costs of homelessness prevention are only eligible to the extent that the assistance is necessary to help the program participant regain stability in their current housing or move into other permanent housing and achieve stability in that housing.

Eligible costs:

- Rental Assistance: rental assistance and rental arrears
- Financial Assistance: rental application fees, security and utility deposit, utility payments, first month's rent, last month's rent, and moving costs
- Services: housing search and placement, housing stability case management, landlord-tenant mediation, tenant legal services, and credit repair.

Clients must meet Category 2 or 4 of HUD's Homeless Definition and have income at 30% or below AMI at intake and 90-day interim-evaluations to be eligible for Homeless Prevention assistance. If at any time during assistance, the service provider is made aware of a change in status, an evaluation must be conducted to determine continued eligibility

See [24 CFR 576.103](#).

## **HUD HOMELESS DEFINITION**

### **Category 1: Literally Homeless**

- Individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
  - Has a primary nighttime residence that is a public or private place not meant for human habitation;
  - Is living in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state and local government programs); or
  - (iii) Is exiting an institution where (s)he has resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution

### **Category 2: Imminent Risk of Homelessness**

- Individual or family who will imminently lose their primary nighttime residence, provided that:
  - Residence will be lost within 14 days of the date of application for homeless assistance;
  - No subsequent residence has been identified; and
  - The individual or family lacks the resources or support networks needed to obtain other permanent housing

### **Category 3: Homeless under other Federal Statutes**

- *NOT APPLICABLE UNDER ESG*

### **Category 4: Fleeing/Attempting to Flee DV**

- Any individual or family who:
  - Is fleeing, or is attempting to flee, domestic violence;
  - Has no other residence; and
  - Lacks the resources or support networks to obtain other permanent housing

## **MATCH**

Each subrecipient must match dollar-for-dollar the ESG funding provided by HUD with funds from other public or private sources. A subrecipient may meet this requirement through matching funds or volunteer time (in-kind).

Matching funds must be provided after the date of the grant award to the subrecipient. Funds used to match a previous ESG grant may not be used to match a subsequent grant award.

Type of Match	Documentation required
Cash/Grant	Award letter
Value or fair rental value of any donated material or building	Documentation of value of donated material or building. Documentation of previous year's match.
Value of any lease on a building	Documentation of value of lease on a building
Any salary paid to staff to carry out the program of the subrecipient	Timecards of staff member. Proof of salary payment (cancelled checks / bank statements). Summary list of all salaries counted as match. List should contain staff name, hours worked and total monetary value of time worked.
Value of the time and services contributed by volunteers to carry out the program of the subrecipient. (Note: Volunteers providing professional services such as medical or legal services are valued at the reasonable and customary rate in the local community.)	List containing all volunteer names, number of hours worked and total value of time contributed.

#### 4. REQUIRED SCOPE OF SERVICES

Subrecipients who successfully obtain ESG FY 2025 funding have responsibilities to ensure sound program management and service delivery and successful grants administration. They also are required to be mindful in complying with all federal, state, and local regulations, policies, standards, and guidelines. Once the contract commences, Subrecipients are expected to complete the following activities:

Program Management and Service Delivery	Grants Administration
<p>Ensure efficiency and effectiveness of ESG program:</p> <ol style="list-style-type: none"> <li>1. Enter client-level data on HMIS, or in the case of clients who are survivors of domestic violence, DV ClientTrack.</li> <li>2. Comply with annual FMR and rent reasonableness requirements, property inspection requirements, and lead-based paint requirements.</li> <li>3. Utilize and participate in Coordinated Entry (coordinated assessment) process established by Balance of State CoC.</li> <li>4. Ensure that new and existing staff members are adequately trained in all aspects of ESG service delivery.</li> </ol>	<p>Ensure successful grant utilization throughout the contracted term of the FY 2025 award.</p> <ol style="list-style-type: none"> <li>1. Have consistent internet access with regular e-mail availability and use a financial software system for accounting purposes that functions and operates according to generally accepted accounting principles or has designated an entity that will maintain such an accounting system.</li> <li>2. Ensure that claim submission deadlines are met in a timely manner, or that approval to submit a claim beyond its original deadline has been obtained from a CS Staff Member.</li> </ol>

