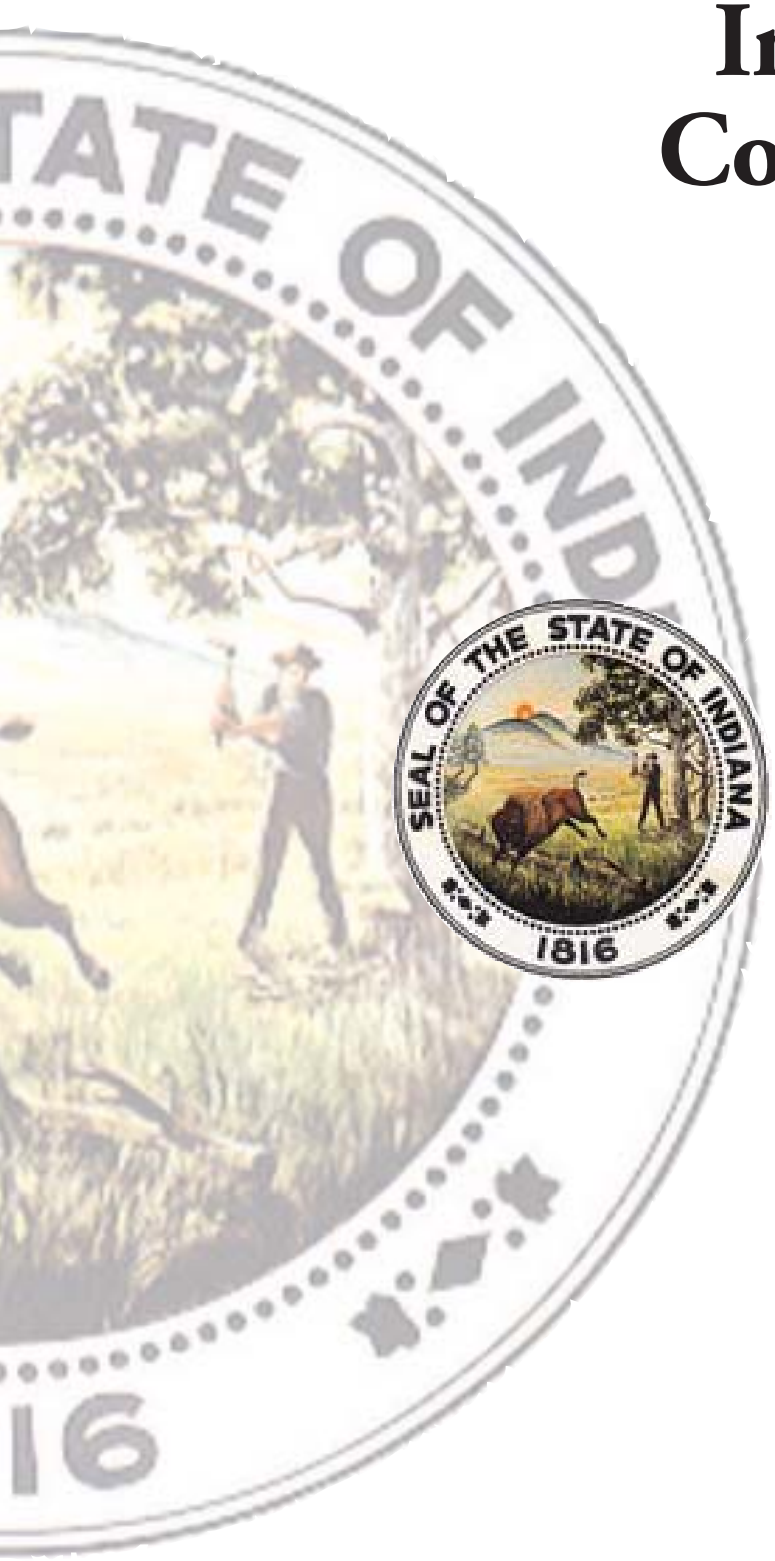
Indiana Five Year Consolidated Plan

2005



Indiana Office of Rural Affairs

Indiana Housing and Community Development Authority

Indiana Family and Social Services Administration

Final Report

State of Indiana
Consolidated Plan

FY2005-FY2009

DUNS No. 80-989-6723

Final Report

May 15, 2005

FY2005-FY2009 State of Indiana Consolidated Plan DUNS No. 80-989-6723

Prepared for

State of Indiana
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Indiana Housing and Community Development Authority
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Map of Indiana Counties

Frequently Used Acronyms

Acronym	Definition
AHP	Affordable Housing Program – a grant program through the Federal Home Loan Bank
BMIR	Below market interest rate
CAP	Community Action Program agency
CBDO	Community Based Development Organization – as defined by the CDBG regulations in 24 CFR 570.204(c)
CDBG	Community Development Block Grant (24 CFR Part 570)
CHDO	Community housing development organization – a special kind of not-for-profit organization that is certified by the Indiana Housing Finance Authority
CPD Notice	Community Planning and Development Notice – issued by the U.S. Department of Housing and Urban Development to provide further clarification on regulations associated with administering HUD grants
CoC	Continuum of Care – a federal program providing funding for homeless programs
DHPA	Division of Historic Preservation and Archeology, a division of the Department of Natural Resources and serves as the State Historic Preservation Officer for Indiana
DNR	Department of Natural Resources
ESG	Emergency Shelter Grant – operating grants for emergency shelters. Applied for through the Family and Social Services Administration
FEMA	Federal Emergency Management Agency
FHLBI	Federal Home Loan Bank of Indianapolis
First Home	Single family mortgage program through IHFA that combines HOME dollars for down payment assistance with a below market interest rate mortgage
FMR	Fair market rents
FMV	Fair market value
FSP Memo	Federal and State Programs Memo – issued by IHFA to provide clarification or updated information regarding grant programs IHFA administers
FSSA	Family and Social Services Administration
GIM	Grant Implementation Manual – given to all IHFA grantees at the start-up training. It provides guidance on the requirements of administering IHFA grants
HOC/DPA	Homeownership Counseling/Down Payment Assistance
HOME	HOME Investment Partnerships Program (24 CFR Part 92)
HOPWA	Housing Opportunities for Persons With AIDS – grant program awarded by HUD to the State Department of Health and administered by the Indiana Family and Social Services Administration
HUD	U.S. Department of Housing and Urban Development
IACED	Indiana Association for Community Economic Development
ICHHI	Indiana Coalition on Housing and Homeless Issues, Inc.

Frequently Used Acronyms

Acronym	Definition
IDEM	Indiana Department of Environmental Management
IDFA	Indiana Development Finance Authority
IORA	Indiana Office of Rural Affairs
IHFA	Indiana Housing Finance Authority (currently the IHCDA)
LIHTF	Low Income Housing Trust Fund
MBE	Minority Business Enterprise – certified by the State Department of Administration
NAHA	National Affordable Housing Act of 1990 – federal legislation that created the HOME Investment Partnerships Program
NC	New construction
NOFA	Notice of Funds Availability
OOR	Owner-occupied rehabilitation
PITI	Principal, interest, taxes, and insurance – the four components that make up a typical mortgage payment
QCT	Qualified census tract
RFP	Request for Proposals
RHTC	Rental Housing Tax Credits (also called Low Income Housing Tax Credits or LIHTC)
S+C	Shelter Plus Care - part of the McKinney grant that is applied for directly to HUD through the SuperNOFA application
SHP	Supportive Housing Program - part of the McKinney grant that is applied for directly to HUD through the SuperNOFA application
SHPO	State Historic Preservation Officer (the Division of Historic Preservation and Archeology serves in this capacity for the State of Indiana)
SIRDP	Southern Indiana Rural Development Project
SRO	Single room occupancy
SuperNOFA	Notice of Funds Availability issued by HUD for a number of grant programs. It is an annual awards competition. Shelter Plus Care and Supportive Housing Program and the Continuum of Care are some of the programs applied for through this application process.
TBRA	Tenant-Based Rental Assistance
TPC	Total project costs
URA	Uniform Relocation Act
WBE	Women Business Enterprise – certified by the State Department of Administration

EXECUTIVE SUMMARY

Purpose of the Consolidated Plan

Beginning in FY 1995, the U.S. Department of Housing and Urban Development (HUD) required states and local communities to prepare a Consolidated Plan in order to receive federal housing and community development funding. The Plan consolidates into a single document the previously separate planning and application requirements for Community Development Block Grants (CDBG), Emergency Shelter Grants (ESG), the HOME Investment Partnerships Program (HOME) and Housing Opportunities for People with AIDS (HOPWA) funding, and the Comprehensive Housing and Affordability Strategy (CHAS). Consolidated Plans are required to be prepared every three to five years; updates to the Plan are required annually.

The Purpose of the Consolidated Plan is:

1. To identify a state's housing and community development needs, priorities, goals and strategies; and
2. To stipulate how funds will be allocated to state housing and community development nonprofit organizations and local governments.

This report is the State of Indiana Five-Year Consolidated Plan, covering the program years 2005 through 2009. This report contains new information about demographic, economic and housing market trends in the State; an analysis of Statewide affordable housing needs; findings from the citizen participation process; and a current analysis of the needs of special populations. The report also contains a new Five-Year Strategic Plan and One-Year Action Plan for allocating the HUD grant funds to address the State's housing and community development needs.

Compliance with Consolidated Plan Regulations

The State of Indiana's Five-Year Consolidated Plan was prepared in accordance with Sections 91.300 through 91.330 of the U.S. Department of Housing and Urban Development's Consolidated Plan regulations.

Where to Access the Report

The complete Five-Year Consolidated Plan may be viewed and printed on the Indiana Housing and Community Development Authority website at http://www.indianahousing.org.

Hard copies can be obtained by contacting Grant Services, One North Capitol Avenue, Indianapolis, IN 46204.

Preparation

Lead and Participating Agencies

Indiana's Five-Year Consolidated Plan was a collaborative effort. The Indiana Office of Rural Affairs (ORA) and the Indiana Housing and Community Development Authority (IHCDA) were responsible for overseeing the coordination and development of the Plan. The Indiana Family and Social Services Administration (FSSA) also assisted in its development.

The Consolidated Plan Coordinating Committee included representatives from the organizations listed above as well as individuals from the Indiana Coalition on Housing and Homeless Issues (ICHHI); the Indiana Association for Community and Economic Development (IACED); the Indiana Civil Rights Commission (ICRC); Rural Opportunities, Incorporated (ROI); the Indiana Institute on Disability and Community; and the U.S. Department of Housing and Urban Development (HUD).

The State of Indiana retained BBC Research & Consulting, Inc. (BBC), an economic research and consulting firm specializing in housing research and The Keys Group, an Indiana-based planning and research partnership, to assist in the preparation of the Five-Year Consolidated Plan.

Citizen Participation Process

The Consolidated Plan was developed with a strong emphasis on community input. The State conducted three different surveys, key person interviews and public hearings to collect citizen and stakeholder input for the Consolidated Plan.

Citizens and stakeholders participated in the development of the Consolidated Plan through:

- A statistically significant telephone survey of 300 citizens living in nonentitlement areas of the State;
- A targeted mail/Internet survey of low-income citizens, citizens receiving public housing assistance and citizens with special needs;
- A key person/organization survey sent to more than 1,600 stakeholders in the State's nonentitlement areas;
- Key person interviews of stakeholders;
- A 30 day public comment period; and
- Two public hearings about the Plan and fund allocations.

Consultation with Governmental and Nonprofit Organizations

The Consolidated Plan Committee made a significant effort to involve governmental agencies and nonprofit organizations at all levels in the planning process. A comprehensive key person survey was sent to more than 1,600 stakeholders statewide. Key person interviews were also conducted of stakeholders. Among the organizations with which the Committee exchanged information were State and local policymakers, service providers to the State's special needs populations, administrators of public housing authorities, as well as city planners and housing development specialists. The materials that these organizations shared for the Consolidated Plan are sourced throughout the report.

Key Findings

Key Findings from the Consolidated Plan Research

The FY2005-2009 Consolidated Plan placed an emphasis on research collected through citizen and stakeholder surveys and key person interviews. Key findings from the research follow.

Condition of Housing in Indiana

Almost three-fourths of survey respondents felt that the housing in their communities was in less than good condition. When asked to rate the quality of single family and multifamily housing, both types of housing were rated "average" quality.

Twenty-seven percent of the owners responding to the telephone survey and 67 percent of owners responding to the mail/Internet survey reported having repairs/improvements that have not been made to their house. The top repairs needed for both survey's respondents earning less than $35,000 include repairs to windows/doors and roofing.

Eighty-three percent of the telephone survey respondents who are renters and 84 percent of mail/Internet survey respondents who are renters said that their landlords make repairs promptly when needed. Most of the survey respondents whose landlords do not make repairs when needed were lower income.

I. "My Community Needs to Focus on Improving Housing Through Rehabilitation of Existing Structures"

Rehabilitation	2002	2003	2004	2005
Strongly agree	26%	27%	26%	33%
Agree	39%	39%	41%	41%
Neither agree or disagree	22%	21%	17%	14%
Disagree	9%	7%	11%	10%
Strongly disagree	5%	6%	5%	2%
Total	100%	100%	100%	100%

II. "My Community Needs to Add Housing Through New Construction"

New Construction	2002	2003	2004	2005
Strongly agree	19%	18%	14%	17%
Agree	33%	31%	33%	30%
Neither agree nor disagree	27%	27%	25%	28%
Disagree	12%	17%	21%	18%
Strongly disagree	9%	7%	7%	6%
Total	100%	100%	100%	100%

Housing Needs

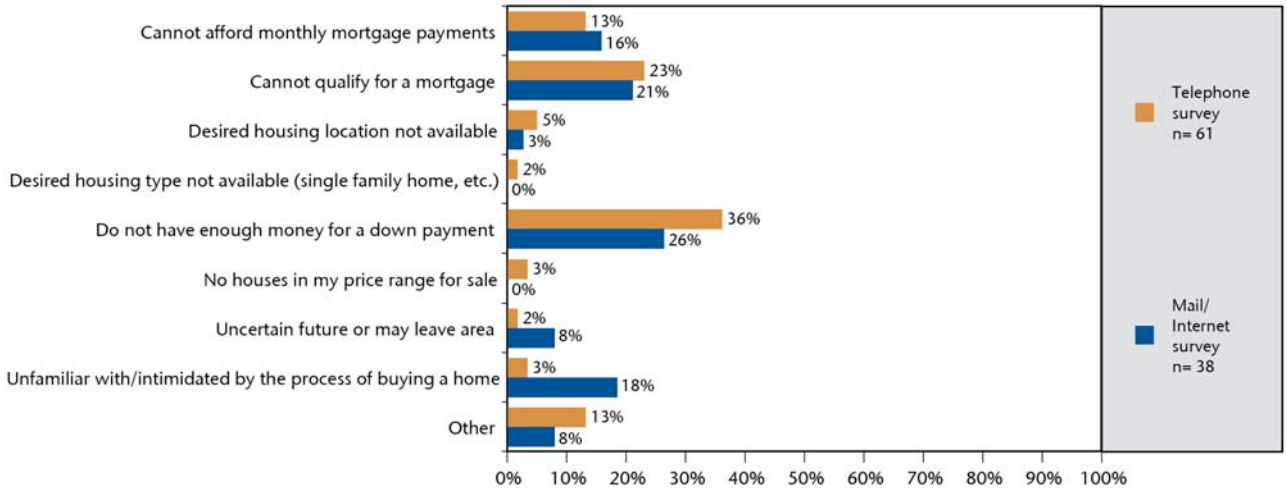
As Exhibits I and II demonstrate, the survey data show a preference for rehabilitation of housing stock rather than new development: 74 **percent** of respondents agreed with the need to focus on improving housing through rehabilitation, compared to 47 **percent** who agreed that communities need to add housing through new construction.

Respondents of both types of citizen surveys said that the housing type most needed in their communities is single family homes. Nearly one-third of both types of respondents cited this need. Also important to the mail/Internet respondents (29 percent) was the need for accessible housing for disabled persons/elderly.

Barriers to Homeownership and Community Development

According to a telephone survey of residents in nonentitlement areas in the State, most of the State's renters would prefer to own a house or a condo/townhome. Some barriers to owning a home as identified by these renters included not having enough money for a downpayment, not qualifying for a mortgage, and not being able to afford a monthly mortgage payment.

III. What Are Some of Your Current Barriers to Owning a Home or Condo/Townhome or Mobile Home?



As shown in Exhibit IV, the top barriers to community and economic development identified by survey respondents are employment related and include lack of jobs that pay livable wages and slow/no job growth.

Homelessness in Indiana

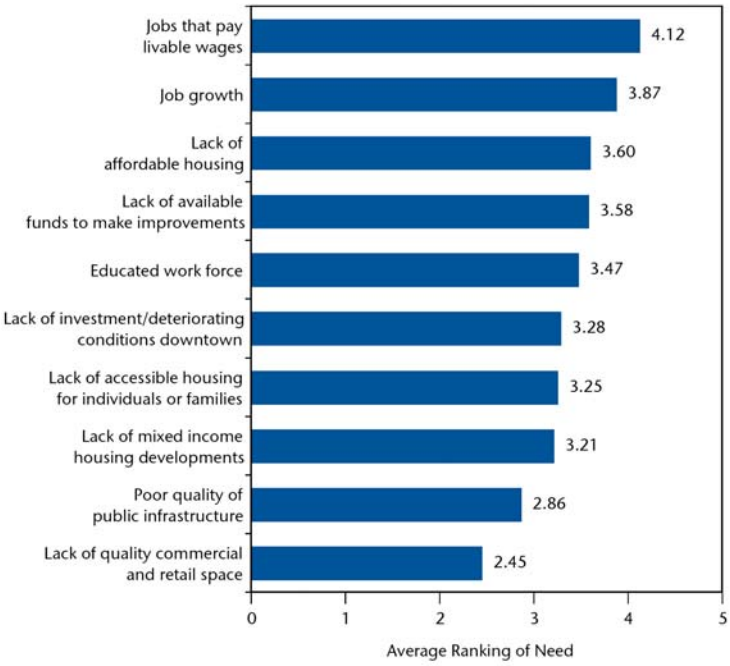
Survey respondents were asked what is most needed in their communities to meet the needs of persons experiencing homelessness. The top needs include transitional housing, supportive services and emergency shelters.

Three percent (10 respondents) of the telephone survey and 19 percent (13 respondents) of the mail/Internet survey said that they have been homeless before. Common reasons for homelessness were not being able to find an affordable place to live, being evicted/foreclosed upon and becoming sick and unable to work.

Housing Discrimination

Between 4 and 6 percent of residents in Indiana believe they have experienced some type of discrimination related to housing. According to a citizen survey and ICRC complaint data, the most common types of housing discrimination in the State are based on race/national origin, disability and familial status.

IV. Top Barriers to Community Development, 2005



The majority of Indiana residents who believe they have been victims of discrimination did not do anything about the occurrence. About one-fifth of Hoosiers are unsure of how they would obtain information about their fair housing rights.

Top Housing and Community Development Needs

The top responses of how survey respondents would spend $1 million dollars to improve their community included "help bring jobs to my city/town," "build housing for persons who are disabled and/or seniors," "build child care centers" and "build more single family affordable housing."

Strategic Plan and Action Items

During the 2005-2006 program year, the State will receive more than $54 million in the HUD block grants to address housing and community development needs.

V. 2005 Consolidated Plan Funding, by Program and State Agency

Agency	Allocation
Indiana Housing Finance Authority (HOPWA)	$806,000
Indiana Family and Social Services Administration (ESG)	$1,890,425
Indiana Housing Finance Authority (HOME)	$16,954,640
Indiana Office of Rural Affairs (CDBG)	$34,933,351
Total	**$54,584,416**

Source: State of Indiana and HUD, 2005.

Based on the research conducted for the FY2005 Consolidated Plan, the State has developed the following goals and benchmarks for addressing current and future housing and community development needs:

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

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

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

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

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

Exhibit VI. on the following page presents the State's proposed program activities for FY2005 funds, in addition to the expected number of households, units, shelters and communities assisted.

Please see the full Consolidated Plan, especially Section VI—Strategies and Actions and Appendix F—Agency Allocation Plans, for more specific information on the implementation of these goals, the related action items, and program description and application information.

VI. Strategies and Action Matrix, FY2005 Five Year Plan, 2005 Action Plan

Goals	Funds	Activities	Funding Goals	Assistance Goals
1. Expand and preserve affordable housing opportunities throughout the housing continuum.	HOME and ADDI	Transitional Housing - Rehabilitation and New Construction Permanent Supportive Housing - Rehabilitation and New Construction Rental Housing - Rehabilitation and New Construction Homebuyer - Rehabilitation and New Construction	$6,969,820	For Housing from Shelters to Homeownership, QAP, HOME OOR = 370 units. For First Home = 500 units
		Owner-Occupied Rehabilitation	$5,000,000	
		CHDO Operating Support	$652,806	
		CHDO Predevelopment and Seed Money Loans	$400,000	
		Downpayment Assistance (First Home)	$1,665,509	
	CDBG	Emergency shelters Youth shelters Transitional housing Migrant/seasonal farmworker housing Permanent supportive housing Rental housing Owner-occupied units Voluntary acquisition/demolition Housing needs assessments Site-specific feasibility studies	$5,000,000	For all CDBG (Housing) = 235 units
2. Reduce homelessness and increase housing stability for special needs populations.	HOME	See special needs housing activities in Goal 1.		
	CDBG	See special needs housing activities in Goal 1.		
	ESG	Operating support	$1,417,819	92 shelters
		Homeless prevention	$283,564	37 shelters
		Essential services	$94,521	59 shelters
		HMIS start-up	$20,000	
				For all activities = 34,250 unduplicated clients served
	HOPWA	Rental assistance	$403,549	142 households/units
		Short-term rent, mortgage, utility assistance	$214,653	464 households/units
		Supportive services	$120,206	264 households
		Housing information	$34,345	32 households
		Project sponsor information	$53,621	
		Resource identification	$242	
		Operating costs	$7,818	5 units
3. Promote livable communities and community revitalization through addressing unmet community development needs.	CDBG, Community Focus Fund	Downtown/neighborhood revitalization	$750,000	2 projects
		Construction of fire stations	$1,750,000	4 fire stations
		Fire truck purchases	$800,000	6 fire trucks
		Historic preservation	$850,000	2 projects
		Construction/rehabilitation of wastewater collection and treatment systems	$6,750,000	15 systems
		Construction/rehabilitation of water distribution and treatment systems	$2,650,000	7 systems
		Construction of stormwater collection systems	$1,750,000	4 systems
		Community development projects	$7,105,350	16 facilities/projects
4. Promote activities that enhance local economic development efforts.	CDBG	See community and economic development activities in Goal 3.		