<p>Execute Rental Assistance Payment Contracts (drafted by IHCDA) with the tenants and landlords and ensure HP Lease Addendum (drafted by IHCDA that contains HUD-prohibited lease provisions and VAWA language) is executed by the tenants and landlords.</p>	<p>Attend relevant webinars or in-person events hosted by IHCDA; such as the IHCDA Community Services Grants Team Kickoff Webinars, CS Team Office Hours; and other IHCDA-hosted events that pertain to the ESG program.</p>
<p>Ensure the existence of and compliance with internal policies regarding the following:</p> <ul style="list-style-type: none"> <li>a. Confidentiality of client-level personal and health status information</li> <li>b. Preventing the duplication of benefits for clients</li> <li>c. ESG services are administered without discrimination against members of protected classes as defined by Federal and State law and any published HUD rules and notices – includes but is not limited to: Fair Housing Act, Violence Against Women Act and its subsequent updates or amendments, Equal Access to Housing Final Rule, etc.</li> <li>d. Termination of assistance is only done as a last resort and must follow subrecipient’s agency policy.</li> </ul>	<p>Timely communication with IHCDA:</p> <ul style="list-style-type: none"> <li>1. Respond to award inquiries or documentation requests from IHCDA Community Services staff in a timely manner.</li> <li>2. Alert IHCDA grants analyst of any issues affecting grant utilization.</li> <li>3. Obtain IHCDA approval for specific purchases or to determine if expenses are eligible</li> </ul>
<p>Participate in annual Point in Time Count held in late January.</p>	<p>Complete a bi-annual Program Progress and Match Report due on January 31, 2026, and July 31, 2026.</p> <p>Complete CAPER (Consolidated Annual Performance and Evaluation Report) by July 31, 2026.</p>

**5. RFA TIMELINE**

July 7, 2025	RFA released to the general public.
August 1, 2025	RFA responses are due to IHCDA by 5:00 p.m. EST
August 28, 2025	Funding recommendations presented to IHCDA Board of Directors
August 29, 2025	Awards announced and pre-contracting documents emailed

FY2025 award agreements will be effective on July 1, 2025, regardless of the agreement execution date. Subrecipients will have approval to submit back claims to July 1.

## **PART 2**

## **RFA PROCESS**

### **1. FUNDING ELIGIBILITY CRITERIA**

The following list of requirements renders an agency eligible to apply for IHCD's ESG funding:

- 1) Applicants must be a private nonprofit organization (defined as tax-exempt secular or religious organization described in section 501(c) of the Internal Revenue Code). Documentation confirming the Applicant's status must be submitted with its application.
- 2) The applicant must certify that neither its principals nor any of its subcontractors are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from doing business or receiving funds from any federal agency or by any department, agency or political subdivision of the State. The applicant will be asked to submit their Entity Registration from SAM.gov with the application
- 3) Applicants must not have any unresolved IHCD or HUD findings or must not have had any state or federal funds recaptured due to non-compliance.
- 4) Applicants must provide services in the Balance of State Continuum of Care region (IN-502), which currently includes every county in the State of Indiana except Marion County.
- 5) An organization that has standards of financial accountability that conform to 2 CFR 200.302, Financial Management' and 2 CFR 200.303, Internal Controls,' which includes systems and software that allow for effective control over, and accountability for, all funds, property, and other assets.
- 6) 100% of ESG program clients must meet HUD's definition of homelessness (see definition under "About the ESG Program & Funding Source" section of this RFA)

If the applicant fails to demonstrate that each requirement listed above has been met, its proposal will not be reviewed.

### **2. EVALUATION CRITERIA OF RFA RESPONSE**

Evaluation of all applications will be completed by IHCD's Community Services Team based on the criteria listed below:

- A. Capacity to meet request (dependent on amount IHCD receives from HUD)
- B. Meeting the requirements highlighted in Part 2, Section 1 titled "Funding Eligibility Criteria"
- C. Spending progress in previous fiscal years
- D. Service Provision according to the results of prior CAPER reports
- E. Quality of Application submission as defined below:
  1. All questions are completed as accurately as possible; none are left blank unless the question allows.

2. Essay responses provide a clear context.
3. All required attachments and documentation are attached or sent to IHCD Community Services.

### **3. RESPONDENT PROPOSAL**

Respondents must provide the following information to be deemed responsive to this RFA:

**Submitted ESG FY 2025 Funding Application via JotForm:**

Respondent must complete their application through the [JotForm platform at this link.](#)

**Required Supplemental Attachments:**

The following supporting documents must be provided in the application you submit via JotForm:

1. Proof of 501(c)(3) non-profit organization (defined as tax exempt secular or religious organization described in Section 501© of the Internal Revenue Code) status
2. Entity Report with UEI Number from SAM.gov
3. List of agency's current Board of Directors: including names, affiliating organization(s), email address, and phone number.
4. Letter of Match commitment for total amount requested for ESG across all program types.
5. General Liability Insurance documentation to evidence policy (Summary page showing coverage is all that is needed).
6. Fidelity Bond Insurance documentation to evidence policy or bond (amount should be equal to ½ of the total annual funding provided by the state and should cover all employees/board members handling funds).
7. Proof of Worker's Compensation Coverage
8. Proof of Auto Insurance (only required if using ESG funds for Transportation in agency vehicle)
9. Fire Inspection Report—dated within last 6 months (Shelter Requests Only)
10. Health Department Inspection—dated within last 6 months (if shelter serves food)

### **PART 3 RELEVANT LAWS & REGULATIONS**

Respondents must comply with applicable state and federal laws and regulations, including but not limited to the provisions of 2 CFR Part 200, 24 CFR Part 576, and 24 CFR 5.105 in its implementation of the program.

## **PART 4**

## **RFA TERMS AND CONDITIONS**

This RFA is issued subject to the following terms and conditions:

- A. This RFA is a request for the submission of qualifications but is not itself an offer and shall under no circumstances be construed as an offer.
- B. IHCD A expressly reserves the right to modify or withdraw this request at any time, whether before or after any qualifications have been submitted or received.
- C. IHCD A reserves the right to reject and not consider any or all respondents that do not meet the requirements of this RFA, including but not limited to: incomplete qualifications and/or qualifications offering alternate or non-requested services.
- D. IHCD A reserves the right to reject any or all companies, to waive any informality in the RFA process, or to terminate the RFA process at any time, if deemed to be in its best interest.
- E. In the event the party selected does not enter into the required agreement to carry out the purposes described in this request, IHCD A may, in addition to any other rights or remedies available at law or in equity, commence negotiations with another person or entity.
- F. In no event shall any obligations of any kind be enforceable against IHCD A unless and until a written agreement is entered into.
- G. The Applicant agrees to bear all costs and expenses of its response and there shall be no reimbursement for any costs and expenses relating to the preparation of responses of qualifications submitted hereunder or for any costs or expenses incurred during negotiations.
- H. By submitting a response to this request, the Applicant waives all rights to protest or seek any remedies whatsoever regarding any aspect of this request, the selection of another respondent or respondents with whom to negotiate, the rejection of any or all offers to negotiate, or a decision to terminate negotiations.
- I. IHCD A reserves the right not to award a contract pursuant to the RFA.
- J. All items become the property of IHCD A upon submission and will not be returned to the Applicant.
- K. IHCD A reserves the right to split the award between multiple applicants and make the award on a category-by-category basis and/or remove categories from the award.
- L. The Applicant certifies that neither it nor its principals, contractors, or agents are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from utilizing federal funds by any federal or state department or agency.
- M. By submitting a response to this RFA, respondent acknowledges the acceptance of IHCD A's Award Agreement Boilerplate and the understanding that such Boilerplate is non-negotiable.

**PART 6      FORMAT FOR SUBMISSION, MAILING INSTRUCTIONS, AND DUE DATE**

Respondents will submit their RFA Application via [JotForm at this link](#).

Applications exclusively received via email, fax, and mail will NOT be accepted or reviewed. Additionally, unless previous approval has been granted, applications received after the deadline written below will NOT be accepted. If approval for an extension is needed, please contact [communityservices@ihcda.in.gov](mailto:communityservices@ihcda.in.gov).

**The deadline for submission is August 1, 2025, at 5:00 PM EST.**

Applications that do not contain all the required forms/documents as listed in this RFA may be determined ineligible for further consideration.

# ESG Method of Distribution Summary

*Please see the ESG Written Standards for providing ESG assistance.*

## **AP-30 and AP-90 of the Annual Action Plan outline the MOD as follows:**

IHCDA plans to allocate funding to approximately up to 15 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. . The reviewer will complete a built in scoring tool in the application, assigning points based on the following program design components: outreach system, commitment to the coordinated access intake point, systems coordination, organizational capacity, permanent housing placement strategy, history of administering the rental assistance programs, amount of match provided and coordination with ESG Entitlement City funds (as applicable). Each subrecipient will be awarded based upon the average of their proposal score and the amount of funding that will be available.