SECTION I.
Introduction

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Purpose of the Consolidated Plan

Beginning in FY 1995, the U.S. Department of Housing and Urban Development (HUD) required states and local communities to prepare a Consolidated Plan in order to receive federal housing and community development funding. The Plan consolidates into a single document the previously separate planning and application requirements for Community Development Block Grants (CDBG), Emergency Shelter Grants (ESG), the HOME Investment Partnerships Program (HOME) and Housing Opportunities for People with AIDS (HOPWA) funding, and the Comprehensive Housing and Affordability Strategy (CHAS). Consolidated Plans are required to be prepared every three to five years; updates to the Plan are required annually.

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Compliance with Consolidated Plan Regulations

The State of Indiana's Five-Year Consolidated Plan was prepared in accordance with Sections 91.300 through 91.330 of the U.S. Department of Housing and Urban Development's Consolidated Plan regulations. Appendix H, the "HUD Regulations Cross-Walk" contains a checklist detailing how the Plan meets these requirements.

- Section III reports the findings from the citizen participation process conducted for the Five-Year Plan.
- Section IV reports updated information about the State's housing market and needs, including housing vacancies, unit characteristics, affordability, cost burden and the needs of public housing authorities in nonentitlement areas;
- Section V discusses the housing and community development needs of the State's special needs populations. The section gives updated estimates of these populations, reports new programs and initiatives to serve them, and identifies remaining gaps.
- Section VI contains the State's updated Analysis of Impediments to Fair Housing Choice.
- Section VII contains the State's Five-Year program strategies, the One-Year Action Plan for program year 2005 and the required HUD tables.

The Appendices include:

A. Consolidated Plan Certifications

B. Citizen Participation Plan

C. List of Key Participants

D. Survey Instruments

E. County Housing Market Data

F. 2005 Allocation Plans

G. Public Comments

H. HUD Regulations Cross-Walk

Lead and Participating Agencies

Indiana's Five-Year Consolidated Plan was a collaborative effort. The Indiana Office of Rural Affairs and the Indiana Housing Finance Authority (IHFA) were responsible for overseeing the coordination and development of the Plan.[1] The Indiana Family and Social Services Administration (FSSA) also assisted in its development.

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[1] Since the time this report was finalized in 2005, the Indiana Housing Finance Authority (IHFA) has changed the name of their organization to the Indiana Housing and Community Development Authority (IHCDA). IHDCA is referred to as IHFA throughout the report.

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The State of Indiana retained BBC Research & Consulting, Inc. (BBC), an economic research and management consulting firm specializing in housing research and The Keys Group, an Indiana-based planning and research partnership, to assist in the preparation of the Five-Year Consolidated Plan.

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The Consolidated Plan Committee made a significant effort to involve governmental agencies and nonprofit organizations at all levels in the planning process. A comprehensive key person survey was sent to more than 1,600 stakeholders statewide. Key person interviews were also conducted of stakeholders. Among the organizations with which the Committee exchanged information were State and local policymakers, service providers to the State's special needs populations, administrators of public housing authorities, as well as city planners and housing development specialists. The materials that these organizations shared with us are sourced throughout the report.

Acknowledgments

Each member of the Consolidated Plan Coordinating Committee made valuable contributions to this process and merits special recognition.

SECTION II.
Socioeconomic Analysis

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Socioeconomic Analysis

This section discusses the demographic and economic characteristics of the State of Indiana, including changes in population, household characteristics, income and employment to set the context for the housing and community development analyses in latter sections of the State of Indiana Five-Year Consolidated Plan. This section incorporates the most recently released socioeconomic data from the U.S. Census Bureau and State data sources.

Population Characteristics

The U.S. Census Bureau estimates the State's 2003 population at 6,195,643, up from 6,080,485 in 2000 and 6,159,068 in 2002. From 2000 to 2003, the State's population increased by 1.7 percent, which was similar to the growth rates of surrounding states. Missouri grew at the highest rate of 1.8 percent and Ohio grew at the lowest rate of 0.6 percent. The U.S. Census now has 2004 projections by state (not by county). Indiana's population is projected to be 6,237,569 (July 1, 2004 estimates).

Future growth. The Indiana Business Research Center (IBRC) projects a State population of 6,417,198 in 2010. This equates to an average annual growth of one-half of 1 percent from 2002 to 2010, or about half of the average annual growth rate experienced in the prior decade, and about the same growth rate experienced from 2000 to 2003.

Components of growth. According to the Census Bureau, the primary driver of population growth from 2002 to 2003 was natural increase—i.e., births minus deaths—which added 27,045 people to the State during the year. Immigration from foreign countries added 11,147 people to the State, and 1,019 residents moved to Indiana from other states.

The Census Bureau also reports the cumulative estimates of population change from 2000 to 2003. Again the primary population growth was natural increase, through which the State added 96,157 people. Immigration from foreign countries added 21,305 people to the State, and 14,924 residents moved from other states. The following exhibit shows the components of the population change for 2001, 2002 and 2003.

Exhibit II-1.
Components of Population Change in Indiana, 2001 to 2003

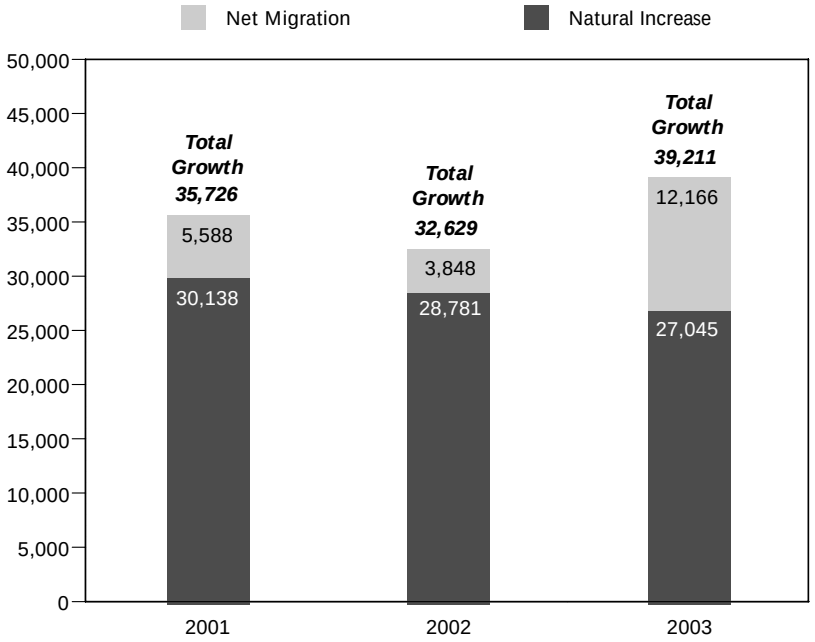
Note:

Population changes for each year are from July 1 to July 1 of the next year. The 2000 population change is not included because it is from April 1 to July 1 of 2000.

Natural increase is births minus deaths.

Source:

U.S. Census Population Estimates.



Growth of nonentitlement areas. The nonentitlement areas of the State made up nearly 60 percent of the population in 2000.[1] According to the Census' 2003 population estimates, with the addition of Columbus, Michigan City, LaPorte and Hamilton County to the entitlement cities, the nonentitlement areas of the State made up 58 percent of the population in 2003, or approximately 3,600,000 persons.

Exhibit II-2, on the following page, shows the population changes of the State's entitlement and nonentitlement areas between 2002 and 2003. The bolded areas show the largest population increase and decrease for the entitlement counties and cities. Of the entitlement areas, Hamilton County's population increased at the highest rate at 5.12 percent. When comparing the cities, West Lafayette's population increased the most by 2.42 percent and New Albany's population decreased the most by 1.10 percent.

[1] The term "entitlement areas" refers to cities and counties that, because of their size, are able to receive CDBG funding directly. These areas must complete a Consolidated Plan separately from the State's to receive funding. The requirements for receiving HOME, ESG, and HOPWA funds are all slightly different, but are generally based on size and need. For purposes of this report, "nonentitlement" refers to cities and towns that do not file Consolidated Plans individually and are not able to receive funding from the HUD programs directly. The entitlement areas in Indiana include the cities of Anderson, Bloomington, East Chicago, Elkhart, Fort Wayne, Gary, Goshen, Hammond, Indianapolis, Kokomo, Muncie, New Albany, Terre Haute; Lake County; and the consortiums of Tippecanoe (including the cities of Lafayette and West Lafayette) and St. Joseph's County (including the cities of South Bend and Mishawaka). In 2003 and 2004, Columbus, Michigan City, Hamilton County and LaPorte were added to entitlement areas and will no longer be eligible for CDBG funds through the State.

Exhibit II-2.
2002 to 2003 Population Growth

	2002		2003		Percent Change
	Number	Percent	Number	Percent	2002 - 2003
Indiana	6,159,068	100%	6,195,643	100%	0.59%
Non-Entitlement	3,588,506	58%	3,614,818	58%	0.73%
CDBG Entitlement	2,570,562	42%	2,580,825	42%	0.40%
CDBG Entitlement Areas:					
Hamilton County	***206,270***		***216,826***		***5.12%***
Lake County	485,851		487,476		0.33%
East Chicago	31,655		31,366		-0.91%
Gary	100,703		99,961		-0.74%
Hammond	81,218		80,547		-0.83%
Balance of Lake County	272,275		275,602		1.22%
Cities					
Anderson	58,771		58,394		-0.64%
Bloomington	70,392		70,642		0.36%
Columbus	38,856		39,058		0.52%
Elkhart	51,894		51,682		-0.41%
Evansville	119,095		117,881		-1.02%
Ft. Wayne	219,847		219,495		-0.16%
Goshen	29,605		29,787		0.61%
Indianapolis (balance)	782,761		783,438		0.09%
Kokomo	46,242		46,154		-0.19%
LaPorte	21,252		21,067		-0.87%
Lafayette	60,707		61,229		0.86%
Michigan City	32,505		32,335		-0.52%
Mishawaka	48,127		48,396		0.56%
Muncie	67,187		66,521		-0.99%
New Albany	***37,384***		***36,973***		***-1.10%***
South Bend	106,253		105,540		-0.67%
Terre Haute	58,432		58,096		-0.58%
West Lafayette	***29,131***		***29,835***		***2.42%***

Note: Columbus, Michigan City, LaPorte and Hamilton County are included in the 2000 and 2002 entitlement area. The cities of Beech Grove, Lawrence, Speedway, Southport and the part of the Town of Cumberland located within Hancock County are not considered part of the Indianapolis entitlement community. Applicants that serve these areas would be eligible for CHDO Works funding. HOME entitlement areas include: Bloomington, Each Chicago, Evansville, Fort Wayne, Gary, Hammond, Indianapolis, Lake County, St. Joseph County Consortium, Terre Haute, Tippecanoe County Consortium

Source: 2000 U.S. Census and Population Division, U.S. Census Bureau.

Growth by county. Exhibit II-3 identifies county growth patterns between 2002 and 2003. Counties growing at rates higher than the State overall between 2002 and 2003 are, for the most part, clustered around the State's largest metropolitan areas, while counties with declining population are mostly east and due north of the Indianapolis MSA.

Exhibit II-3.
Population Change of Indiana Counties, 2002 to 2003

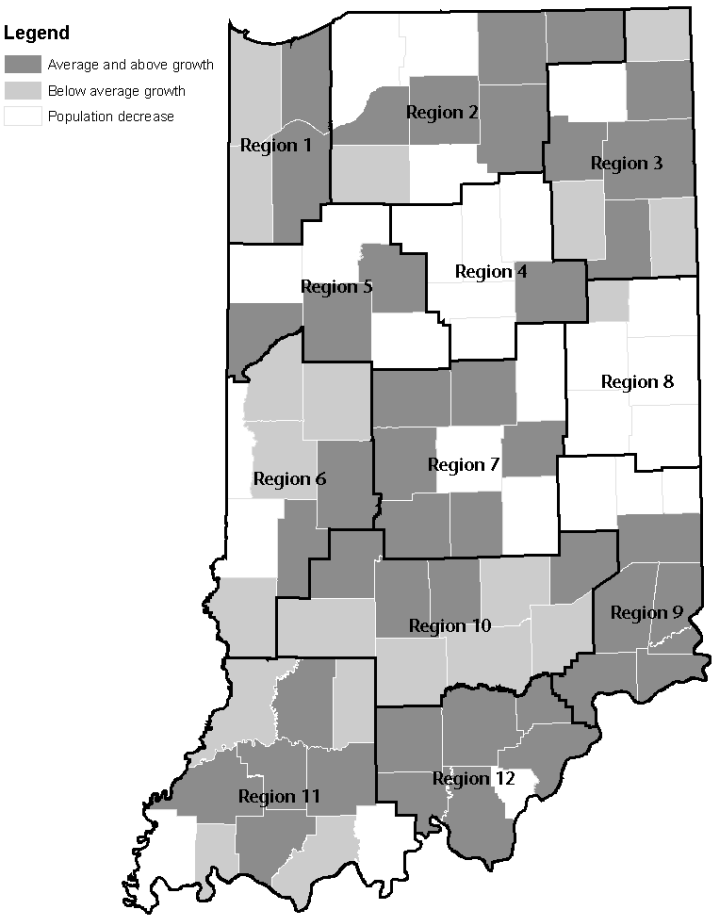
Note:

Indiana's population change was 0.59 percent from 2002 to 2003.

The Commerce regions used throughout this section were based on planning regions that existed at the time of the development of this section.

Source:

U.S. Census Population Estimates, 2002 and 2003, and BBC Research & Consulting.



Population of Commerce Regions. In 2003, Commerce Region 7 (which contains Indianapolis) had the largest population of approximately 1,674,493 compared to all 12 commerce regions in the State. Commerce Regions 1 and 2 (located near the Chicago metropolitan area) were next largest. Commerce Region 9 had the smallest population in 2003, with less than 200,000 persons[2].

[2] The Commerce regions used throughout this section were based on planning regions that existed at the time of the development of this section.

Exhibit II-4.
Population of Indiana Commerce Regions, 2003

Source:
U.S. Census Bureau and Indiana Business Research Center.

	2003	Percent of State
Indiana	***6,195,643***	***100%***
Region 1	685,490	11%
Region 2	780,166	13%
Region 3	593,325	10%
Region 4	283,805	5%
Region 5	252,038	4%
Region 6	279,427	5%
Region 7	1,674,493	27%
Region 8	297,863	5%
Region 9	195,608	3%
Region 10	407,326	7%
Region 11	457,830	7%
Region 12	288,272	5%

Exhibits II-5 and II-6 below show the estimated percent change in population by Commerce Regions from 2002 to 2003. Five commerce regions were above the State growth: Commerce Regions 5 and 7 (which includes the Indianapolis MSA) had the highest population growth. Five of the 12 regions grew at below average rates and two lost population.

Exhibit II-5.
Population Change for Indiana Commerce Regions, 2002 and 2003

Note:
Indiana's population change was 0.59 percent from 2002 to 2003.

Source:
U.S. Census Bureau and Indiana Business Research Center.

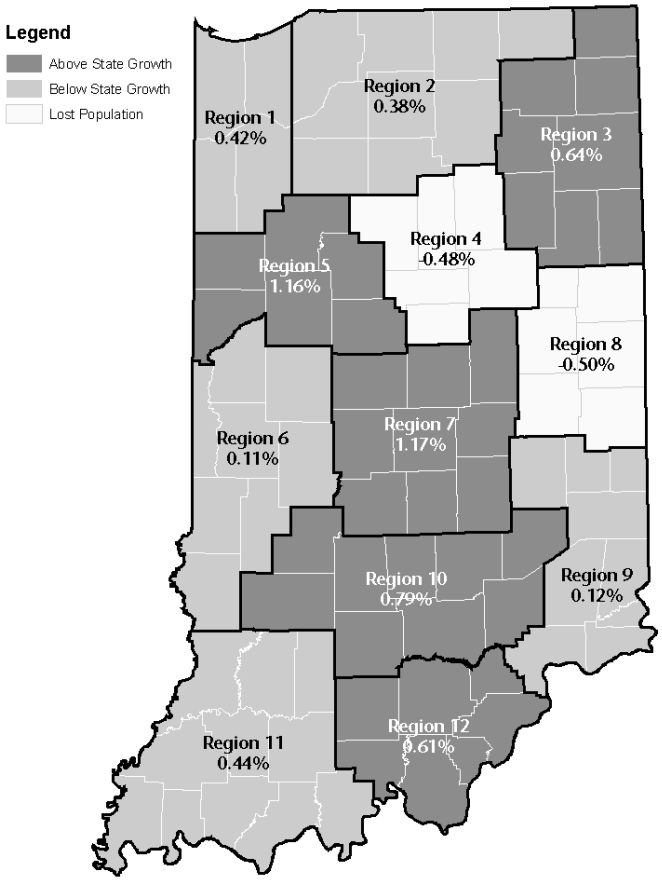


Exhibit II-6.
Population Change for Indiana Commerce Regions, 2002 and 2003

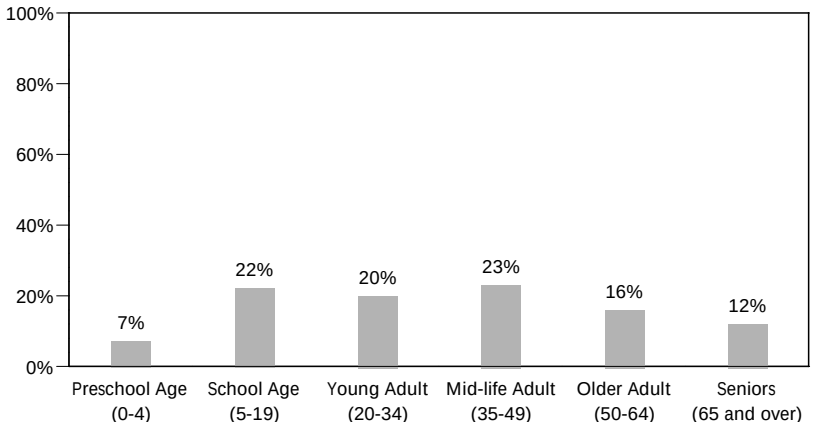
Source:
U.S. Census Bureau and Indiana Business Research Center.

	2002	2003	2002-2003 Percent Change	Compared to State Percent Change
Indiana	***6,159,068***	***6,195,643***	***0.59%***	
Region 1	682,594	685,490	0.42%	Below
Region 2	777,199	780,166	0.38%	Below
Region 3	589,553	593,325	0.64%	Above
Region 4	285,167	283,805	-0.48%	Lost
Region 5	249,138	252,038	1.16%	Above
Region 6	279,118	279,427	0.11%	Below
Region 7	1,655,097	1,674,493	1.17%	Above
Region 8	299,353	297,863	-0.50%	Lost
Region 9	195,377	195,608	0.12%	Below
Region 10	404,133	407,326	0.79%	Above
Region 11	455,803	457,830	0.44%	Below
Region 12	286,536	288,272	0.61%	Average

Age. According to the Census' American Community Survey (ACS) the State's median age is estimated to be 35.7 in 2003, up slightly from 35.6 in 2002[3]. Exhibit II-7 shows the estimated age distribution of the State's population in 2003 according to the Census.

Exhibit II-7.
Indiana Population by Age Group, 2003

Source:
American Community Survey, 2003, U.S. Census Bureau.



In 2003, almost 60 percent of the State's population was between the ages of 20 and 64 years. Overall, 12.3 percent of Indiana's population was age 65 years and over in 2003. Sixty-eight of the 92 counties in Indiana had a higher percent of their populations age 65 years and over than the State average, as is shown in the following exhibit where it is shaded.

[3] The American Community Survey universe is limited to the household population and excludes the population living in institutions, college dormitories, and other group quarters.