The goal of ESG is to prevent homelessness and assist families and individuals experiencing homelessness to find housing as quickly as possible. Please see the ESG MOD for the performance standards expected of ESG subrecipients.

## **Performance Standards:**

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

Baseline performance measurements will be reports generated by the HMIS system and mainly from the ESG CAPER reports for the current grant prior year. Two of the standards are specific to the subrecipients 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 IHCDCA would like to reach on an annual basis:

- ESG RR -rental assistance program subrecipients: At discharge from program, 82 percent of persons assisted will still be permanently housed, and 65 percent will increase their income.
- ESG program subrecipients that are Emergency shelters that have activities such as operations, essential services and financial assistance: 50 percent of persons will discharge to permanent housing, and 25 percent will increase their income.
- ESG program subrecipients that have outreach component: 50 percent of identified caseload will be permanently housed.
- ESG program subrecipients that have outreach component: 50 percent identified caseload will increase their income.
- The average length of stay of participants in ESG funded and other CoC programs should decrease by at least 10 percent.

**Emergency Solutions Grant (ESG)**  
**Reference 24 CFR 91.320(k)(3)**

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

### **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. IHEDA 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. IHCD 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 12-18 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 12 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 ESG program Analyst 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, fair housing, best practices for ESG RRH and case management best practice.

Subrecipients will be expected to attend ESG Rapid Rehousing training offered during the grant cycle and participate in peer learning opportunities/trainings offered during the year.

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. IHCD is the collaborative applicant within the CoC and IHCD was awarded the Coordinated Access Grant. With the assistance of the CoC Board, IHCD has ~~will~~ developed and improves upon the coordinated access system. **Access:** The Coordinated Assessment will be in the HMIS system and utilized by the Coordinated Access agency within the Region within the Balance of State CoC whether they are an ESG subrecipient or other programs funded by McKinney Vento. Each Region will determine if their Coordinated Access will be a centralized or decentralized system. **Assessment:** Each homeless person will be assessed and triaged based on their needs in order to prioritize the most vulnerable and those with the highest barriers for first assistance. This 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 - six 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 verified by an independent person or committee as appropriate, which could include members of the CoC Board. The 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 - consults with the Indiana Balance of State Continuum of Care Board, which is also administered by IHCDA. The CoC Board must have at least one member who is or has been formerly homeless. Currently, the CoC board has two members who meet this criterion and serve as members of critical committees, including the Resource & Funding Committee. This 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. For 2018-19 applications, this will be a threshold item and will require the subrecipient to provide documentation around their policies for verification. This issue is also reviewed during program monitoring visits.

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 CAPER reports for the current grant ~~year~~ 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 IHCD 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.

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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.



**REQUEST FOR APPLICATIONS**

**for**

**Housing Opportunities for People with HIV/AIDS (HOPWA)**

**INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY**  
30 South Meridian Street, Suite 1000  
Indianapolis, IN 46204  
<http://www.in.gov/ihcda/>

**317-232-7777**

**ISSUE DATE: June 27, 2025**  
**RESPONSE DEADLINE: July 28, 2025, 5:00 PM EST**

**1. PURPOSE OF THIS REQUEST FOR APPLICATIONS (“RFA”)**

The Indiana Housing and Community Development Authority (referred to as “IHCD” or “Grantee” throughout this document) seeks to contract with community-based 501(c)(3) nonprofit organizations (referred to as “Project Sponsors” or “Respondents”) to directly administer housing assistance and supportive services under the Housing Opportunities for Persons with HIV/AIDS (“HOPWA”) program.

**2. ABOUT THE INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY****MISSION STATEMENT**

To provide housing opportunities, promote self-sufficiency, and strengthen communities.

**VISION**

An Indiana with a sustainable quality of life for all Hoosiers in the community of their choice.

**OVERVIEW (for more information visit <http://www.in.gov/ihcda/>)**

IHCD was created in 1978 by the Indiana General Assembly and is a quasi-public financially self-sufficient statewide government agency. IHCD's programs are successful in large part because of the growing network of partnerships IHCD has established with local, state, and federal governments, for-profit businesses and not-for-profit organizations. For-profit partners include investment banks, mortgage lenders, commercial banks, corporate investment managers and syndicators, apartment developers, investors, homebuilders, and realtors. Not-for-profit partners include community development corporations, community action agencies, and not-for-profit developers.

**3. ABOUT THE HOPWA PROGRAM & FUNDING SOURCE**

The purpose of the HOPWA Program is to ensure that affordable housing options and services are available to low-income persons with HIV/AIDS and their families and to assist such persons in achieving and maintaining housing stability. It follows that access to stable and affordable housing would thereby decrease homelessness and improve access to and engagement in HIV/AIDS treatment and care. HOPWA has been administered across the U.S. since 1992.

IHCD is the Indiana agency designated to receive the state’s funding for the Housing for Persons with HIV/AIDS Program (HOPWA), as administered by the U.S. Department of Housing and Urban Development (HUD). As a HOPWA Grantee, IHCD’s goal is to fund Project Sponsors that can directly support those living with HIV and their loved ones, successfully ensure that Project Sponsors can consistently spend all HOPWA funding and maintain compliance with relevant federal regulations on spending and program operations and development.

As listed below, funds from IHCD’s HOPWA program may pay for the following activities:

***Tenant Based Rental Assistance (TBRA)***

HOPWA’s TBRA program offers ongoing, monthly rent and utility subsidies to HOPWA-eligible clients. Its purpose is to subsidize long-term, safe, and affordable occupancy for those who need longer-term assistance. TBRA is not linked to a specific unit – meaning, if a client moves out of one qualifying unit and into another, the TBRA they receive will continue to be administered.

Clients receiving assistance under HOPWA-TBRA must meet HOPWA-eligibility requirements and annually verify their income to continue receiving assistance. TBRA payments must meet both fair market rent (“FMR”) and Rent Reasonableness as defined in 24 CFR 888.111, 24 CFR 888.113, and 24 CFR 574.320(a)(3).

To successfully administer, a housing and service needs assessment should be offered.

### ***Short Term Rent, Mortgage and Utilities (STRMU)***

STRMU is a line of funding that provides mortgage, rent and utility assistance for up to 21 weeks in a 52-week period. This short-term funding helps provide a short-term stabilizing intervention for HOPWA-eligible homeowners and renters who are already housed. STRMU payments must meet both FMR and Rent Reasonableness as defined in 24 CFR 888.111, 24 CFR 888.113, and 24 CFR 574.320(a)(3).

To successfully administer, housing and service needs assessment should be offered. Please note that STRMU is meant to prevent homelessness. It cannot be used as an intervention for those who already receive TBRA or are currently homeless.

### ***Supportive Services***

As outlined in 24 CFR 574.300(b)(7), this funding stream improves a client’s access to care/services related to the following:

- A. Health/Mental Health
- B. Assessment
- C. Drug and alcohol abuse treatment and counseling
- D. Daycare
- E. Personal assistance
- F. Nutritional services
- G. Intensive care when required
- H. Assistance in accessing local, State, and Federal government benefits and services (i.e. Medicare/Medicaid, Social Security, etc.)

### ***Permanent Housing Placement (PHP)***

Project Sponsors may help clients establish a new residence where ongoing occupancy is expected to continue. Permanent Housing Placement may pay for the following: application fees, credit check expenses, first month’s rent and security deposit (which may not exceed two months’ rent), and one-time utility connection fees and processing costs.

### ***Housing Information Services***

Project Sponsors may provide housing counseling/referral services and information materials that educate clients on housing resources and assist with locating, acquiring, financing, and maintaining

housing. This may include a variety of supportive actions, like fair housing counseling or assisting clients with certain applications.

### ***Facility Based Operations***

Project Sponsors may spend money on housing that is connected with a specific facility or project. Project Sponsors may use funds to administer facility-based rental assistance, including master-leased units and project-based rental assistance – and cover operating costs for facilities - such as maintenance, security, operation, insurance, utilities, furnishings, equipment, supplies, and other incidental costs – so long as the expense is reasonable and necessary.

In cases where contractors are needed to fix or maintain facility, Project Sponsors need to provide IHEDA documentation of the bid finding process, quotes received, and the decision that will be taken.

### ***Resource Identification***

Starting in FY2025, Project Sponsors may utilize their funds for systems-wide initiatives that support the project sponsor's capacity to advance the housing needs of those living with HIV and their loved ones. Project Sponsors may develop new and enhanced community housing resources for persons living with HIV/AIDS.