Exhibit II-8.
Percent of County Population 65 Years and Over, 2003

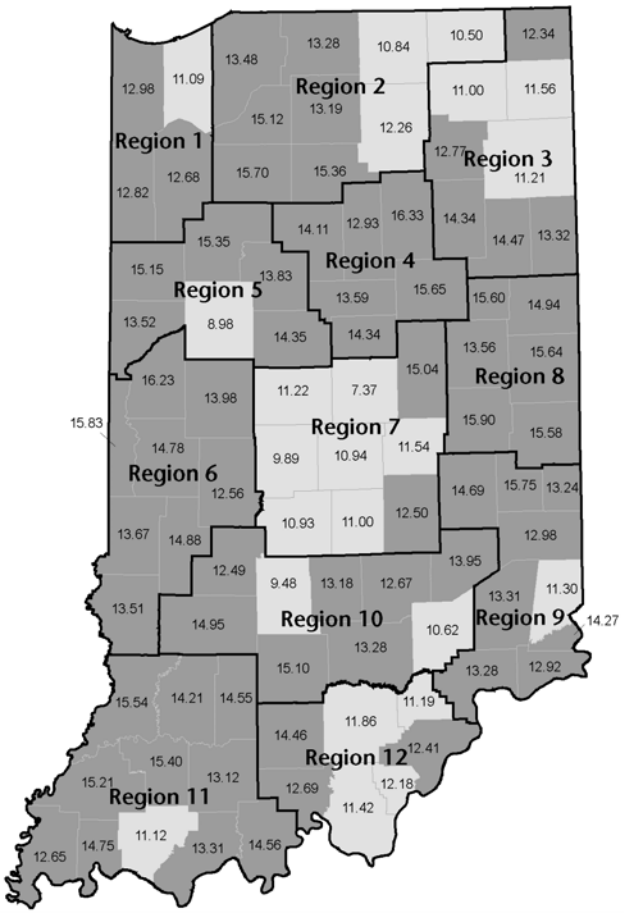
Note:

In 2003, 12.32 percent of the State's population was 65 years and over.

The shaded counties have a higher percentage of their population that is 65 years and over than the State overall.

Source:

Population Division, U.S. Census Bureau.



Commerce regions. The distribution of each Regions' population among four age groups—preschool, school aged, adult and older—are shown in Exhibit II-9. The 12 Commerce Regions have similar distribution patterns for all age groups. As shown in the exhibit, Regions 8 and 11 have slightly higher proportions of elderly persons and Regions 5 and 10 have proportionately more adults and fewer school-aged children.

Exhibit II-9.
Indiana Commerce Regions, Population by Age Group, 2003

Source:

US Census Bureau and Indiana Business Research Center.

	2003 Population	*Preschool (0 to 4)*	*School Age (5 to 17)*	*Adult (18 to 64)*	*Older (65 plus)*
Indiana	***6,195,643***	***7%***	***19%***	***62%***	***12%***
Region 1	685,490	7%	19%	61%	13%
Region 2	780,166	8%	20%	60%	13%
Region 3	593,325	7%	20%	60%	12%
Region 4	283,805	7%	19%	60%	15%
Region 5	252,038	6%	17%	66%	11%
Region 6	279,427	6%	18%	62%	14%
Region 7	1,674,493	8%	19%	62%	11%
Region 8	297,863	6%	18%	61%	15%
Region 9	195,608	6%	20%	61%	13%
Region 10	407,326	6%	17%	65%	12%
Region 11	457,830	6%	18%	61%	14%
Region 12	288,272	7%	19%	63%	12%

Race and ethnicity. In 2003, 88.9 percent of residents in Indiana classified their race as White. The next largest race classification was African American at 8.6 percent. The remaining races made up less than 3 percent of the State's total population.

The U.S. Census defines ethnicity as persons who do or do not identify themselves as being Hispanic/Latino and treats ethnicity as a separate category from race. Persons of Hispanic/Latino descent represented 3.9 percent of the State's population in 2003. Exhibit II-10 shows the breakdown by race and ethnicity of Indiana's 2003 population.

Exhibit II-10.
Indiana Population by Race and Ethnicity, 2003

Source:
Population Division, U.S. Census Bureau.

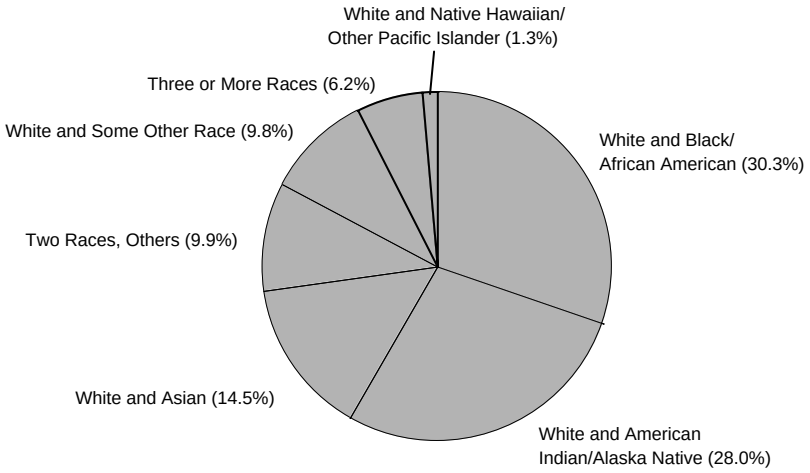
	2003	*Percent of Total Population*
Total Population	***6,195,643***	***100%***
American Indian and Alaska Native Alone	17,418	0.3%
Asian Alone	73,704	1.2%
Black or African American Alone	529,738	8.6%
Native Hawaiian and Other Pacific Islander Alone	2,730	0.0%
White Alone	5,507,887	88.9%
Two or More Races	64,166	1.0%
Hispanic or Latino (of any race)	242,518	3.9%

In the 2000 Census, people were given many options for racial classification, including identifying with more than one race. In all, 64,166 persons, or 1.0 percent of Indiana residents are estimated to be of more than one race in 2003. In 2000, 30.3 percent of the Indiana residents who chose this classification were White and African American and 28.0 percent were White and American Indian or Alaskan Native. Among those identifying with more than one race, 6.2 percent identified themselves as belonging to Three or More Races.

Exhibit II-11 illustrates the percentage of Indiana residents identifying with more than one race in 2000. (Data are not available for 2003.)

Exhibit II-11.
Indiana Residents Identifying With More Than One Race in 2000

Source:
U.S. Bureau of the Census, 2000.



The Population Division of the U.S. Census provided a comparison of racial and ethnic population of Indiana for 2002 and 2003. As shown in the following Exhibit the White population grew at the slowest rate of all races/ethnicities, increasing less than 1 percent from 2002 to 2003; the population of Native Hawaiian and Other Pacific Islanders declined slightly. The State's Asian population continued its strong growth, increasing by 5.6 percent during the year (this population group was also the fastest growing from 2000 to 2002). The State's Hispanic/Latino population increased at a rate of 2.6 percent from 2002 to 2003.

Exhibit II-12.
Change in Race and Ethnic Composition for Indiana, 2002 and 2003

	2002	2003	Percent Change
Total Population	***6,159,068***	***6,195,643***	***0.6%***
American Indian and Alaska Native Alone	17,249	17,418	1.0%
Asian Alone	69,776	73,704	5.6%
Black or African American Alone	525,151	529,738	0.9%
Native Hawaiian and Other Pacific Islander Alone	2,747	2,730	-0.6%
White Alone	5,481,336	5,507,887	0.5%
Two or More Races	62,809	64,166	2.2%
Hispanic or Latino (of any race)	236,367	242,518	2.6%

Source: Population Division, U.S. Census Bureau.

Concentration of race/ethnicity. The State's population of African Americans and persons of Hispanic/Latino descent are highly concentrated in a handful of counties, most of which contain entitlement areas. Exhibits II-13 and II-14 show the counties which contain the majority of these population groups.

Exhibit II-13 shows the counties whose African American population—the second largest racial category in Indiana for 2003—is higher than the Statewide percentage of 8.5 percent. It should be noted that these data do not include racial classifications of Two or More Races, which include individuals who classify themselves as African American along with some other race.

Exhibit II-13.
Counties With a Higher Rate of African Americans Than the State Overall, 2003

Source:
Population Division, U.S. Census Bureau.

	African American Population	Percent of Population
Indiana	***529,738***	***8.5%***
Allen County	39,059	11.5%
Lake County	124,197	25.5%
LaPorte County	11,051	10.0%
Marion County	218,149	25.3%
St. Joseph County	30,597	11.5%

As shown above, the State's African American population is highly concentrated in the State's urban counties. These counties contain 80 percent of the African Americans in the State.

Exhibit II-14, below, shows the percentage of county population that was Hispanic/Latino in 2003 for the 13 counties that have a Hispanic/Latino population above the State average of 3.9 percent. These counties are mainly located in the northern portion of the State.

Exhibit II-14.
Counties with a Higher Rate of Hispanic/Latino Persons than the State Overall, 2003

Source:
Population Division, U.S. Census Bureau.

	Hispanic/Latino Population (can be of any race)	***Percent of Population***
Indiana	***243,841***	***3.9%***
Allen County	15,975	4.7%
Cass County	3,263	8.1%
Clinton County	3,238	9.5%
Decatur County	1,470	5.9%
Elkhart County	20,228	10.7%
Kosciusko County	4,090	5.4%
Lake County	61,362	12.6%
Marion County	41,397	4.8%
Mashall County	3,130	6.8%
Noble County	3,872	8.2%
Porter County	7,776	5.1%
St. Joseph County	13,557	5.1%
Tippecanoe County	8,641	5.6%
White County	1,552	6.2%

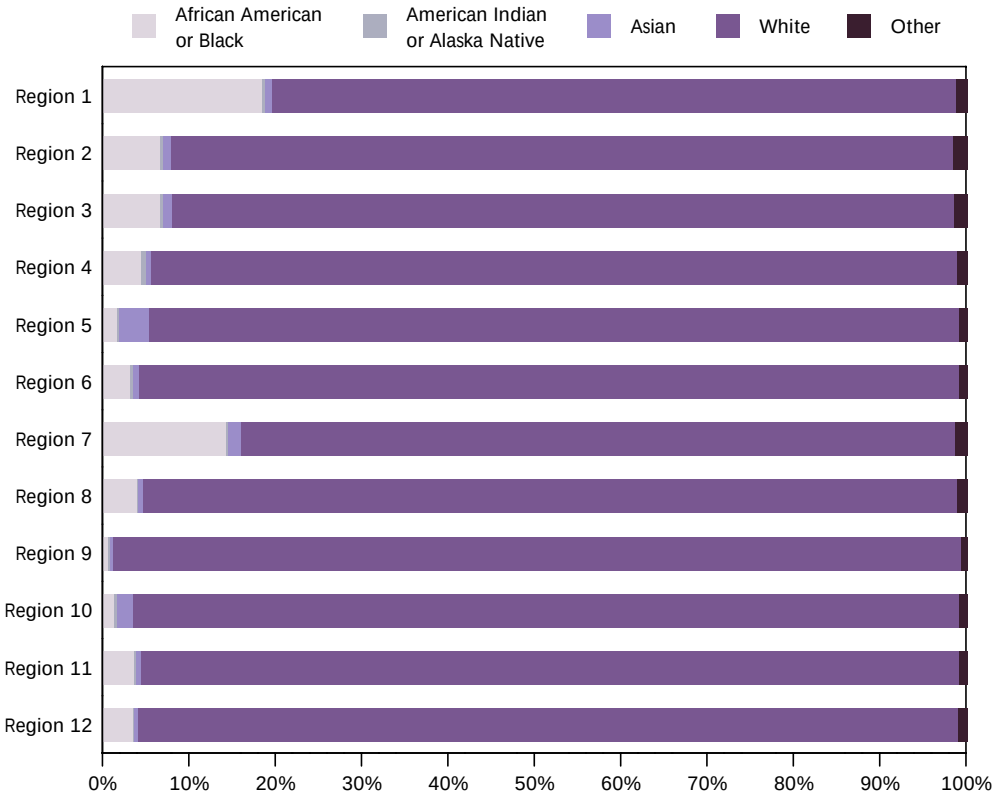
Commerce Regions. The Indiana Business Research Center reported race estimates for each of the 12 Indiana Commerce Regions for 2003. The following exhibits show that Region 1 (which includes Jasper, Lake, Newton, and Porter counties) continues to have the highest percentage of its population that is non-White. In 2003, 18.5 percent of its population was African American. Another Region with a relatively high percentage of non-Whites was Region 7, which includes the Indianapolis MSA. The 2003 estimates show 14.3 percent of the Region 7 population as African American.

Exhibit II-15.
Percentage of Population by Race for Indiana Commerce Regions, 2003

	African American or Black	*American Indian or Alaska Native*	*Asian*	*White*	*Other*	*Reporting More than One Race*
Region 1	18.5%	0.3%	0.9%	79.2%	0.1%	1.0%
Region 2	6.7%	0.3%	1.0%	90.6%	0.1%	1.3%
Region 3	6.7%	0.3%	1.1%	90.6%	0.1%	1.2%
Region 4	4.5%	0.5%	0.7%	93.3%	0.0%	1.0%
Region 5	1.7%	0.3%	3.4%	93.8%	0.0%	0.8%
Region 6	3.2%	0.3%	0.8%	94.9%	0.0%	0.8%
Region 7	14.3%	0.3%	1.5%	82.7%	0.0%	1.2%
Region 8	4.0%	0.2%	0.5%	94.3%	0.1%	0.9%
Region 9	0.7%	0.2%	0.4%	98.2%	0.0%	0.5%
Region 10	1.4%	0.3%	1.9%	95.6%	0.0%	0.9%
Region 11	3.7%	0.2%	0.6%	94.7%	0.0%	0.7%
Region 12	3.5%	0.2%	0.5%	94.9%	0.0%	0.9%

Source: US Census Bureau and Indiana Business Research Center.

Exhibit II-16.
Percentage of Population by Race for Indiana Commerce Regions, 2003

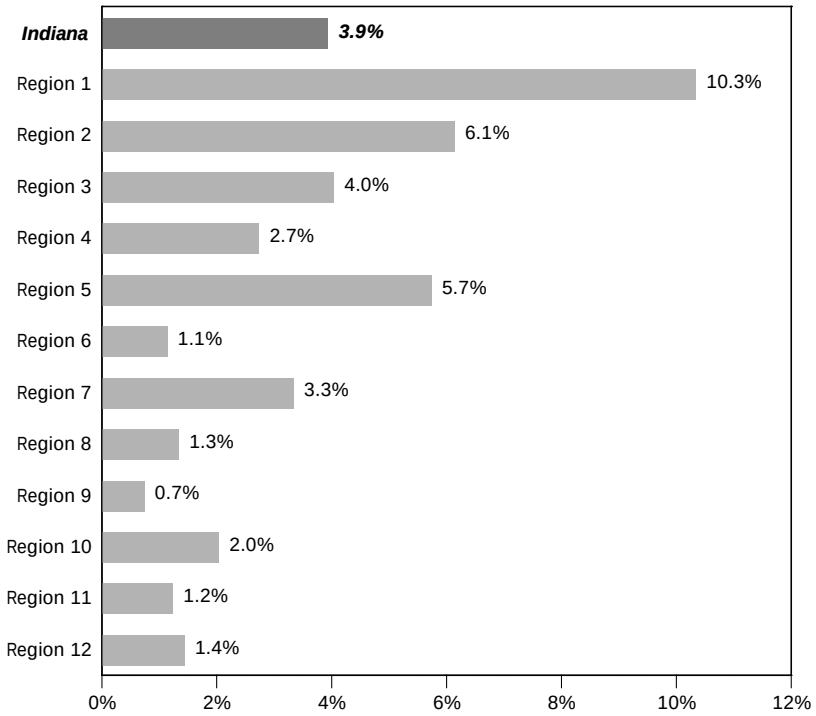


Note: "Other" includes the population classifying themselves as "other" and persons reporting more than one race.
Source: US Census Bureau and Indiana Business Research Center.

Commerce Region 1, Commerce Region 2 and Commerce Region 5—all located in the Northwest portion of the State—showed the highest rates of residents classifying themselves as Hispanic/Latino. In fact, over half of the Hispanic/Latino residents in the State live in one of these three regions. Exhibit II-17 illustrates the percentage of each region's population that was Hispanic/Latino in 2003.

Exhibit II-17
Percent of Each Commerce Regions' Population That is Hispanic/Latino, 2003

Source:
US Census Bureau and Indiana Business Research Center.



Household composition. According to the ACS, just over half of Indiana's households in 2003 (53 percent) were married couples, which is slightly higher than the national rate of 50 percent. The majority of Indiana married couple households (57 percent) did not have children under 18 years. Of households with children 18 years and under, 22 percent were female-headed with no husband present. The ACS reported that 22 percent of households had one or more persons aged 65 years or over in 2003; this was the same as 2002. The distribution of the State's households by type is shown in Exhibit II-18.

Exhibit II-18.
Household Composition in Indiana, 2003

Note:

"Own Child" is defined by the U.S. Census is a child under 18 years who is a son or daughter by birth, a stepchild, or an adopted child of the householder.

"Other family household" is the balance of family households less married couple families less female householder families.

Source:

American Community Survey 2003, U.S. Census Bureau and BBC Research & Consulting.

	Number	Percentage
Total Households	***2,350,535***	***100%***
Married-couple families	1,240,040	53%
With own children under 18 yrs	530,351	23%
No own children under 18 yrs	709,689	30%
Female householder, no husband present	258,584	11%
With own children under 18 yrs	168,344	7%
No own children under 18 yrs	90,240	4%
Other family household	88,059	4%
With own children under 18 yrs	49,733	2%
No own children under 18 yrs	38,326	2%
Householder living alone	633,142	27%
Other household types	130,710	5%
Aged 65 years and over	519,570	22%

The number of married couple households with children rose 3 percent from 2002 to 2003. Other families with own children under 18 years decreased by 5 percent.[4]

The ACS also reported the population of households that had unmarried partners. In 2003, there was an estimated household population of approximately 122,000 unmarried partners in the State. This was a 7 percent decrease from the 2002 estimate and made up 20 percent of the household population in 2003.

Commerce Regions. The Indiana Business Research Center reported household type by Commerce Region for 2000. In general, household compositions were similar across the regions, with a few small differences. Commerce Regions 5 and 10 (which include smaller MSAs) had the lowest rate of single parent households at 7 percent each. Commerce Region 9 (which includes no MSAs) had the highest percentage of married households with and without children and the lowest percentage of "Other" and households living alone when compared to the other commerce regions. Exhibit II-19 on the next page shows the distribution of household composition for the Commerce Regions in 2000.

[4] "Other families" is the balance of family households less married couple families less female householder families.

Exhibit II-19.
Household Composition in Indiana and Commerce Regions, 2000

	Households in 2000	Married With Children	Married Without Children	Single Parents	Living Alone	Other
Indiana	***2,336,306***	***24%***	***30%***	***9%***	***26%***	***11%***
Region 1	252,308	23%	29%	10%	25%	13%
Region 2	284,966	25%	30%	9%	25%	11%
Region 3	221,486	26%	29%	9%	26%	10%
Region 4	112,234	22%	33%	9%	26%	10%
Region 5	91,993	23%	29%	7%	26%	14%
Region 6	106,220	23%	32%	8%	27%	10%
Region 7	629,655	24%	27%	10%	27%	12%
Region 8	120,118	21%	32%	9%	27%	11%
Region 9	72,241	27%	33%	8%	23%	9%
Region 10	156,495	23%	31%	7%	26%	12%
Region 11	178,513	24%	31%	8%	27%	10%
Region 12	110,077	24%	32%	9%	24%	11%

Source: U.S. Census Bureau, Indiana Business Research Center and BBC Research & Consulting.

Linguistically isolated households. The 2000 Census and 2003 ACS measured households that were "linguistically isolated"—that is, where no member 14 years and older speaks English only or speaks English "very well." In 2000, 29,358 households (1.3 percent of total households) in Indiana were reported to be linguistically isolated. Of these households, 15,468 speak Spanish; 13,820 speak an Asian or Pacific Islander language; 7,960 speak another Indo-European language; and the remainder speaks other languages. In 2003, 1.8 percent of the population was estimated to be linguistically isolated. This was a half percentage point increase from 2000.

Exhibit II-20 shows the percentage of households that were reported to be linguistically isolated in 2000 by county, with the shaded areas representing counties with a higher percentage than the State overall.

Exhibit II-20.
Percent of Households Linguistically Isolated, by County, 2000

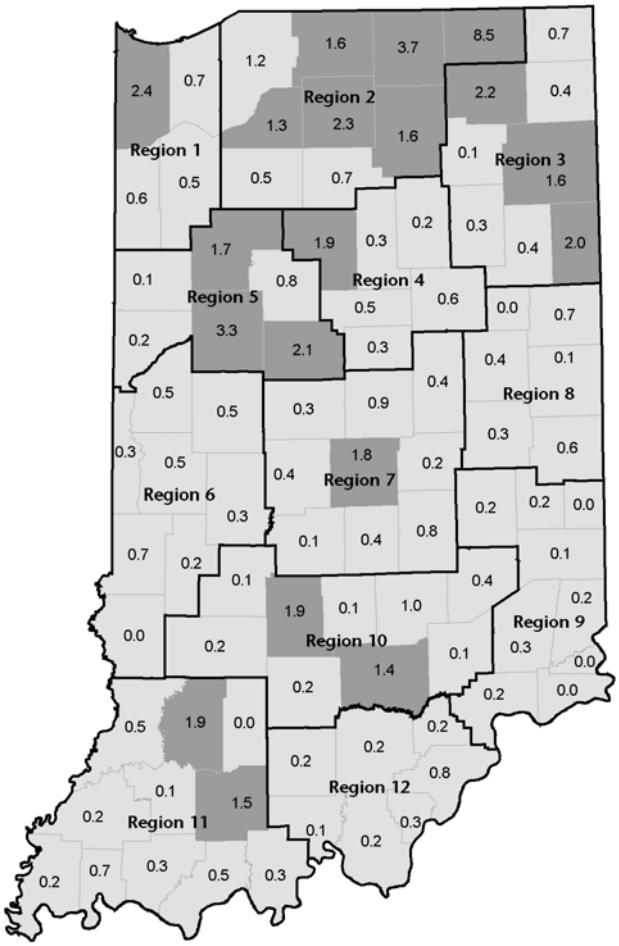
Note:

In 2000, 1.3 percent of total households in Indiana were reported to be linguistically isolated.