For project sponsors interested in utilizing resource identification, the list presented below provides a sample list of eligible activities:

- Developing Housing Assistance Resources:
  - Identifying and tracking housing resources for current/future clients
  - Strengthening relationships with local landlords, public housing authorities, and other local and state affordable housing partnerships
- Systems Analysis and Coordination:
  - Attending housing-related meetings such as Regional Council Meetings on your agency's behalf
  - Coordinating housing case management efforts across HOPWA- and Ryan White- provider networks
- Research and Needs Assessments:
  - Collecting and analyzing local HIV housing data
  - Conducting focus groups for collecting qualitative data
  - Hiring consultants/contractors to perform HIV housing needs assessments

Expenses directly associated with serving clients are ineligible under this line-item. Questions on how to utilize resource identification may be sent to IHEDA Community Services ("CS").

### ***Administration***

Typically, administration funds can be used to purchase office supplies and pay for rent/utilities of office space, and staff time spent creating reports, compiling claims, etc. Administration funding may not be used for costs directly associated with other eligible HOPWA activities.

In certain circumstances, HUD may approve use of administration funding for HOPWA-specific trainings. HOPWA Administrative funds can only be used on trainings if explicit approval has been granted from HUD. Please note that per federal requirements, project sponsors may spend no more than 7% of their funds towards administration.

#### 4. REQUIRED SCOPE OF SERVICES

Project Sponsors who successfully obtain HOPWA FY 2025 funding have responsibilities to ensure sound program management and service delivery and successful grants administration. They also are required to be mindful in complying with all federal, state, and local regulations, policies, standards, and guidelines. Once the contract commences, Project Sponsors are expected to complete the following activities:

Program Management and Service Delivery	Grants Administration
<p>Ensure efficiency and effectiveness of HOPWA program:</p> <ol style="list-style-type: none"> <li>1. Enter client-level data on HMIS, or in the case of clients who are survivors of domestic violence, DV ClientTrack.</li> <li>2. Comply with annual FMR and rent reasonableness requirements, property inspection requirements, and lead-based paint requirements.</li> <li>3. Ensure that new and existing staff members are adequately trained in all aspects of HOPWA service delivery.</li> </ol>	<p>Ensure successful grant utilization throughout the contracted term of the FY 2025 award.</p> <ol style="list-style-type: none"> <li>1. Have consistent internet access with regular e-mail availability and use a financial software system for accounting purposes that functions and operates according to generally accepted accounting principles or has designated an entity that will maintain such an accounting system.</li> <li>2. Track and maintain a spending plan for FY 2025 funding that accounts for claim submission deadlines and the budget outlined in the award.</li> <li>3. Ensure that claim submission deadlines are met in a timely manner, or that approval to submit a claim beyond its original deadline has been obtained from a CS Staff Member.</li> <li>4. Complete HOPWA Financial Management Training prior to claiming down funds, which can be accessed through your HUD Exchange account: <a href="#">HUD Exchange Learn - HUD Exchange</a></li> </ol>
<p>Execute Rental Assistance Payment Contracts (drafted by IHCDA) with the tenants and landlords and ensure HP Lease Addendum (drafted by IHCDA that contains HUD-prohibited lease provisions and VAWA language) is executed by the tenants and landlords.</p>	<p>Attend relevant webinars or in-person events hosted by IHCDA; such as the IHCDA Community Services Grants Team Kickoff Webinars, CS Team Quarterly Office Hours; and other IHCDA-hosted events that pertain to the HOPWA program.</p>
<p>Ensure the existence of and compliance with internal policies regarding the following:</p> <ol style="list-style-type: none"> <li>a. Confidentiality of client-level personal and health status information</li> </ol>	<p>Timely communication with IHCDA:</p> <ol style="list-style-type: none"> <li>1. Respond to award inquiries or documentation requests from IHCDA Community Services staff in a timely manner.</li> <li>2. Alert IHCDA grants analyst of any issues affecting grant utilization.</li> </ol>

<p>b. Preventing the duplication of benefits for clients</p> <p>c. HOPWA services are administered without discrimination against members of protected classes as defined by Federal and State law and any published HUD rules and notices – includes but is not limited to: Fair Housing Act, Violence Against Women Act and its subsequent updates or amendments, Equal Access to Housing Final Rule, etc.</p> <p>d. Termination of assistance is only done as a last resort</p>	<p>3. Obtain IHCD A approval for specific purchases or to determine if expenses are eligible</p>
	<p>Complete a bi-annual Program Income and Admin Spending Report due on December 31, 2025, and June 28, 2026.</p>
	<p>Complete closeout paperwork in a timely manner – which will include the IHCD A Closeout Form and HUD’s annual CAPER (Consolidated Annual Performance and Evaluation Report) – which will be distributed sometime in the middle to end of the contract year.</p>