The shaded counties have a higher percent of their population that is linguistically isolated than the State overall.

Source:

U.S. Bureau of the Census, 2000



Income

Median Income. According to the U.S. Census, the median household income for the State in 2000 was $41,567. This represents an 11 percent increase from the 1990 Census median household income after adjusting for inflation. The ACS reported a median household income of $42,067 in 2003, compared to $41,906 in 2002—a less than one percent (.38) increase.

According to the Indiana Business Research Center, Indiana's annual *per capita* personal income for 2002 was $28,032. Only two of the Commerce Regions—Region 7 (containing Indianapolis) and Region 11—were higher than the State's per capita personal income with annual per capita personal incomes of $32,588 and $28,268, respectively. Commerce Region 6 had the lowest annual per capita personal income with $23,437. The following exhibit shows annual per capita personal income in 2002 by Commerce Region.

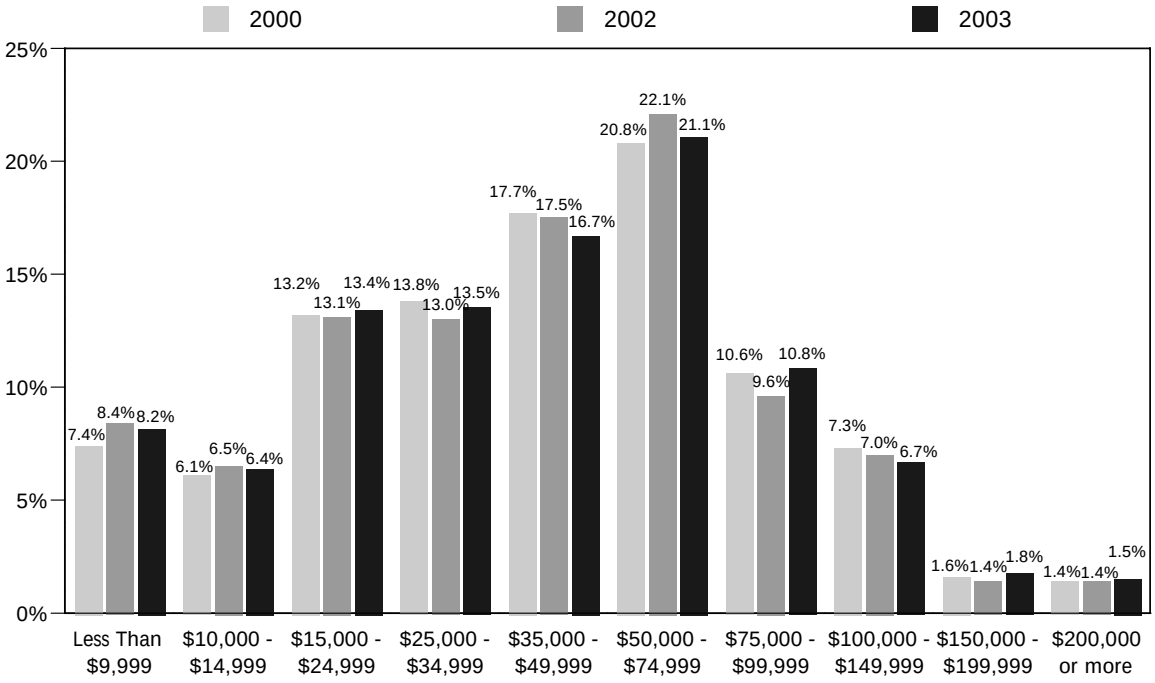
Exhibit II-21.
Annual Per Capita Personal Income for Indiana and Commerce Regions, 2002

Source:
U.S. Census Bureau, U.S. Bureau of Economic Analysis, and IBRC.

	Per Capita Personal Income	*Above State Per Capita Personal Income*
Indiana	***$28,032***	
Region 1	$27,501	No
Region 2	$26,611	No
Region 3	$27,630	No
Region 4	$25,764	No
Region 5	$24,387	No
Region 6	$23,437	No
Region 7	***$32,588***	***Yes***
Region 8	$24,591	No
Region 9	$25,452	No
Region 10	$25,234	No
Region 11	***$28,268***	***Yes***
Region 12	$26,485	No

Income Distribution. Exhibit II-22 shows the distribution of income in the State in 2000, 2002 and 2003 in inflation adjusted dollars. Incomes ranging between $35,000 and $149,000 had the most fluctuation across these years. There has also been an almost one percentage point increase (from 7.4 to 8.2 percent) in the proportion of the State's households earning $9,999 and less.

Exhibit II-22.
Percent of Households by Income Bracket, State of Indiana, 2000, 2002 and 2003



Note: Data are adjusted for inflation.
Source: 2000 Census and 2002 and 2003 American Community Survey, U.S. Census Bureau.

Poverty. The 2000 Census reported that the State of Indiana had 10.1 percent of its population living below the poverty level, or approximately 633,000 persons. Since 2000, according to the ACS, the State's poverty rate has risen 0.5 percentage points to 10.6 percent. Indiana ranked below Illinois, Michigan and Ohio, in both years 2000 and 2003, in its percent of population living in poverty.

Demographics of persons in poverty. The 2003 ACS estimated that, of the State's population living in poverty, 33.6 percent were children under the age of 17—11.7 percent of the State's population living in poverty was under the age of 5 years, and 21.9 percent was children aged 5 to 17. Persons who are elderly made up 8.5 percent of the State's persons in poverty in 2003.

According to ACS data, children (under the age 18) made up 26.5 percent of the State's population overall in 2003. This compares with the 33.6 percent of the State's poor population that children represent. Therefore, the State's children disproportionately live below the poverty level. In contrast, elderly persons made up 12 percent of the State's overall population in 2003, but represented 8.5 percent of the State's poor population.

Of Indiana's total population under 5 years of age, 17.5 percent were estimated to be living in poverty in 2003, compared to 15.5 percent in 2000. (A child is considered to be living in poverty if the adults in their family earned less than the poverty threshold for their family size). For all children 17 and younger, 29.3 percent were estimated to be living in poverty in 2003, down slightly from 29.9 percent in 2000. These percentages compare with 9.9 percent for adults ages 18 to 64 years, and 7.5 percent for seniors in 2003. In 2000, 8.5 percent of adults ages 18 to 64 and 7.0 percent of seniors were living in poverty.

Although actual numbers are rarely available, it is generally accepted that persons with special needs have a higher incidence of poverty than populations without special needs. The 2000 Census provides data on the rates of poverty for persons with disabilities (in addition to elderly rates of poverty which are presented above), but not for other special needs populations. In 2003, approximately 20 percent of persons in Indiana who were disabled were living in poverty, compared to 10.6 percent of Indiana's population overall and 10.2 percent of persons without disabilities. Therefore, persons with disabilities are twice as likely to be living in poverty as persons overall and the non-disabled.

Of the State's families with children living in poverty in 2003, 19 percent were married couples with children, 7 percent were single men with children, and 52 percent were single women with children. That is more than seven times as many single women with children as single men with children lived in poverty in 2003. Exhibit II-23 shows the family types of persons living in poverty in 2003.

Exhibit II-23.
Family Type of Families in Poverty, 2003

Source:
American Community Survey, 2003.

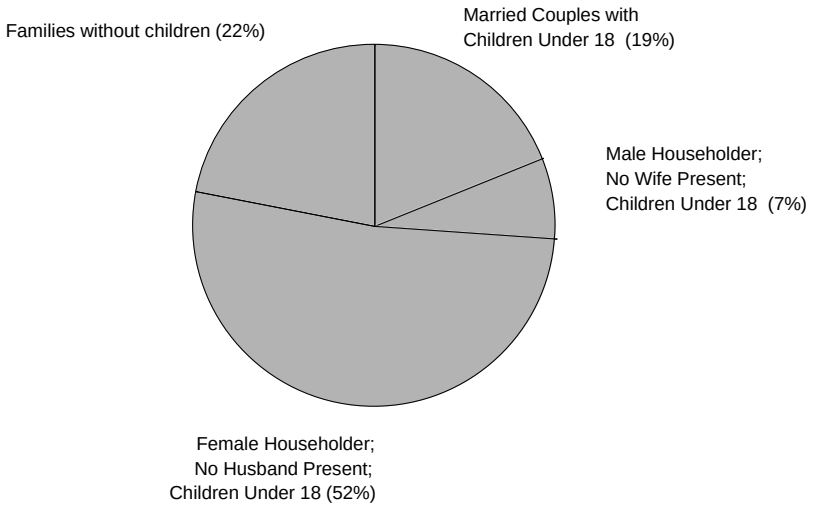
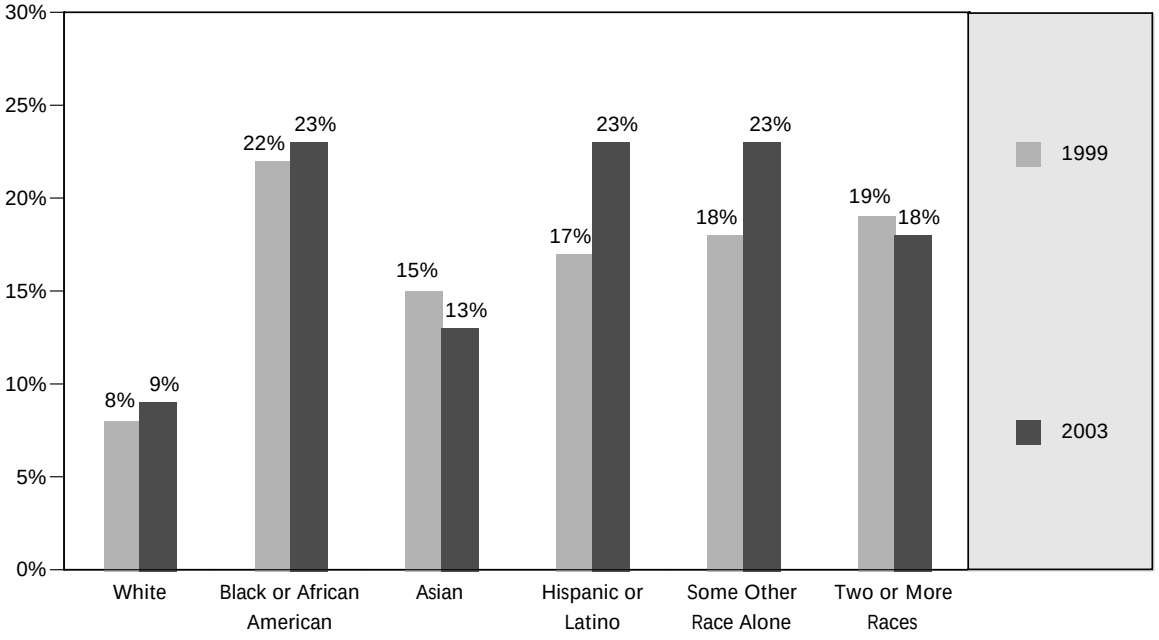


Exhibit II-24 compares the percentage of persons living in poverty by race and ethnicity in 1999 and 2003. Persons in the State who were White had the lowest poverty rate; African Americans, Hispanics/Latinos and those of Two or More Races had the highest rates of poverty in the State.

Exhibit II-24.
Percentage of Population Living in Poverty, by Race and Ethnicity, 1999 and 2003



Source: U.S. Census Bureau, 2000 and American Community Survey, 2003.

Of the State of Indiana's total population of persons living in poverty in 2003, 69 percent were White, 16 percent were Black/African American, 8 percent were Hispanic/Latino, and 4 percent were Some Other Race. This compares to a household distribution of 89 percent White, 9 percent Black/African American, 4 percent Hispanic/Latino and 2 percent Some Other Race. Therefore, the State's non-White populations are disproportionately likely to be living in poverty.

Regional poverty rates. The following exhibit shows poverty rates overall and for children for the highest poverty counties in each Region. Vigo, Knox and Crawford counties have the highest poverty rates—all more than 13 percent of the population overall. Vigo, Daviess, Crawford, Grant, Lake and Marion all have poverty rates for children of 16 percent or more.

Exhibit II-25.
Poverty Rates by Region and Highest County Rates within Regions, 2002

	Poverty Rate Overall	***Poverty Rate of Children Under 18***
Comm 1, Lake County	12.1%	16.3%
Comm 2, Starke County	11.7%	14.9%
Comm 3, Adams County	10.1%	14.3%
Comm 4, Grant County	12.5%	16.4%
Comm 5, Tippecanoe County	11.6%	10.9%
Comm 6, Vigo County	13.9%	16.8%
Comm 7, Marion County	11.7%	16.0%
Comm 8, Delaware County	12.8%	14.8%
Comm 9, Switzerland County	11.9%	13.7%
Comm 10, Monroe County	12.3%	
Comm 10, Greene County		13.7%
Comm 11, Knox County	13.7%	
Comm 11, Daviess County		16.9%
Comm 12, Crawford County	13.3%	16.5%

Source: Small Area and Income Estimates, U.S. Census Bureau.

Self sufficiency standard. In 2002, the Indiana Coalition on Housing and Homeless Issues commissioned a study to examine how much income is needed for different family types to adequately meet basic needs, without public or private assistance. This income level is called the *self-sufficiency standard*. The standard is determined by taking into account the costs of housing, child care, food, transportation, health care and miscellaneous expenses for several family types, as well as any tax credits a family might receive. The study calculated the standard for metropolitan areas and all communities in the State.

Exhibit II-26 on the following page shows the hourly self-sufficiency standard for all counties in the State for a single adult and a single adult with a preschooler. The counties with the highest self sufficiency standard, or the least affordable counties, included Hamilton, Johnson, Lake, Marion, Monroe and Porter.

Exhibit II-26.
Self Sufficiency Standard, 2002

Source:
The Self-Sufficiency Standard for Indiana, 2002.

County	*Adult*	*Adult with a preschooler*
Adams	$6.68	$10.47
Allen	$6.76	$11.07
Bartholomew	$6.90	$10.82
Benton	$5.94	$9.47
Blackford	$5.88	$8.63
Boone	$7.18	$11.94
Brown	$6.42	$9.74
Carroll	$5.93	$8.61
Cass	$5.94	$8.79
Clark	$6.98	$10.28
Clay	$6.11	$8.43
Clinton	$7.04	$11.10
Crawford	$5.90	$8.59
Daviess	$5.90	$8.54
De Kalb	$6.72	$10.29
Dearborn	$7.24	$11.77
Decatur	$6.15	$9.29
Delaware	$7.02	$11.35
Dubois	$5.90	$8.70
Elkhart	$6.91	$10.82
Fayette	$6.05	$8.84
Floyd	$7.01	$10.42
Fountain	$5.92	$8.80
Franklin	$5.91	$8.76
Fulton	$6.01	$8.53
Gibson	$5.89	$8.18
Grant	$5.92	$8.77
Greene	$5.92	$8.44
Hamilton	***$7.18***	***$12.96***
Hancock	$7.19	$11.88
Harrison	$7.04	$10.21
Hendricks	$7.20	$11.40
Henry	$6.13	$10.31
Howard	$6.72	$10.57
Huntington	$6.71	$10.29
Jackson	$6.32	$9.63
Jasper	$6.13	$9.20
Jay	$5.89	$8.22
Jefferson	$5.84	$8.46
Jennings	$5.91	$8.55
Johnson	***$7.18***	***$12.00***
Knox	$6.08	$8.82

Exhibit II-26. (cont'd)
Self Sufficiency Standard, 2002, Continued

Source:
The Self-Sufficiency Standard for Indiana, 2002.

County	Adult	Adult with a preschooler
Kosciusko	$6.36	$9.59
La Porte	$6.28	$10.24
Lagrange	$6.04	$8.69
Lake	***$8.05***	***$12.98***
Lawrence	$5.90	$8.35
Madison	$7.26	$11.14
Marion	***$7.36***	***$12.59***
Marshall	$6.09	$9.52
Martin	$5.90	$7.97
Miami	$5.91	$8.53
Monroe	***$7.37***	***$13.47***
Montgomery	$6.83	$9.35
Morgan	$7.23	$11.11
Newton	$5.91	$9.07
Noble	$6.04	$8.53
Ohio	$6.12	$8.91
Orange	$5.91	$8.56
Owen	$5.93	$8.77
Parke	$5.92	$8.19
Perry	$5.90	$8.62
Pike	$5.86	$8.65
Porter	***$8.02***	***$12.70***
Posey	$6.44	$10.27
Pulaski	$5.95	$8.46
Putnam	$6.26	$9.39
Randolph	$5.89	$8.47
Ripley	$5.91	$8.94
Rush	$5.91	$9.07
Scott	$7.04	$10.15
Shelby	$7.20	$10.62
Spencer	$5.88	$8.19
St. Joseph	$6.85	$11.62
Starke	$5.89	$8.34
Steuben	$6.52	$9.33
Sullivan	$5.84	$8.40
Switzerland	$5.90	$8.16
Tippecanoe	$7.03	$11.66
Tipton	$6.70	$11.23
Union	$5.89	$8.66
Vanderburgh	$6.59	$10.64
Vermillion	$6.05	$8.73
Vigo	$6.06	$9.13
Wabash	$5.90	$8.46
Warren	$5.94	$8.50
Warrick	$6.48	$9.33
Washington	$5.91	$8.61
Wayne	$6.45	$9.37
Wells	$6.71	$9.73
White	$5.94	$10.20
Whitley	$6.70	$10.22

Basic family budgets. A similar study to the self sufficiency study was prepared in 1999 and released in 2001 by the Economic Policy Institute. This study indicated that the average one-parent, two-child family in rural Indiana would have to earn $26,618 in pre-tax income ($2,218 monthly) in order to meet all of its expenses. This study also made use of basic family budgets and its methodology in developing the budgets was similar to the self sufficiency standard. The Economic Policy Institute study covered the entire U.S., while the self sufficiency study was tailored to Indiana.

Exhibit II-27 shows the basic family budget study's estimated monthly expenses needed for a one-parent, two-child family to maintain a safe and decent standard of living in rural Indiana.

Exhibit II-27.
Basic Monthly Budget:
One-Parent, Two-Child
Family, Rural Indiana, 1999

Source:
Hardships In America: The Real Story of Working Families, Economic Policy Institute, 2001.

Line Item	*Monthly Amount*	*Percent of Total*
Housing	$420	18.9%
Food	$351	15.8%
Child Care	$637	28.7%
Transportation	$197	8.9%
Health Care	$207	9.3%
Other Necessities	$239	10.8%
Taxes	$167	7.5%
Total	***$2,218***	***100.0%***

A county level comparison of the average weekly earnings of Indiana households against the above budget found that two out of three non-MSA counties sustain monthly earnings *below* what is required of a one-parent, two-child family to maintain a safe and decent standard of living in rural Indiana.

Sources of income. Another indicator of the economic well being of families in Indiana is the percentage of families receiving public assistance. The 2000 Census collected data about sources of supplemental income, such as Supplemental Security Income (SSI) and Public Assistance Income. In 2000, 3.5 percent of the State's households received SSI and 2.6 percent received Public Assistance. According to the ACS, 2.9 percent of households in Indiana received SSI in 2000 and 2002. (The lower percentage for the ACS—other than reported by the 2000 Census—is likely due to the ACS data being limited to the household population and excludes the population living in institutions, college dormitories, and other group quarters.)

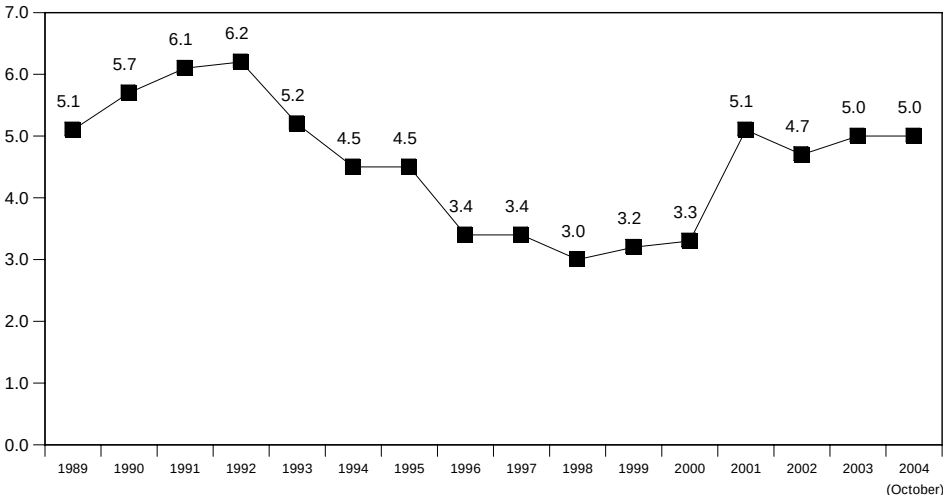
Recent estimates indicate that program participation in Temporary Assistance to Needy Families (TANF) increased from 2000 to 2001. Statewide, the rate of participation rose by 0.5 percentage points to 1.8 percent from 1.3 percent. There were nearly 9,000 more families participating in 2001 and 31,780 more individuals receiving assistance. Lake and Marion Counties made up 46 percent of TANF participants and had the highest rates of program participation. MSA counties average 1.25 percent participation in TANF in 2001 compared to 0.89 percent for MSA counties.

There has also been a recent uptick in food stamps program participation. The monthly average number of persons receiving food stamps in Indiana was 331,206 in 2001. This was 33,865 more than in 2000, an increase of 11.4 percent. However, the average number of food stamps recipients per month has declined by 17.6 percent Statewide since 1996.

Employment

Unemployment rate. As of October 2004, the average unemployment rate in Indiana was 5.0 percent. This compares to 5.0 percent in 2003 and 4.7 percent in 2002. Unemployment rates are stabilizing, after having risen significantly in 2001. Exhibit II-28 illustrates the broad trend in unemployment rates since 1989.

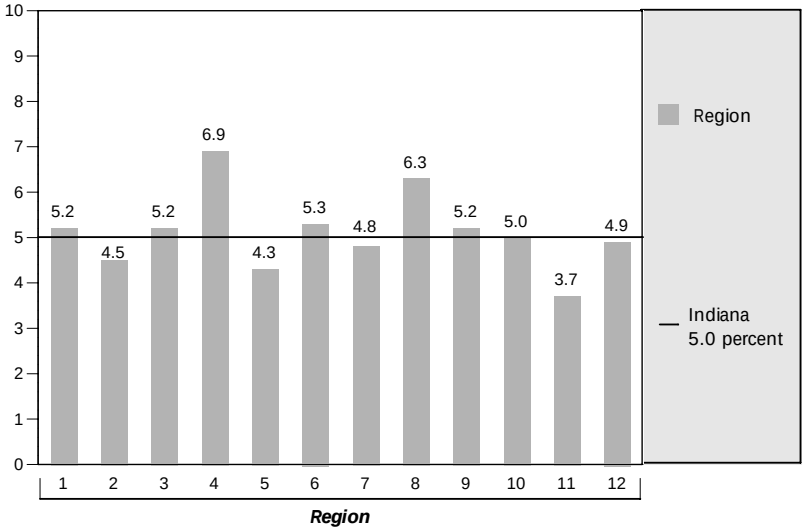
Exhibit II-28.
Indiana's December Unemployment Rate from 1989 to 2004



Note: 2004's unemployment rate is from October.
Source: Indiana Department of Workforce Development.

Six of the 12 Commerce Regions had unemployment rates higher than the State's October 2004 unemployment rate of 5.0 percent. Commerce Region 4 had the highest unemployment rate of 6.9 percent and Region 11 had the lowest rate of 3.7 percent. Exhibit II-29 shows the unemployment rates for the 12 Commerce Regions for October 2004.

Exhibit II-29.
Unemployment Rate for Indiana and Commerce Regions, October 2004



Source: Indiana Department of Workforce Development.

County unemployment rates ranged from a low of 2.7percent in Dubois County to a high of 10.5 percent in Grant County. Exhibit II-30 shows the October 2004 unemployment rates by county, as reported by the Indiana Department of Workforce Development. The shaded counties have an average unemployment rate higher than the Statewide average.

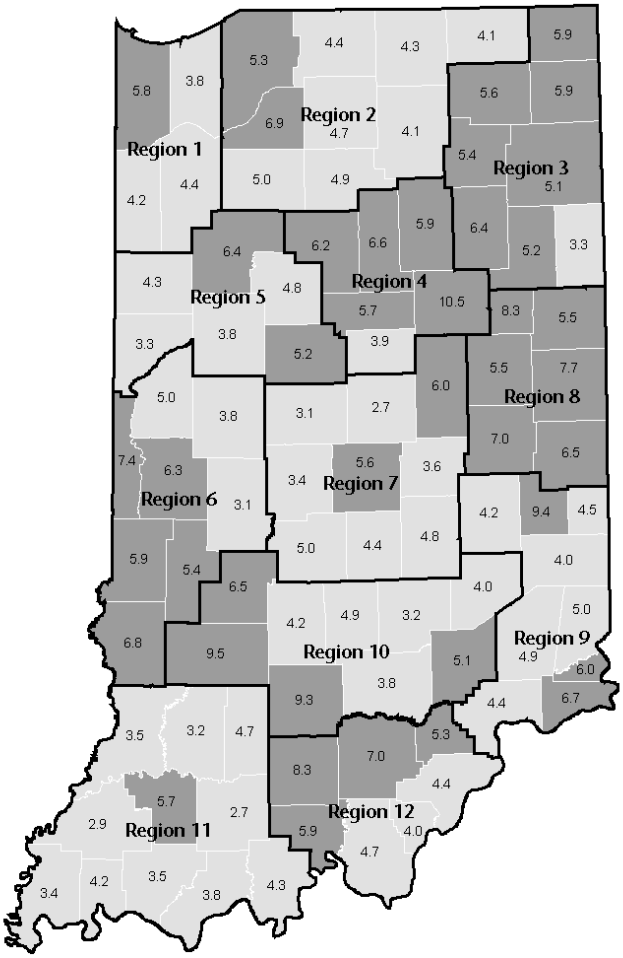
Exhibit II-30.
Unemployment Rates by County, October 2004

Note:

Indiana's unemployment rate was 5.0 percent in October 2004. Shaded counties have rates higher than the State's overall.

Source:

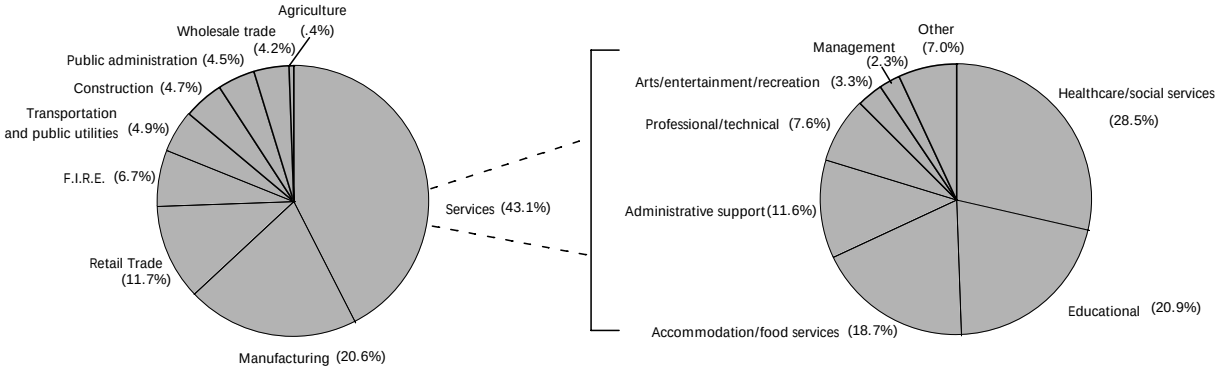
Indiana Department of Workforce Development and Indiana Business Research Center, IU Kelley School of Business.



Employment sectors. Goods producing industries other than agriculture—that is, mining, manufacturing and construction—remain a major source of employment in Indiana. Indeed, Indiana had the highest percentage of goods producing, non-farm jobs in 2000 compared to its neighboring States, according to the Bureau of Labor Statistics. The data indicate that the percentage of the State's *economy* composed of non-farm, goods producing jobs was nearly 26 percent. The services sector (comprising diverse activities from food service to information technology, health care and the many types of public administration) made up the remainder of Indiana's non-agricultural economy. Recently, the service sector has become the dominant employment-producing industry.

Exhibit II-31 shows the distribution of jobs by industry for the first quarter of 2004 (the latest quarter for which data are available).

Exhibit II-31.
Employment by Industry, State of Indiana, First Quarter 2004



Note: F.I.R.E. includes financial, insurance and real estate services.
Source: Indiana Business Research Center (based on ES202 data).

Although the services industry holds an employment edge Statewide and across the State's Commerce Regions, manufacturing remains an important employer. Commerce Regions located in the northeast to north-central part (particularly Regions 2 and 4) of the State tend to have higher percentages of manufacturing jobs than the other regions of the State. Service jobs are more dominant in Commerce Regions 1, 5, 7 and 8. The following exhibit shows the percentage of jobs by sector for each Commerce Region.

Exhibit II-32.
Employment by Industry for Each Commerce Region, First Quarter 2004

	Region 1	*Region 2*	*Region 3*	*Region 4*	*Region 5*	*Region 6*	*Region 7*	*Region 8*	*Region 9*	*Region 10*	*Region 11*	*Region 12*
Total employment	***252,691***	***359,917***	***281,121***	***112,995***	***99,704***	***105,720***	***831,383***	***111,287***	***64,433***	***167,645***	***220,517***	***104,041***
Agricultural	0.3%	0.4%	0.3%	0.6%	0.9%	0.4%	0.2%	0.3%	0.4%	0.3%	0.4%	0.2%
Services	46.9%	36.1%	38.3%	38.5%	43.7%	40.2%	44.5%	44.1%	35.7%	33.2%	38.8%	37.2%
Manufacturing	15.0%	33.1%	25.8%	30.9%	23.6%	21.9%	12.6%	22.3%	21.4%	24.9%	22.6%	21.6%
Retail Trade	12.8%	10.5%	11.0%	11.9%	12.1%	13.5%	11.2%	13.2%	11.0%	11.4%	11.4%	12.9%
Transportation and Public Utilities	5.0%	2.7%	4.7%	2.6%	2.8%	3.6%	6.1%	3.0%	3.6%	4.4%	5.5%	6.3%
Construction	6.0%	3.7%	4.4%	3.0%	4.0%	3.5%	5.5%	3.4%	3.9%	3.8%	5.3%	5.5%
Wholesale Trade	3.5%	4.2%	4.8%	2.3%	2.4%	2.4%	5.1%	2.7%	1.4%	2.3%	3.9%	2.6%
F.I.R.E.	5.1%	5.2%	6.9%	4.5%	5.7%	4.8%	9.5%	5.3%	4.2%	5.2%	5.3%	4.6%
Public Administration	4.9%	3.8%	3.2%	5.5%	4.0%	7.1%	5.0%	4.6%	4.9%	3.9%	3.6%	5.2%
Other	0.5%	0.3%	0.6%	0.3%	0.9%	2.5%	0.2%	1.2%	13.6%	10.7%	3.1%	3.8%

Note: F.I.R.E is Finance, Insurance, and Real Estate.

Source: Indiana Business Research Center (based on ES202 data) and BBC Research & Consulting.

It should be noted that the fast growing services sector is a very diverse category, and occupations can range from high-paying health services professionals (e.g., doctors, medical) to those employed in the social services and foodservices industries who earn substantially lower wages. In general, wages in the services sector are lower than in the manufacturing sector.

Exhibit II-33 shows the average weekly wage by employment industry for the State as of first quarter 2004.

Exhibit II-33.
Average Weekly Wage by Industry, First Quarter 2004

Industry	***Average Weekly Wage***
Total	***$661***
Agriculture, Forestry, Fishing and Hunting	$504
Mining	$885
Utilities	$1,241
Construction	$708
Manufacturing	$915
Wholesale Trade	$873
Retail Trade	$401
Transportation and Warehousing	$681
Information	$823
Finance and Insurance	$987
Real Estate & Rental and Leasing	$551
Professional, Scientific and Technical Services	$817
Management of Companies and Enterprises	$1,430
Administrative and Support, and Waste Management and Remediation Services	$422
Educational Services	$638
Health Care and Social Services	$630
Arts, Entertainment and Recreation	$540
Accommodation and Food Services	$218
Other Services (except Public Administration)	$420
Public Administration	$649
Unallocated	$528

Source: Indiana Business Research Center (based on ES202 data).

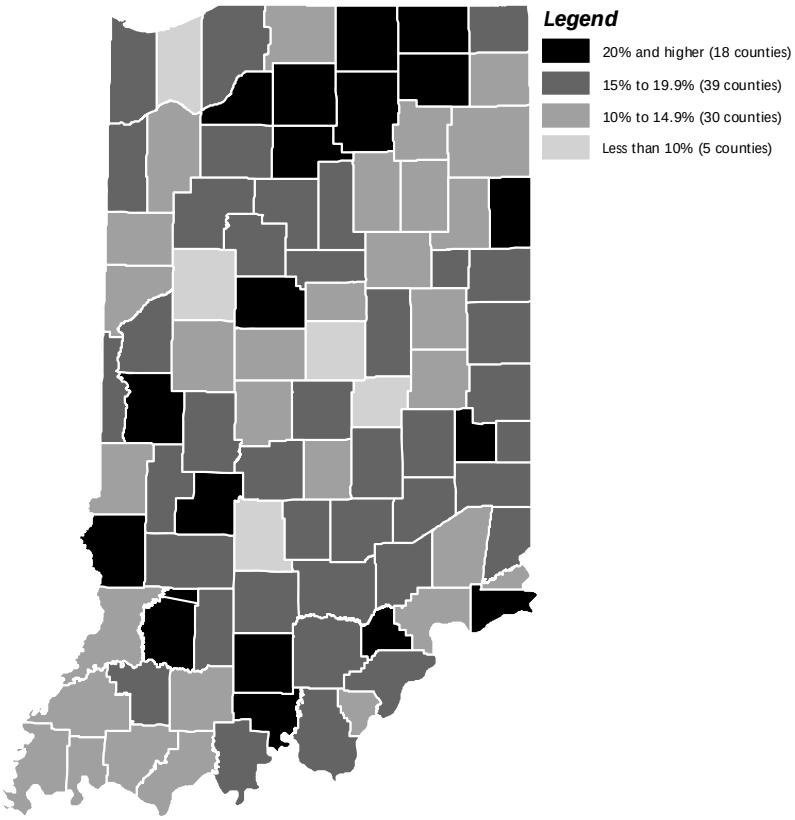
Educational attainment. According to the ACS, the percent of Indiana residents who have earned a bachelor's degree increased between 2000 and 2002 from 19.8 percent to 20.6 percent. This was 5.2 percent lower than the U.S. average (25 percent) in 2002.

The 2000 Census reported that Indiana had a decline in the percentage of individuals aged 25 to 34 and 35 to 44 who had completed high school, indicating an outmigration of more educated people from the State. The following exhibit shows the percent of Indiana residents between the ages of 18 and 44 who had *not* completed high school in 2000. Only five counties had non-completion rates of less that 10 percent; most counties had between 10 and 20 percent of their residents without high school diplomas.

Exhibit II-34.
Percent Ages 18 to 44 Not Completing High School, 2000

Note:
The data do not include students who do not participate in public schools.

Source:
"In Context" Indiana Department of Commerce, January/February, 2003.



SECTION III.
Housing and Community Development Needs

SECTION III.
Housing and Community Development Needs

This section discusses the State's housing and community development conditions and needs, as identified by citizens through surveys and public comments. This section partially satisfies the requirements of Sections 91.305, 91.310, and 91.315 of the State Government's Consolidated Plan Regulations. A more comprehensive market analysis for the State and a discussion of the challenges of housing special needs groups are found in the Housing Market Analysis and Special Needs sections of this report.

Background on primary data sources. This section reports the findings from an extensive public outreach effort conducted by the State of Indiana for the Five-Year Consolidated Plan. The public outreach consisted of a large key person mail survey, a citizen survey conducted by telephone and through mail, as well as key person interviews.

Key person mail survey. In October 2004, approximately 1,600 community surveys were distributed to local government leaders; providers of housing, health, and other community services; members of housing and community coalitions; and other interested parties. A total of 214 surveys were received, representing 75 of the State's 92 counties. Roughly 26 percent of the survey respondents represented local governments in the State; 27 percent were housing providers; 11 percent were social service providers, 8 percent were advocacy/education organizations; 4 percent were economic development professionals; and the remaining respondents represented other types of organizations (e.g., advocacy, health care providers, etc.).

Citizen survey. Two separate samples were used for the citizen survey. The first sample was a random digit dial telephone survey conducted of 300 households in nonentitlement areas in the State. The second sample was a mail/Internet survey (respondents could complete the survey either way) distributed to the clients of targeted housing and social service organizations.[1]

Summary Findings

Key person mail survey

- Almost three-fourths of survey respondents felt that the housing in their communities was in less than good condition. When asked to rate the quality of single family and multifamily housing, both types of housing were rated "average" quality.

- The survey data show a preference for rehabilitation of housing stock rather than new development: 74 percent of respondents agreed with the need to focus on improving housing through rehabilitation, compared to 47 percent who agreed that communities need to add housing through new construction.

[1] The mail/Internet survey was available at the website (www.indianahousingsurvey.com) for 30 days and received no responses.

- The top-needed housing types identified by the 2005 survey respondents were single family housing, subsidized housing, transitional housing and emergency shelters.

- The greatest impediment to owning a home, as identified by the 2005 survey respondents, included having a poor credit history, high housing prices and lack of stable income/cyclical income.

- Respondents were asked what is most needed in their communities to meet the needs of persons experiencing homelessness. The top needs include transitional housing, supportive services, and emergency shelters.

- According to the survey respondents, the top barriers to community and economic development in Indiana are employment related, including jobs that pay livable wages and job growth.

Citizen survey

- According to a telephone survey of residents in nonentitlement areas in the State, most of the State's renters would prefer to own a house or a condo/townhome. Some barriers to owing a home as identified by these renters included not having enough money for a downpayment, not qualifying for a mortgage, and not being able to afford a monthly mortgage payment. Of those who tried to get a home loan and could not, the top reasons included poor credit, not enough credit to get a loan, and having a high debt-to-income ratio.

- Three percent (10 respondents) of the telephone survey and 19 percent (13 respondents) of the mail/Internet survey said that they have been homeless before. Common reasons for homelessness were not being able to find an affordable place to live, being evicted/foreclosed upon and becoming sick and unable to work.

- Twenty-seven percent of the owners responding to the telephone survey and 67 percent of owners responding to the mail/Internet survey reported having repairs/improvements that have not been made to their house. The top repairs needed for both surveys respondents earning less than $35,000 include repairs to the windows/doors and roofing.

- Eighty-three percent of the telephone survey respondents who are renters and 84 percent of mail/Internet survey respondents who are renters said that their landlords make repairs promptly when needed. Most of the survey respondents whose landlords do not make repairs were lower income.

- The top responses of how survey respondents would spend $1 million dollars to improve their community included “help bring jobs to my city/town,” “build housing for persons who are disabled and/or seniors,” "build child care centers" and “build more single family affordable housing.”

- Respondents of both types of citizen surveys said that the housing type most needed in their communities is single family homes—nearly one-third of both types of respondents cited this need. Also important to the mail/Internet respondents (29 percent) was the need for accessible housing for disabled persons/elderly.

Housing and Community Development/Key Person Survey

In October 2004, approximately 1,600 surveys were distributed to local government officials, community leaders, housing providers, economic development professionals, social service organizations and others. The surveys asked respondents a number of questions about housing and community development needs, including fair housing in their communities. A total of 214 surveys were returned, for a response rate of 14 percent.[2]

Background on respondent organizations. Surveys were received from organizations in 75 of the 92 counties in Indiana. Exhibit III-1 shows the distribution of the various types of organizations from which surveys were received. As the exhibit shows, a wide variety of organizations were represented in the 2005 survey data. The organizations that are most likely to respond to the survey instrument continued to be units of local government. In 2005, there were proportionately more homeless shelters and housing providers completing the survey than in years past.

[2] This rate accounts for surveys that were returned due to bad addresses.

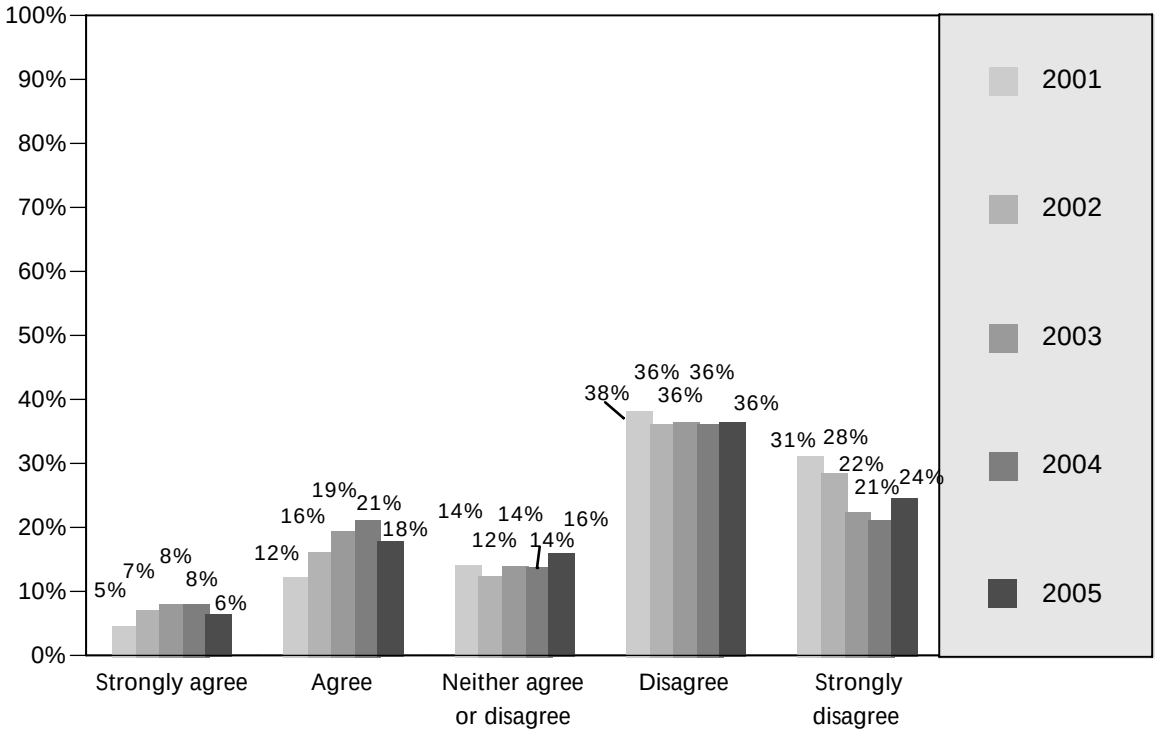
Exhibit III-1.
Distribution of Respondents by Type of Organization, 2001 to 2005

Type of Organization	*2001*	*2002*	*2003*	*2004*	*2005*
Advocacy/education	5%	6%	7%	7%	***8%***
Affordable housing provider	12%	13%	12%	9%	***14%***
Citizen	-	2%	2%	3%	***1%***
Day care (adult and child)	-	2%	2%	1%	***2%***
Economic or community development	8%	9%	10%	8%	***4%***
Employment/training provider	-	2%	1%	3%	***2%***
Financial institutional/lender	1%	0%	3%	4%	***1%***
Group home	-	2%	2%	1%	***1%***
Health care provider	-	2%	3%	4%	***4%***
Homeless shelter	-	4%	3%	3%	***9%***
Legal assistance	1%	0%	0%	1%	***1%***
Local government	46%	29%	26%	28%	***26%***
Property manager	1%	2%	3%	2%	***2%***
Senior center	-	2%	0%	0%	***1%***
Senior housing provider	-	3%	2%	2%	***3%***
Social service provider	-	10%	10%	12%	***11%***
Other	26%	12%	14%	12%	***12%***
Total	***100%***	***100%***	***100%***	***100%***	***100%***

Source: Key Person Survey, Indiana Consolidated Plan, 2001 to 2005.