**5. RFA TIMELINE**

June 27, 2025	RFA released to the general public.
July 28, 2025	RFA responses are due to IHCD A by 5:00 p.m. EST
August 15, 2025	Funding Decisions will be sent by 5:00 p.m. EST
August 25, 2025	Agreement details finalized

FY2025 award agreements will be effective on July 1, 2025, regardless of the agreement execution date.

## **PART 2**

## **RFA PROCESS**

### **1. FUNDING ELIGIBILITY CRITERIA**

The following list of requirements renders an agency eligible to apply for IHCD's HOPWA funding:

- A. A private nonprofit organization (defined as tax-exempt secular or religious organization described in section 501(c)(3) of the Internal Revenue Code).
- B. An organization that does not have any unresolved findings from IHCD or HUD.
- C. An organization that has staff or Board members affiliated with the organization that have attended Regional Planning Council on the Homeless meetings in the 2024 calendar year.
- D. An organization that either is designated by Indiana Department of Health as a "Non-Medical Case Management Provider" (NMCMP) or has a formal agreement with such a provider.
- E. An organization that will have a Certificate of Consistency with the State of Indiana Consolidation Plan for the areas that its program will cover.
- F. An organization that has standards of financial accountability that conform to 2 CFR 200.302, 'Financial Management' and 2 CFR 200.303, 'Internal Controls,' which includes systems and software that allow for effective control over, and accountability for, all funds, property, and other assets.

If the applicant fails to demonstrate that each requirement listed above has been met, its proposal will not be reviewed.

### **2. EVALUATION CRITERIA OF RFA RESPONSE**

Evaluation of all applications will be completed by IHCD's Community Services Team based on the criteria listed below:

- A. Capacity to meet request (dependent on amount IHCD receives from HUD)
- B. Meeting the requirements highlighted in Part 2, Section 1 titled "Funding Eligibility Criteria"
- C. Spending progress in previous fiscal years
- D. Service Provision according to the results of prior CAPER reports
- E. Quality of Application submission as defined below:
  - 1. All questions are completed as accurately as possible; none are left blank unless the question allows.
  - 2. Essay responses provide a clear context.
  - 3. All required attachments and documentation are attached and sent to IHCD Community Services.

### 3. RESPONDENT PROPOSAL

Respondents must provide the following information to be deemed responsive to this RFA:

#### **Submitted HOPWA FY 2025 Funding Application via JotForm:**

Respondent must complete their application through the JotForm platform. The link to the application is here: [IHCD: Housing Opportunities for Persons with AIDS \(HOPWA\)](#).

#### **Required Supplemental Attachments:**

The following supporting documents must be provided in the application you submit via JotForm:

1. Proof of 501(c)(3) non-profit organization (defined as tax exempt secular or religious organization described in Section 501© of the Internal Revenue Code) status
2. Updated UEI Number from SAM.gov
3. Proof of being a Non-Medical Case Management Provider (NMCMP) OR having a formal agreement with an NMCMP.
4. Signed Certificate of Attendance at Regional Planning Council on Homelessness within the last 12 months. Link to IHCD Form can be accessed [here](#).
5. Financial management policies and procedures, including claims submission process.
6. Confidentiality policy and procedures
7. Updated Certificate of completion from HUD Exchange's 2 CFR 200 Financial Management Module: [Financial Management 201: 2 CFR 200 Online Module](#)
8. Updated Certificate of completion from HUD Exchange's HOPWA Financial Management Module: [Financial Management 201: HOPWA Online Module](#)
9. List of agency's current Board of Directors: including names, affiliating organization(s), email address, and phone number.
10. Staffing/organization chart of HOPWA staff, including FTE employees
11. Current Policy by which HOPWA clients are selected and approved, without documentation for current HOPWA clients or client households.
12. Blank Housing Plan or Outline
13. Tracking Sheet of 75% served at or below 50% AMI
14. One MOU with a Permanent Supportive Housing ("PSH") provider in each Region that your organization covers (if PSH is available in the area)
15. Grievance/dispute policy
16. Termination of HOPWA Assistance Policy

**PART 3                      RELEVANT LAWS & REGULATIONS**

Respondents must comply with applicable state and federal laws and regulations, including but not limited to the provisions of 2 CFR Part 200, 24 CFR Part 574, and 24 CFR 5.105 in its implementation of the program.