Housing inventory and quality. Respondents were asked a number of questions about the supply and condition of the housing in their communities. As shown in Exhibit III-2, 60 percent of respondents felt that there was not enough housing in their communities to meet their needs. This rate was similar to the previous two years of 2003 and 2004 at 59 and 57 percent, respectively, and is less than the years prior to 2003.

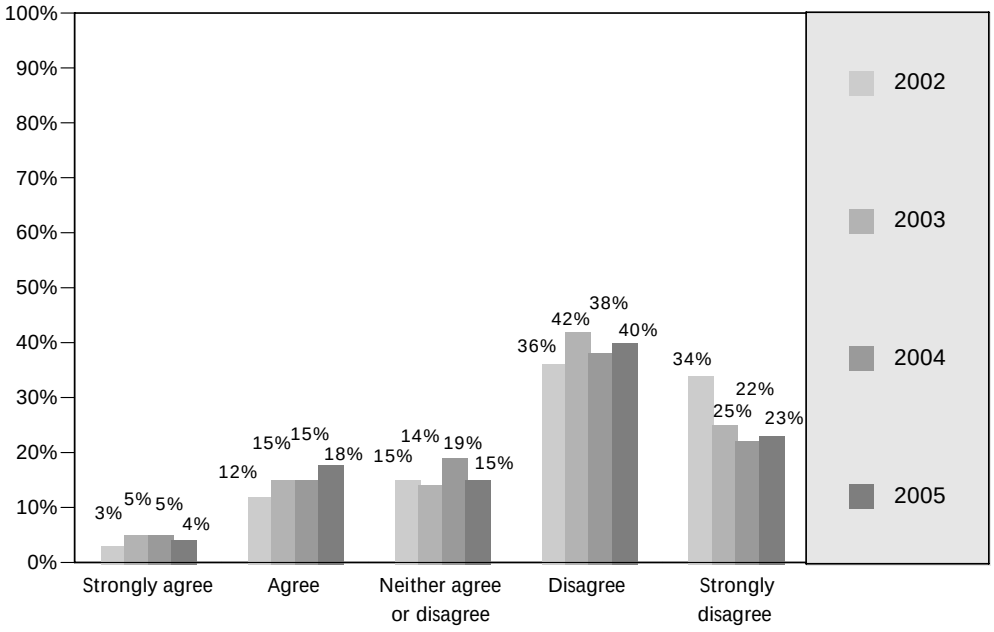
Exhibit III-2.
There is Enough Housing in This Community to Meet Demand



Source: Key Person Survey, Indiana Consolidated Plan, 2001 to 2005.

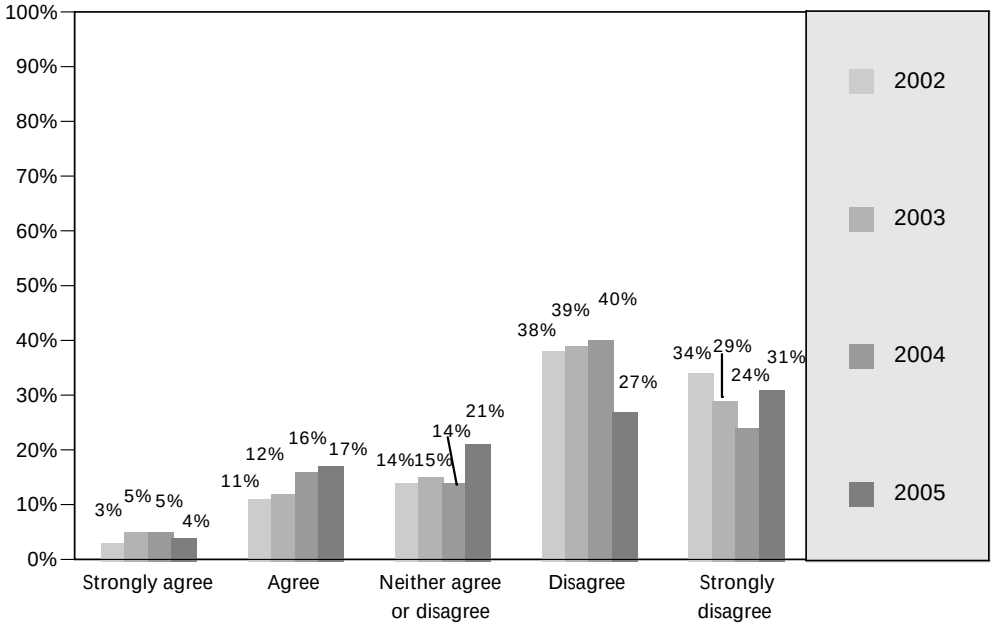
As shown in the following exhibits, 63 percent of the survey respondents disagreed with the statement in the survey "There is enough affordable *single family* housing in this community." And 58 percent responded they disagreed there is enough *rental* housing in their community. In 2004 there was a slightly lower disagreement rate of 60 percent for single family housing and a higher rate of 64 percent for rental housing. Only 22 percent of the 2005 respondents felt that there was adequate affordable single family housing and 21 percent felt there was enough affordable rental housing, which is similar to 2004 results.

Exhibit III-3.
There is Enough Affordable ***Single Family*** Housing in This Community



Source: Key Person Survey, Indiana Consolidated Plan, 2001-2005.

Exhibit III-4.
There is Enough Affordable ***Rental*** Housing in This Community



Source: Key Person Survey, Indiana Consolidated Plan, 2001 to 2005.

Respondents were asked if the housing stock in their communities was in good condition. Over half (59 percent) disagreed that the housing stock was in good condition, one-fourth agreed, and the final 16 percent neither agreed nor disagreed. Compared to the responses in 2001 through 2004, there was a slightly higher rate of disagreement in 2005.

Respondents were also asked to rate the quality of their community's single family and multifamily housing stock. Exhibit III-5 shows how respondents rated the condition of the housing stock in their communities in 2002, 2003, 2004, and 2005.

Exhibit III-5.
Quality of Single Family and Multifamily Housing, 2002 to 2005

	Single Family				Multifamily			
Quality	**2002**	**2003**	**2004**	**2005**	**2002**	**2003**	**2004**	**2005**
Very Good	5%	4%	5%	**4%**	3%	4%	4%	**4%**
Good	20%	24%	21%	**25%**	19%	18%	21%	**22%**
Average	48%	46%	46%	**45%**	37%	40%	37%	**40%**
Poor	21%	21%	24%	**23%**	31%	28%	29%	**25%**
Very Poor	6%	5%	4%	**3%**	10%	10%	9%	**9%**
Total	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Source: Key Person Survey, Indiana Consolidated Plan, 2002-2005.

The assessment of housing condition was relatively similar in 2002 through 2005. For all years, respondents ranked the quality of multifamily housing stock below that of the single-family housing stock. In 2005, 34 percent of respondents said the multifamily housing stock in their communities was in poor to very poor condition, compared with 26 percent for single family housing stock. The percentage of respondents ranking multifamily housing stock in poor condition continued to improve from 2002, where 41 percent said the stock was in poor or very poor condition.

Exhibits III-6 and III-7 show responses to questions pertaining to the need for new construction and rehabilitation of existing structures. The data show a preference for rehabilitation of housing stock rather than new development: In the 2005 survey 74 percent of respondents agreed with the need to focus on improving housing through rehabilitation, compared to 47 percent who agreed that their communities need to add housing through new construction. The data also show a slight trend in preferences for rehabilitation. The percentage of respondents agreeing that rehabilitation is needed in their community grew from 65 percent in 2002 to 74 percent in 2005. The percentage agreeing that new construction is needed declined from 52 percent in 2002 to 47 percent in 2005.

Exhibit III-6.
"My Community Needs to Add Housing Through New Construction"

Source:
Key Person Survey, Indiana Consolidated Plan, 2002-2005.

New Construction	*2002*	*2003*	*2004*	*2005*
Strongly agree	19%	18%	14%	***17%***
Agree	33%	31%	33%	***30%***
Neither agree nor disagree	27%	27%	25%	***28%***
Disagree	12%	17%	21%	***18%***
Strongly disagree	9%	7%	7%	***6%***
Total	***100%***	***100%***	***100%***	***100%***

Exhibit III-7.
"My Community Needs to Focus on Improving Housing Through Rehabilitation of Existing Structures"

Source:
Key Person Survey, Indiana Consolidated Plan, 2002-2005.

Rehabilitation	*2002*	*2003*	*2004*	*2005*
Strongly agree	26%	27%	26%	***33%***
Agree	39%	39%	41%	***41%***
Neither agree or disagree	22%	21%	17%	***14%***
Disagree	9%	7%	11%	***10%***
Strongly disagree	5%	6%	5%	***2%***
Total	***100%***	***100%***	***100%***	***100%***

When asked about homeowners' and renters' abilities to make minor repairs, most respondents felt that most homeowners could make needed repairs (45 percent agreed that homeowners could make needed repairs), but said that renters find it difficult to get landlords to make needed repairs. In 2002, 2003, 2004 and 2005, approximately half of respondents *disagreed* with the statement "Renters in this community can get landlords to make needed repairs." The survey results suggest that the respondents' concerns about housing conditions are mostly related to rental properties.

Housing affordability. Survey respondents were asked to list the housing types that are needed most in their communities. The top three needs identified by the 2005 survey respondents were single family housing, subsidized housing and transitional housing. Although single family housing was identified as the top need by 2005 survey respondents, the proportion of respondents identifying this need was lower than in 2003 and 2004 (32 percent and 38 percent, respectively).

Respondents in both 2005 and 2003 rated subsidized housing as the next most needed housing type at 22 percent. This compared to only 9 percent in 2004.

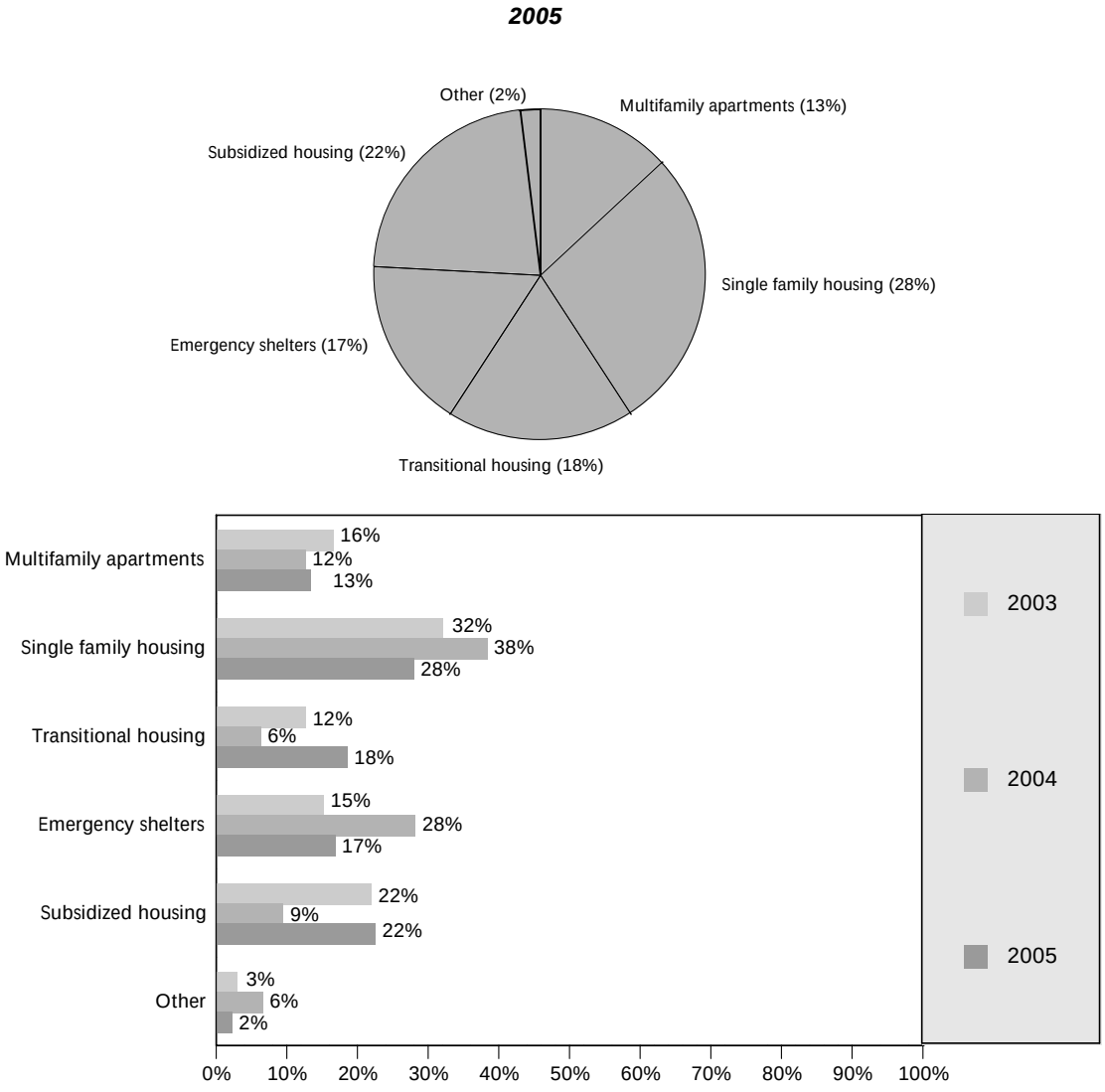
Eighteen percent of the surveys reported that transitional housing is most needed in their community, which is a 12 percentage point increase from 2004. (Again, the increase is reflective of the increase in the number of respondents representing homeless shelters.) Seventy-one percent of respondents to this question indicated that units with rents of less than $300 were most in demand, followed by 29 percent between $300 and $500. All responses indicated a need for rents of $500 or less a month or else indicated rent should be based on income.

Only 13 percent of the surveys indicated that multifamily apartments are needed in their area, which is consistent with 2004 and 2002 (each at 12 percent) and lower than 2003 (16 percent). Of the respondents who identified this need, *all* said that there is a need for rents less than $800 a month and 84 percent expressed a need for rents equal to or below $500 a month.

Seventy-four percent of respondents who identified what purchase price is needed for single family homes said the most needed price is $100,000 or less. Seventy-six percent of the respondents who said single family rental homes were needed expressed a need for rents less than or equal to $500 a month for single family homes.

Exhibit III-8 compares the answers to the 2003, 2004 and 2005 questions.

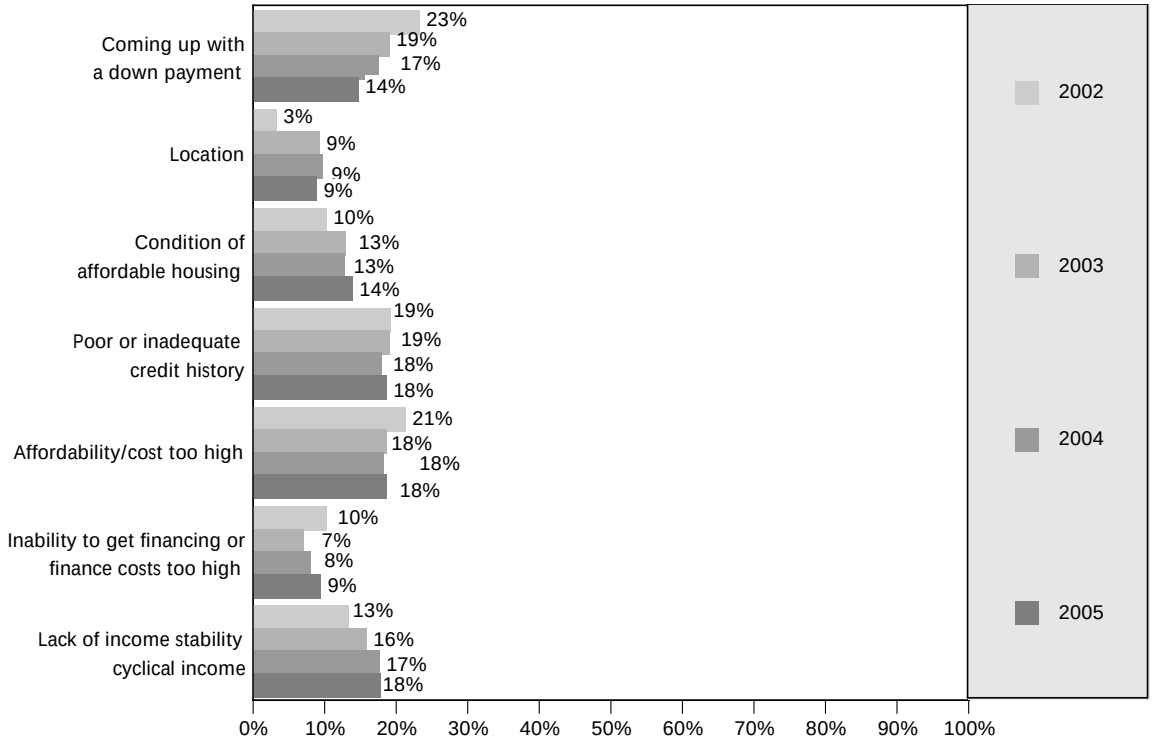
Exhibit III-8.
Most Needed Housing Types, 2003, 2004 and 2005



Source: Key Person Survey, Indiana Consolidated Plan, 2003-2005.

Barriers to homeownership. When asked about the greatest impediment to owning a home, respondents in 2005 identified the challenges of having a poor credit history, high housing prices and lack of a stable income/cyclical income. These were similar to top reasons identified in 2002, 2003 and 2004. It is interesting to note that another top impediment from previous years—difficulty of coming up with a downpayment—has decreased in importance of being an impediment to homeownership over the last four years. Exhibit III-9 shows the impediments to homeownership identified by survey respondents in all four years.

Exhibit III-9.
Greatest Impediments to Homeownership



Source: Key Person Survey, Indiana Consolidated Plan, 2002-2005.

Special needs housing. Respondents were asked about the housing needs in their communities for populations with special needs, including persons experiencing homelessness, individuals with physical and developmental disabilities, individuals with mental illness, the elderly, individuals living with HIV/AIDS as well as seasonal farm workers. Exhibit III-10 shows the percentage of respondents in 2002 through 2005 who believe that the housing needs of these special needs populations are not being met in their communities.

Exhibit III-10.
Percent of Respondents ***Disagreeing*** That the Needs of Special Populations Are Being Adequately Met

Source:
Key Person Survey, Indiana Consolidated Plan, 2002-2005.

Special Needs Category	Percent Disagreeing 2002	2003	2004	2005
Homeless	57%	57%	55%	***59%***
Mental Illness	51%	54%	55%	***52%***
Physical Disability	50%	44%	47%	***47%***
Development Disability	55%	43%	45%	***42%***
Elderly	43%	39%	40%	***39%***
HIV/AIDS	38%	38%	37%	***36%***
Seasonal Farm Workers	37%	31%	30%	***25%***

As shown in Exhibit III-10, the survey results are fairly similar. In all four years, the number one concern was the needs of the homeless population, followed by persons with mental illnesses. From 2002 to 2005, there has been a marked decline in the percentage of respondents who disagree that the needs of seasonal farm workers and persons with developmental disabilities are being met. With the exception of the homeless population, which increased by 2 percentage points, and those with mental illness, which increased be one percentage point, the disagreement rate for all other special needs populations were lower in 2005 than in 2002.

Respondents were also asked how the needs of special populations could be better met. Exhibit III-11 categorizes their responses.

Exhibit III-11.
How Can Housing and Related Needs of Special Needs Groups Be Better Met?

Source: Key Person Survey, Indiana Consolidated Plan, 2005.

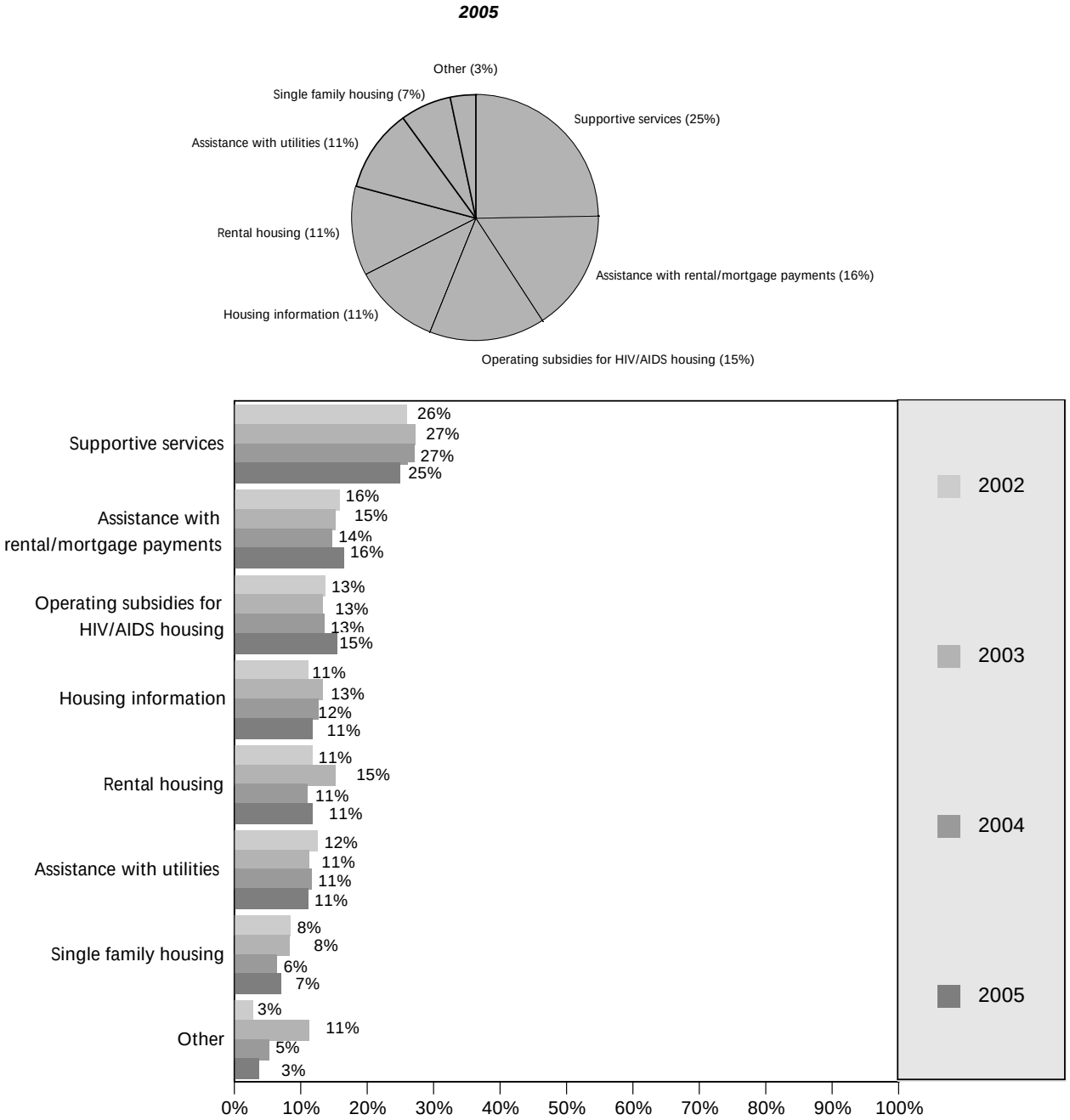
	Number of Responses	Percent of Total
Accessibility	17	17%
Administrative/Funding/Miscellaneous	26	26%
Affordability	16	16%
Congregate Housing	10	10%
Emergency and Transitional Shelters/Homeless	11	11%
Housing Stock	10	10%
Housing Subsidy	10	10%
Total	***100***	***100%***

The majority of responses, 26 percent, fell under the Administrative/Funding/Miscellaneous category. Accessibility issues followed with 17 responses (17 percent). Issues of affordability were third with responses ranging from affordable elderly/disabled housing to safer affordable housing. Comments regarding emergency and transitional housing needs typically mentioned women and children and domestic violence victims as having the greatest needs.

HIV/AIDS needs. When asked what is most needed in their communities to meet the needs of persons with HIV/AIDS, respondents cited supportive services, assistance with rental/mortgage payments, and operating subsidies for HIV/AIDS housing as the top three needs. In 2005, respondents cited assistance with rental/mortgage payments and operating subsidies for HIV/AIDS housing second and third, respectively. Exhibit III-12 shows the distribution of the 2002, 2003, 2004

and 2005 responses to this question. As shown below, supportive services has remained the top need over the four year period, at 26 percent in 2002, 27 percent for 2003 and 2004 and 25 percent in 2005.

Exhibit III-12.
Community Needs for Persons with HIV/AIDS, 2002, 2003, 2004 and 2005

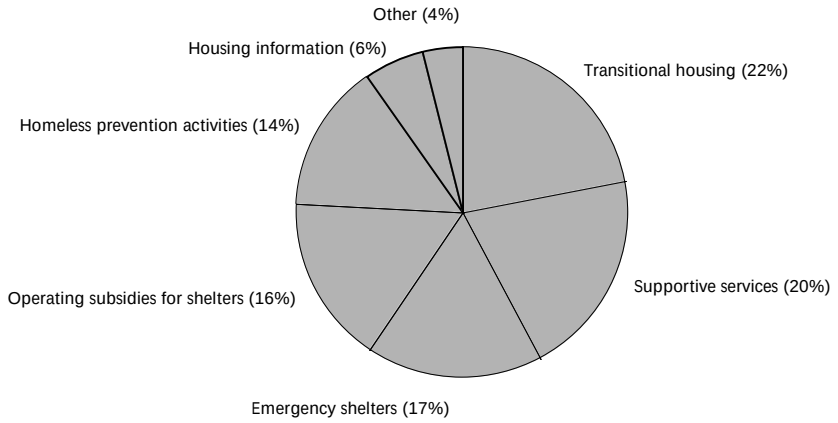


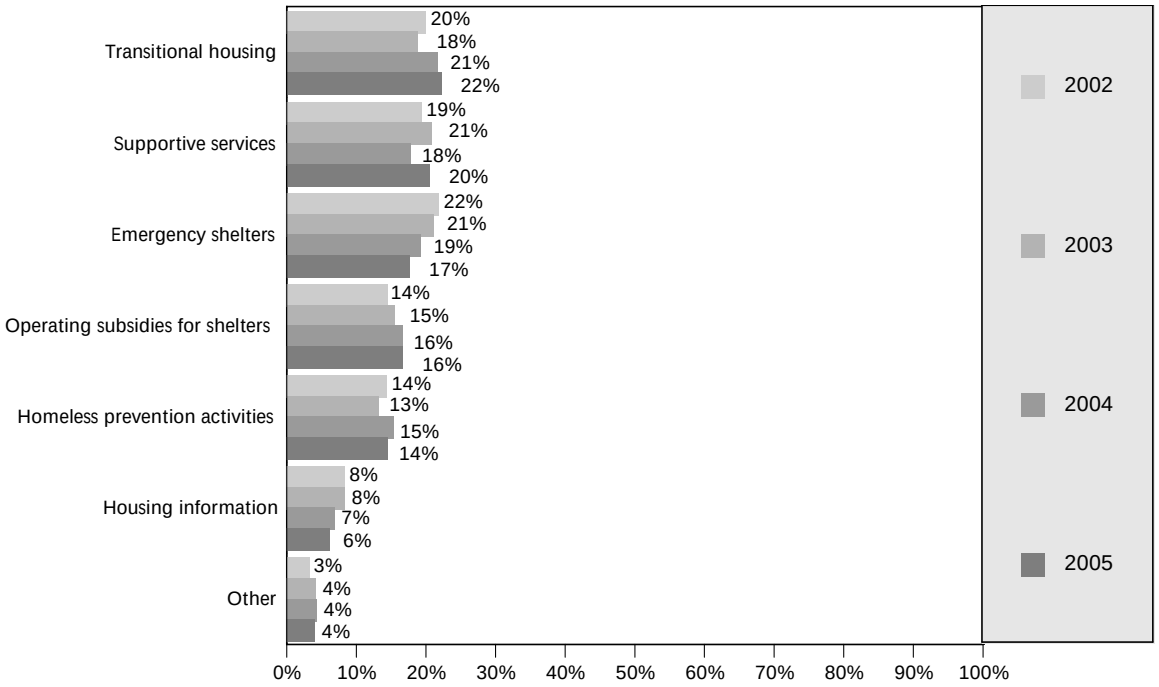
Source: Key Person Survey, Indiana Consolidated Plan, 2002-2005.

Homeless needs. Respondents were also asked what is most needed in their communities to meet the needs of persons experiencing homelessness. For 2005, the top needs were transitional housing, supportive services, and emergency shelters, as shown in Exhibit III-13 below.

Exhibit III-13.
Community Needs for Persons Experiencing Homelessness, 2002, 2003, 2004 and 2005

2005





Source: Key Person Survey, Indiana Consolidated Plan, 2002-2005.

As shown in Exhibit III-13, the needs have stayed relatively consistent, with the exception of emergency shelters, whose need ranking has declined since 2002.

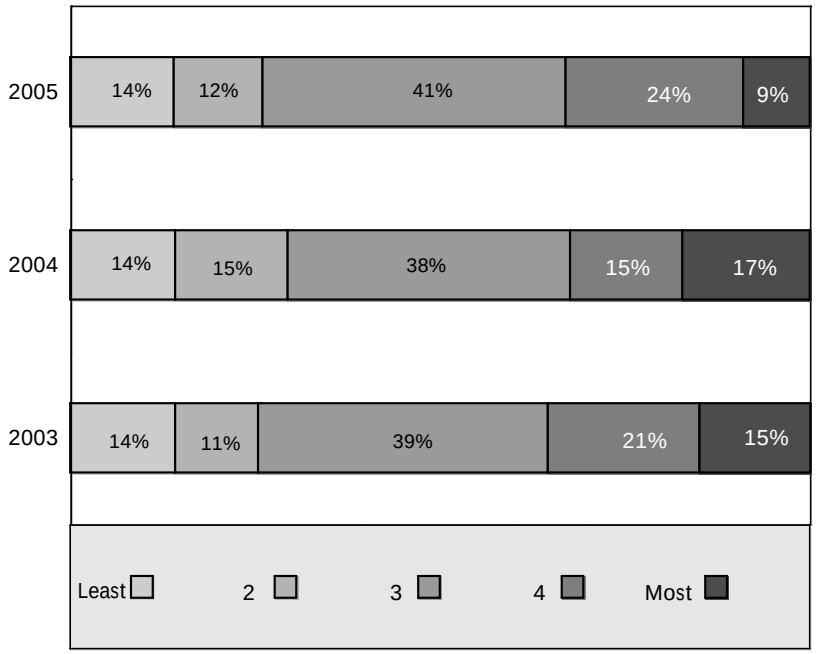
Lead-Based Paint Hazards

As in 2003 and 2004, the 2005 survey included several questions to determine how much of a problem lead-based paint hazards are in communities. Survey respondents were provided with a scale of one to five to rank the increase in housing costs because of lead abatement, with one being the least and five being the most. Most survey respondents said that lead abatement procedures increase the cost of providing affordable housing a moderate to high amount. In 2005, the percentage ranking the cost of abatement procedures as the highest cost (a ranking of 5) was just 9 percent, down from 17 percent and 15 percent in 2004 and 2003, respectively. However, this was offset with an increase in the percentage of respondents ranking the costs as moderate (ranking of 4). The distribution of responses is shown in Exhibit III-14.

Exhibit III-14.
How Much Do Lead Abatement Procedures Increase Cost of Housing?

Note:
One = least, Five = most.

Source:
Key Person Survey, Indiana Consolidated Plan, 2003-2005.



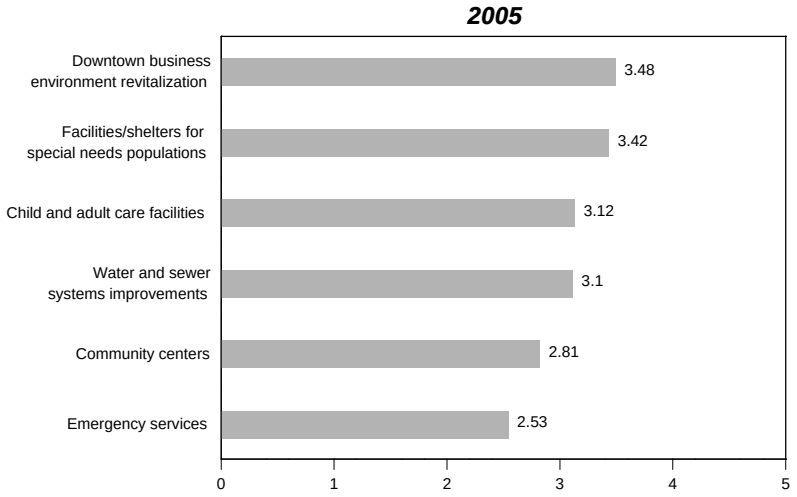
In addition, 70 percent of survey respondents said there were not adequate funds in their communities to address lead-based paint hazards in housing, compared to 72 percent in 2004, 70 percent in 2003 and 77 percent in 2002. Over half of respondents agreed that there was a need for funds to address lead-based paint in housing with poisoned children. Sixty-five percent of those surveyed said there was a need for a partnership between housing and health care providers to address lead-based paint hazards—which is the same percentage in 2004 and is up from 60 percent in 2003, but down from 77 percent in 2002. Over the four-year study period, the survey questions do not indicate a *worsening or improving* trend for lead-based paint hazards. However, the percentage of respondents indicating a need in this area has been consistently high throughout this study period.

Community Development Needs

In the 2005 Key Person Survey, respondents were also asked about a range of community development issues in their communities, including employment conditions, the need for public infrastructure improvements, and the need for community and special needs services and facilities.

The survey asked respondents to rank the community development needs in order of how much they are needed in their areas (with 1 being the least needed and 5 being the most needed). The average rankings of community development needs are shown in Exhibit III-15.

Exhibit III-15.
Average Ranking of Community Development Needs



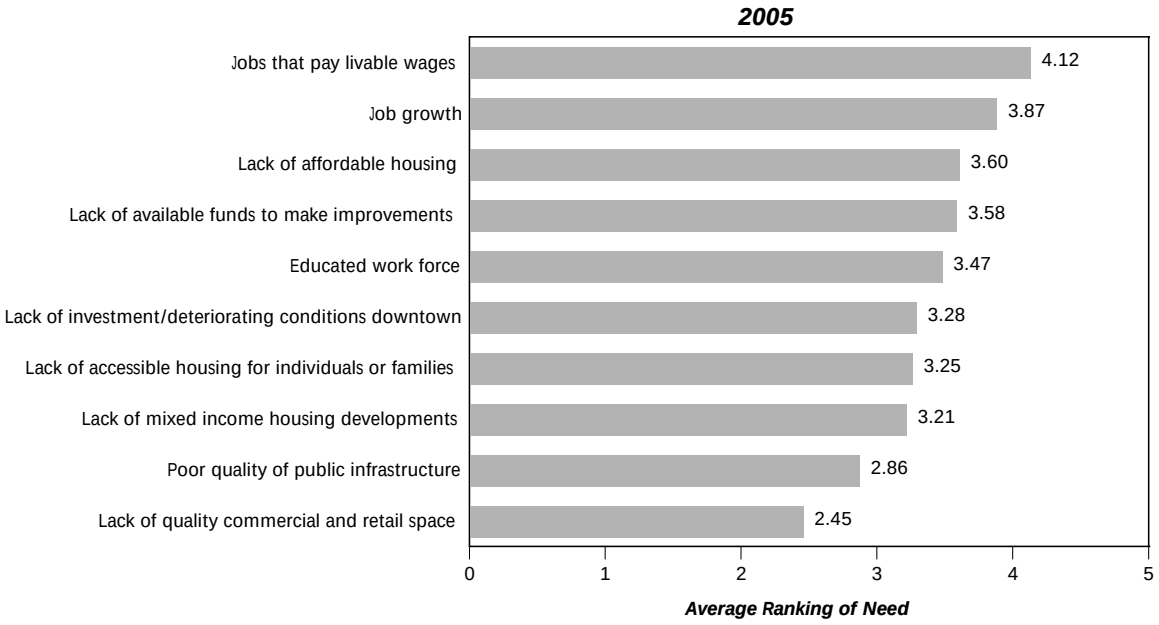
Community Development Needs	Average ranking of need 2003	2004	2005
Downtown business environment revitalization	3.29	3.41	***3.48***
Facilities/shelters for special needs populations	3.33	3.31	***3.42***
Child and adult care facilities	3.19	3.16	***3.12***
Water and sewer systems improvements	3.17	3.20	***3.10***
Community centers	2.86	2.91	***2.81***
Emergency services	2.54	2.45	***2.53***

Note: 1 = least needed to 5 = most needed.
Source: Key Person Survey, Indiana Consolidated Plan, 2003-2005.

In general, respondents indicated a need for downtown business environment revitalization, facilities and shelters for special needs populations, child and adult care facilities and water and sewer system improvements. These were very similar to the results in 2004 and 2003 and show a consistent emphasis on downtown business environment revitalization and facilities, and facilities/shelters for special needs populations.

Respondents were also asked to rank the barriers to community and economic development on a scale of one to five, with a 1 being the smallest barrier and 5 being the biggest barrier. Exhibit III-16 shows the average ranking of barriers to community and economic development.

Exhibit III-16.
Barriers to Community and Economic Development



Barriers	Average Ranking of Barrier 2003	2004	2005
Jobs that pay livable wages	4.02	4.09	***4.12***
Job growth	3.77	3.86	***3.87***
Lack of affordable housing	3.59	3.53	***3.60***
Lack of available funds to make improvements	3.47	3.55	***3.58***
Educated work force	3.54	3.48	***3.47***
Lack of investment/deteriorating conditions downtown	NA	NA	***3.28***
Lack of accessible housing for individuals or families	3.27	3.17	***3.25***
Lack of mixed income housing developments	3.15	3.18	***3.21***
Poor quality of public infrastructure	2.84	2.83	***2.86***
Lack of quality commercial and retail space	2.56	2.50	***2.45***

Note: 1 = smallest barrier and 5 = biggest barrier.
Source: Key Person Survey, Indiana Consolidated Plan, 2005.

As shown above, respondents perceive the top barriers to development in Indiana's communities as employment related: jobs that pay livable wages, job growth and education of work force are consistently ranked higher. Affordable housing and funding for improvements are also consistently identified as top needs. In 2005, an additional category was added—lack of investment/deteriorating conditions downtown—that received a moderate to high need ranking.

In the 2005 survey, 27 percent of survey respondents said that the number of jobs had increased in their communities, compared to 22 percent in 2004, 27 percent in 2003, 37 percent in 2002, and 60 percent in 2001. Fifty-seven percent of 2005 respondents said the number of jobs in their communities had decreased, compared to 54 percent in 2004, 57 percent in 2003, 50 percent in 2002, and only 26 percent in 2001.

Additionally, respondents were asked if the perception of their community has improved or declined and the reasons for any change. In the 2001 survey, 70 percent of respondent said that the perception of their community had improved during the past five years. In contrast, just 54 percent of respondents to the 2002 survey, 51 percent of the 2003 survey respondents, 56 percent from the 2004 survey, and 52 percent in 2005 said that their community's perception had improved. Exhibit III-17 shows the community perception results for 2001 through 2005.

Exhibit III-17.
Community Perception,
2001-2005

Source:
Key Person Survey, Indiana Consolidated Plan, 2001-2005.

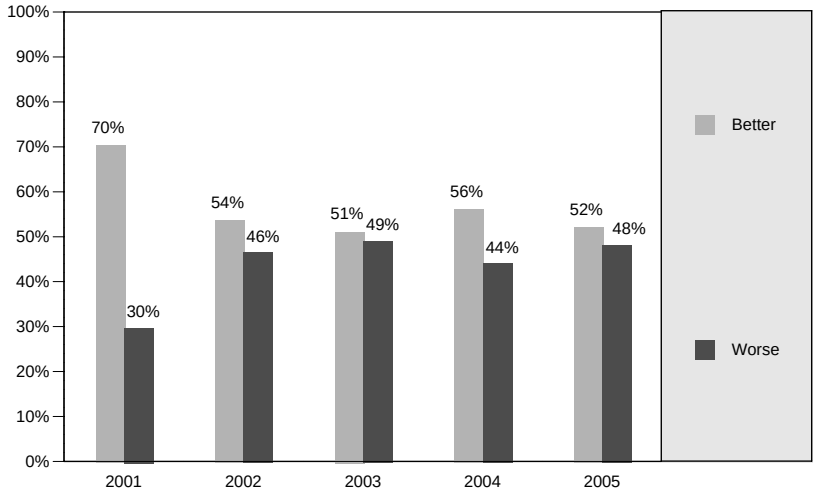


Exhibit III-18 lists the open ended responses to the question regarding community perception.

Exhibit III-18.
Has the perception of this community gotten better or worse over the last 5 years? Why?