## **PART 4**

## **RFA TERMS AND CONDITIONS**

This RFA is issued subject to the following terms and conditions:

- A. This RFA is a request for the submission of qualifications but is not itself an offer and shall under no circumstances be construed as an offer.
- B. IHCDCA expressly reserves the right to modify or withdraw this request at any time, whether before or after any qualifications have been submitted or received.
- C. IHCDCA reserves the right to reject and not consider any or all respondents that do not meet the requirements of this RFA, including but not limited to: incomplete qualifications and/or qualifications offering alternate or non-requested services.
- D. IHCDCA reserves the right to reject any or all companies, to waive any informality in the RFA process, or to terminate the RFA process at any time, if deemed to be in its best interest.
- E. In the event the party selected does not enter into the required agreement to carry out the purposes described in this request, IHCDCA may, in addition to any other rights or remedies available at law or in equity, commence negotiations with another person or entity.
- F. In no event shall any obligations of any kind be enforceable against IHCDCA unless and until a written agreement is entered into.
- G. The Applicant agrees to bear all costs and expenses of its response and there shall be no reimbursement for any costs and expenses relating to the preparation of responses of qualifications submitted hereunder or for any costs or expenses incurred during negotiations.
- H. By submitting a response to this request, the Applicant waives all rights to protest or seek any remedies whatsoever regarding any aspect of this request, the selection of another respondent or respondents with whom to negotiate, the rejection of any or all offers to negotiate, or a decision to terminate negotiations.
- I. IHCDCA reserves the right not to award a contract pursuant to the RFA.
- J. All items become the property of IHCDCA upon submission and will not be returned to the Applicant.
- K. IHCDCA reserves the right to split the award between multiple applicants and make the award on a category-by-category basis and/or remove categories from the award.
- L. The Applicant certifies that neither it nor its principals, contractors, or agents are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from utilizing federal funds by any federal or state department or agency.
- M. By submitting a response to this RFA, respondent acknowledges the acceptance of IHCDCA's Award Agreement Boilerplate and the understanding that such Boilerplate is non-negotiable.

**PART 6      FORMAT FOR SUBMISSION, MAILING INSTRUCTIONS, AND DUE DATE**

Respondents will submit their RFA Application via [JotForm](#).

Applications exclusively received via email, fax, and mail will NOT be accepted or reviewed. Additionally, unless previous approval has been granted, applications received after the deadline written below will NOT be accepted. If approval for an extension is needed, please contact [communityservices@ihcda.in.gov](mailto:communityservices@ihcda.in.gov).

**The deadline for submission is July 28, 2025, at 5:00 PM EST.**

Applications that do not contain all the required forms/documents as listed in this RFA may be determined ineligible for further consideration.

## HOPWA Method of Distribution

*Please see attached for the HOPWA RFQ Instructions.*

### **AP-30 of the Annual Action Plan outlines the MOD as follows:**

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 or have a relationship with a current Indiana Department of State 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 or have a relationship with a 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.

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 make adjustments proportionally to increase or decrease the above HOPWA allocation MOD.

NHTF.

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REHABILITATION STANDARDS

### ***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 and 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-threatening deficiencies must be identified and addressed immediately. Appendix A defines the list of Inspectable Items and Observable Deficiencies, including the identification of life-threatening 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
- Gas/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 Loose 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 its 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 probable 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 and 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
- IHEDA 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, IHEDA 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 IHEDA HTF funding. The Rule may be accessed here:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/healthy\\_homes/enforcement/lshr](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 IHEDA 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.

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## **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:
  - o Broken or missing shelving.
  - o Deteriorated seals.
  - o Health and safety hazards.
  - o Coolant leaks from the refrigerator.
  - o Missing hardware (handles, controls knobs).
  - o 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  $\frac{3}{4}$  inch, hinging/tilting, or missing section(s) that affect traffic's 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 Code.

## **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.

## **Electrical – Hazards**

### **1. General**

- a. There shall be a minimum service of 100-ampere 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, arcing, 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-ampere 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  $\frac{1}{4}$  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.

## Ventilation

### 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:
  - o New walls,
  - o Walls that have become exposed during rehabilitation, and

- o 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.