Reasons why community has improved
* Better but still combating lost jobs. * Certain areas of the county vastly improved, others remained the same. * Community center. * Consolidated efforts of private and public entities. * Discrimination reputation is diminished. * Downtown revitalization. * Due to addition of factory. * Due to homeowner development projects, CDC operations, and real estate development for elderly housing. * Due to improved national reputation. * Due to infrastructure improvements (water, sewer, storm drain, streets, sidewalks). * Generally better due to historic preservation, better internal marketing, better government, and more collaborative efforts. * Good growth, strong uptown, strong new retail outside. * Growth in population, jobs and housing have benefited all of the community. * Growth of jobs, albeit low paying warehouse work. * Has had a slow down in economy, but is starting to come back. * Highway running through town has been redone, new city buildings including a fire station, a police station, and a court, which were needed have been built. * Housing stock slowly being rehabbed. * Improvement of electric, as well as new water tower. In October, breaking ground for new community center. Available commercial space. * Infrastructure improvements, planning and zoning. * Infrastructure improvements. Addition of two parks. Addition of industrial park. * Just pushing out "undesirables" for "prime space" which is considered better. * Large growth, more new homes being built for upper income owners. * More business is moving in. * More businesses, more jobs, attractive appearance. * More development. * More infrastructure. * More jobs and suitable housing. * More people remodeling homes. Improvements in sewage plant. * New fire house, new subdivision, community festivals have given us a better "face". * People seem to want to live in our town. * Retail growth. * Revitalization Committee has promoted business growth and community pride. * Several initiatives by the city, College, Chamber of Commerce and individuals have improved the perception of the community. * Slightly better as there has been more investment in improving housing units. * Started citizen based group to address issues. * The communities perception of itself? Probably better. Others perception of our community? Don't know. * Walking trails and University infrastructure enhancements have improved the community. * Water and wastewater improvements. * We have a new building and we got a grant to restore it. It will be a museum/library. * We have had growth in housing and jobs. * We've been having clean up days each year and also ordering buildings or older homes to be torn down. * We've focused on making improvements that the community can see.

Exhibit III-18 (continued).
Has the perception of this community gotten better or worse over the last 5 years? Why?

Reasons why community has worsened
* A lot of small businesses closed. A lot of factory jobs lost to corporate cut backs of transfers overseas. * A plant closed and we have not rebounded. * All businesses closed. * Apathy, lack of community involvement by citizens. * As far as the economic outlook, it has gotten worse. Large employers moving their manufacturing out of the country. Outsourcing of jobs has definitely impacted this community. * Bad 5 years ago, bad today, everything is just 5 years older. * Because of tearing down homes. * Because of the drug problems. * Because of the national economy. * Because of the resources that are invested outside the community after they were generated for this community. * Because the loss of a lot of jobs. * Being misled by a group of citizens with destructive intentions. * Community concerns over high water and sewer bills, parking changes. * Companies/factories close and move. * Continually becoming more dilapidated. * Due to run down housing and the city is too dirty. * East side is losing many businesses. * Elimination of many skilled and unskilled positions. * Employment (lack of decent paying jobs) and schools. * Factories closing overshadow other improvements. * Have lost some industry. * High crime rate, public official corruption, lack of investment in housing stock. * Housing is beginning to be an identified need. Substandard housing was an issue 6 - 8 yrs ago. Perception was it's cured, left alone again; deterioration again becoming evident. * Huge unemployment. * Job loss and political issues with local government. * Job loss, "not in my backyard" attitude. * Jobs, housing, taxes. * Lack of funds to help. * Lack of good paying jobs, old infrastructure. * Lack of jobs. * Loss of industry. * Loss of jobs, abandoned buildings, increase in drugs and crime, loss of population. * Loss of jobs, deteriorated downtown. * Loss of jobs. * Low income, run down town, poor home value due to other homes being of poor conditions. * Mayor doesn't want low income people in our community. * Our city has a high tax rate and a lack of vision and leadership. * Our sewer rates increased because of sewer improvements in the future. We have lost our bank, store, gas stations. We only have a post office and school, and that may be lost also in the years ahead. * Perception is worse due to huge losses in higher paying manufacturing jobs. * Permanent jobs that pay a wage appropriate to meet a family's needs do not exist 90% of time. * Poor school system. High crime incidence.

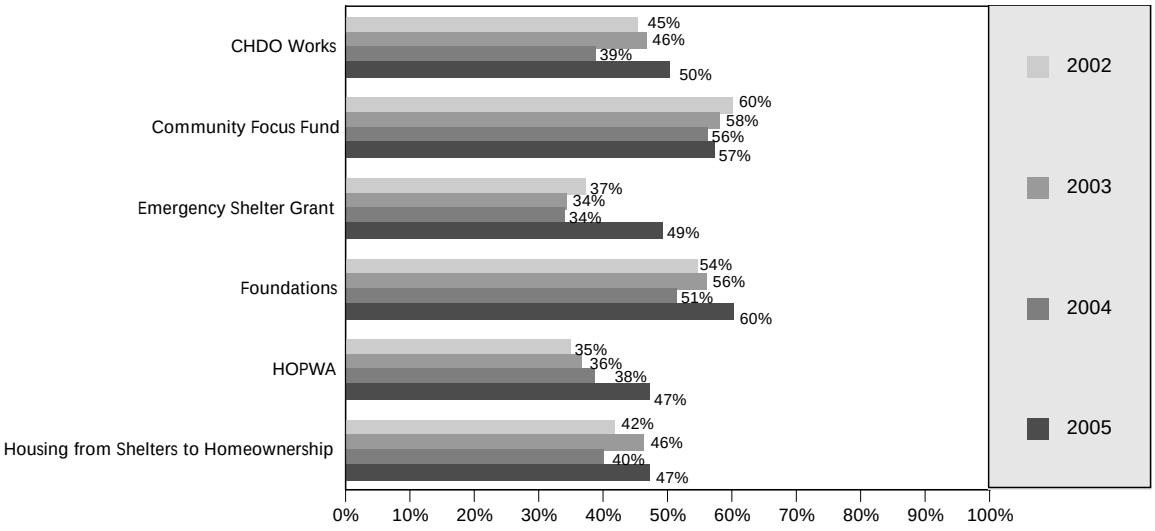
Exhibit III-18 (continued).
Has the perception of this community gotten better or worse over the last 5 years? Why?

Reasons why community has worsened
* Perception is that too many people have located here without adequate resources to pay rent and utilities and do not have means of transportation to even look for work and then to get to work if they do get a job. * Severe drug abuse, majority of citizens poor and elderly. * Sewer system. * Somewhat worse due to large industry closings. * Stagnant population, schools losing students and not performing well, good paying jobs declining. * State has no money so it has gotten worse. * Streets have run down and there is a great need for downtown businesses. * The perception is that community is looking run down - has gotten worse. * We have had two factories close their doors. A lot of layoffs at factories. It has gotten worse. * We have lost quite a few jobs by business closings. * We have one of the worst unemployment rates in the state. * We just don't have the funds to improve the community. * We see our higher wage jobs leaving and being replaced by lower pay service jobs, but housing, utilities and cost of living don't decrease. * With the advent of local tax issues, decline of the "rust belt" and one dimensional economic base.

HUD Grant Programs

The final survey questions solicited information about awareness and use of the State's HUD grant programs, administered by the Indiana Office of Rural Affairs, the Indiana Housing Finance Authority, and the Family Social Services Administration. Exhibit III-19 shows community awareness of survey respondents for six programs funded by CDBG, HOME, HOPWA and ESG funds.

Exhibit III-19.
Awareness of Federal Programs



Source: Key Person Survey, Indiana Consolidated Plan, 2002-2005.

Compared to 2004, respondents in 2005 have a higher awareness of HOPWA, ESG, CHDO Works, Foundations and Housing from Shelters to Homeownership. Additionally, respondents had *slightly* lower awareness of the Community Focus Fund program.

Citizen Survey

A citizen telephone survey was conducted in October 2004 of 300 residents living within nonentitlement areas in the State of Indiana. The households selected for the survey were chosen through a random digit dial process. Davis Research, a telephone survey firm in California, fielded the survey. The survey included enough households to ensure statistical significance—that is, the survey was representative of the experiences and opinions of the State's households overall who live in nonentitlement areas.

A second, almost identical, survey was conducted by mail. The survey was sent to targeted housing and social service organizations in the State, including public housing authorities. The organizations were asked to have five of their clients complete the surveys. The survey respondents could complete the surveys on a hard copy or through an Internet web page; all elected to complete the hard copy. The reason for this survey was to receive input from people who are low-income, may have special needs and who are typically underrepresented in public outreach efforts.

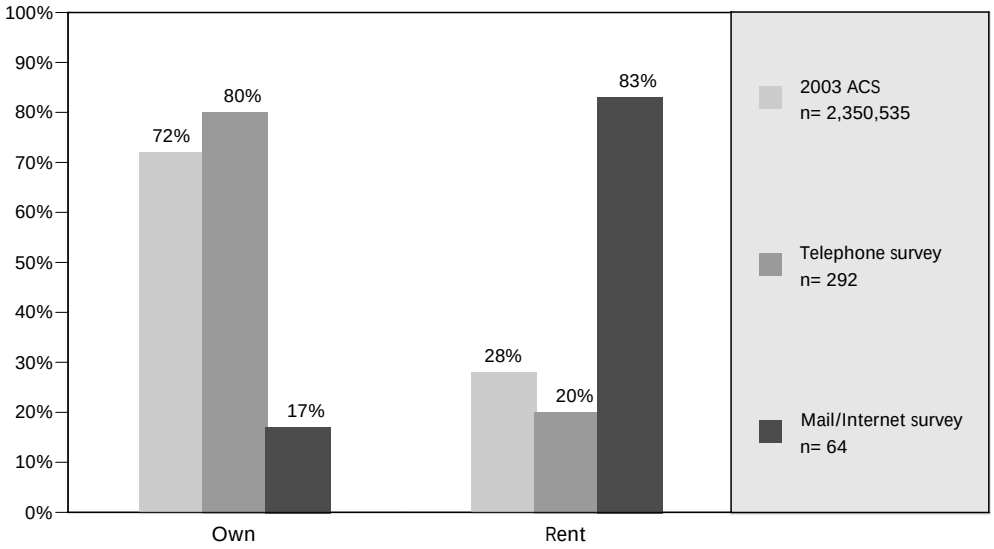
The surveys included questions about residents' current housing situations, the needs of their neighborhoods, if they had ever been homeless and if they had experienced housing discrimination.

Telephone surveys were completed in approximately 190 cities/towns or counties throughout the State of Indiana and mail/Internet surveys were completed in 29 different cities/towns.

Survey respondent characteristics. The demographic and socioeconomic characteristics of the survey respondent populations were compared to similar characteristics of Indiana residents gathered from the U.S. Census Bureau's American Community Survey (ACS), which presents data on the State from 2003. The comparison identified differences and similarities between the survey samples and the overall population of Indiana.

Tenure. As shown in Exhibit III-20, owners represent 80 percent of respondents in the telephone survey sample, which is higher than the 72 percent of housing units that were owner occupied in Indiana according to the 2003 ACS. Just 17 percent of the mail/Internet respondents were owners. Lower homeownership for the mail/Internet respondents was expected since this survey targeted very low-income populations.

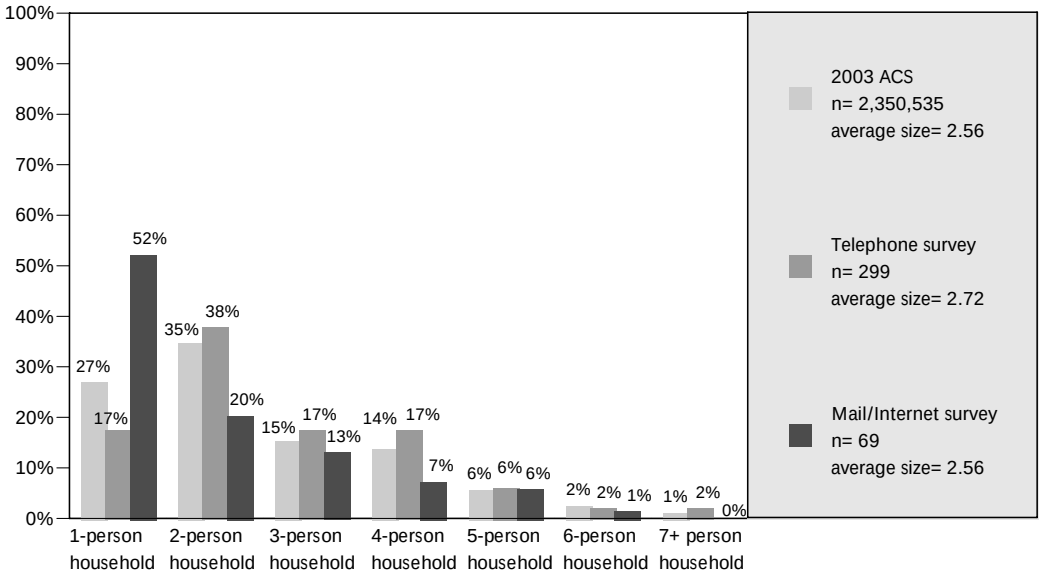
Exhibit III-20.
Renter/Owner Status of Survey Respondents



Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet, and 2003 American Community Survey U.S. Census Bureau.

Household size. According to the 2003 ACS, Indiana's average household size was 2.56 persons per household. This is the same as the mail/Internet survey respondents and slightly lower than the telephone survey respondents average household size of 2.72. Exhibit III-21 shows over one-third of the Indiana survey respondents' households were 2-person households. Over half of the mail/Internet survey respondents lived in a 1-person household and there were no respondents with more than 6 people in their household.

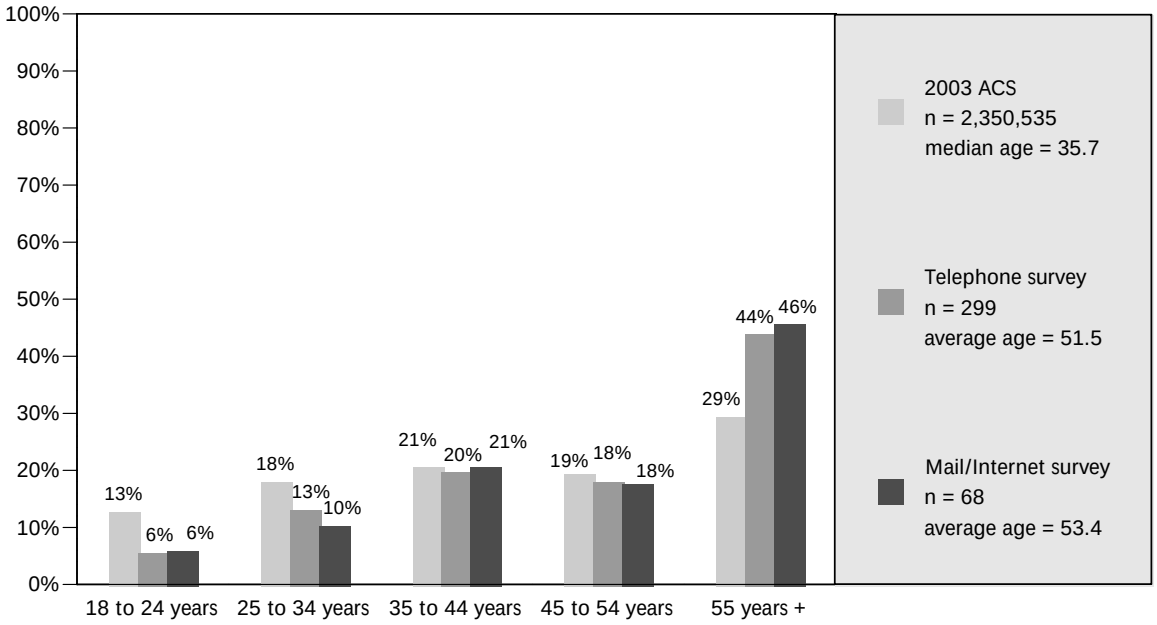
Exhibit III-21.
Household Size of Survey Respondents



Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet, and 2003 American Community Survey U.S. Census Bureau.

Age. Both survey samples captured a smaller percentage of persons aged 18 to 24 years and 25 to 34 years, and a larger percentage aged 55 years and over than the State overall. The remaining age categories of the telephone survey and mail/Internet survey are representative of Indiana, as shown in the following exhibit.

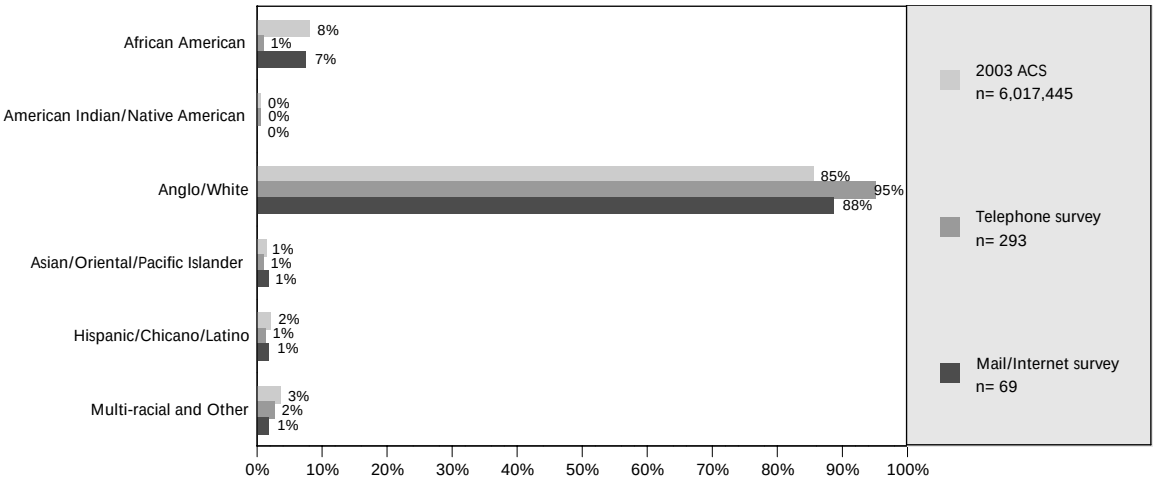
Exhibit III-22.
Age of Survey Respondents



Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet, and 2003 American Community Survey U.S. Census Bureau.

Race and Ethnicity. As shown in Exhibit III-23, the percentage of telephone survey respondents who indicated their race as White was higher than the percentage of Indiana residents who were White overall, according to the ACS. However, the ACS data include entitlement areas and the State's entitlement areas have heavier minority representation. The mail/Internet survey respondents were more representative of the State's racial and ethnic composition because the survey was sent to targeted housing and social service organizations in the State who were then asked to have five of their clients complete the surveys. Therefore, there may be a higher percentage of minority clients who are served by these organizations. These factors account for the lower percentage of telephone survey respondents who indicated they were African American as compared to the ACS and the mail/Internet survey.

Exhibit III-23.
Race and Ethnicity Composition of Survey Respondents

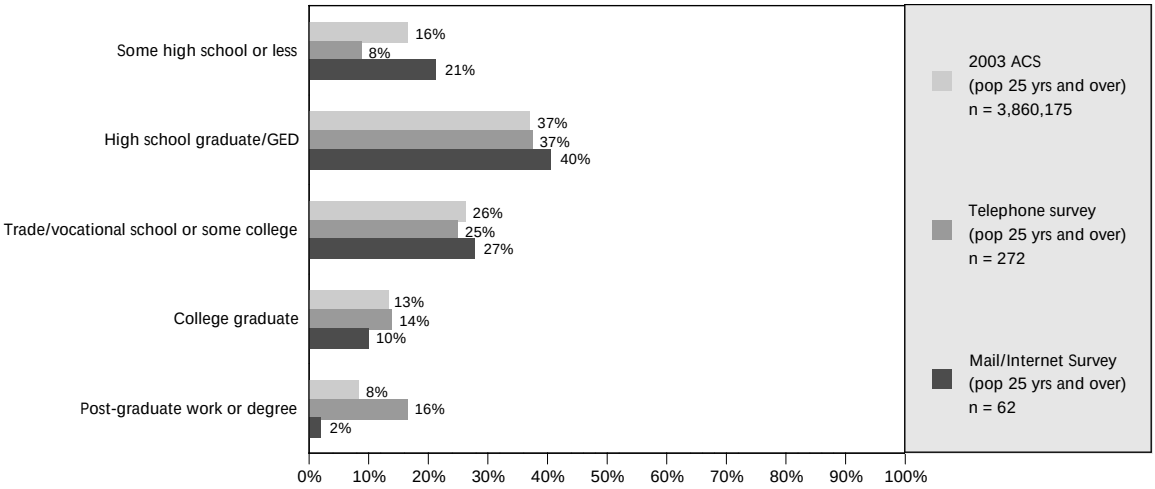


Note: The Hispanic/Chicano/Latino population when figured as a race is people who called themselves a Hispanic White, alone.

Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet, and 2003 American Community Survey U.S. Census Bureau.

Education. The telephone survey has a higher percent of respondents who have done post-graduate work or who have earned a post-graduate degree than the Statewide population and the mail/Internet survey respondents. As shown in Exhibit III-24, people who have done post graduate work or who have earned a degree represent 16 percent of the telephone survey sample compared to 8 percent of Indiana's population and 2 percent of the mail/Internet respondents.

Exhibit III-24.
Educational Attainment of Survey Respondents

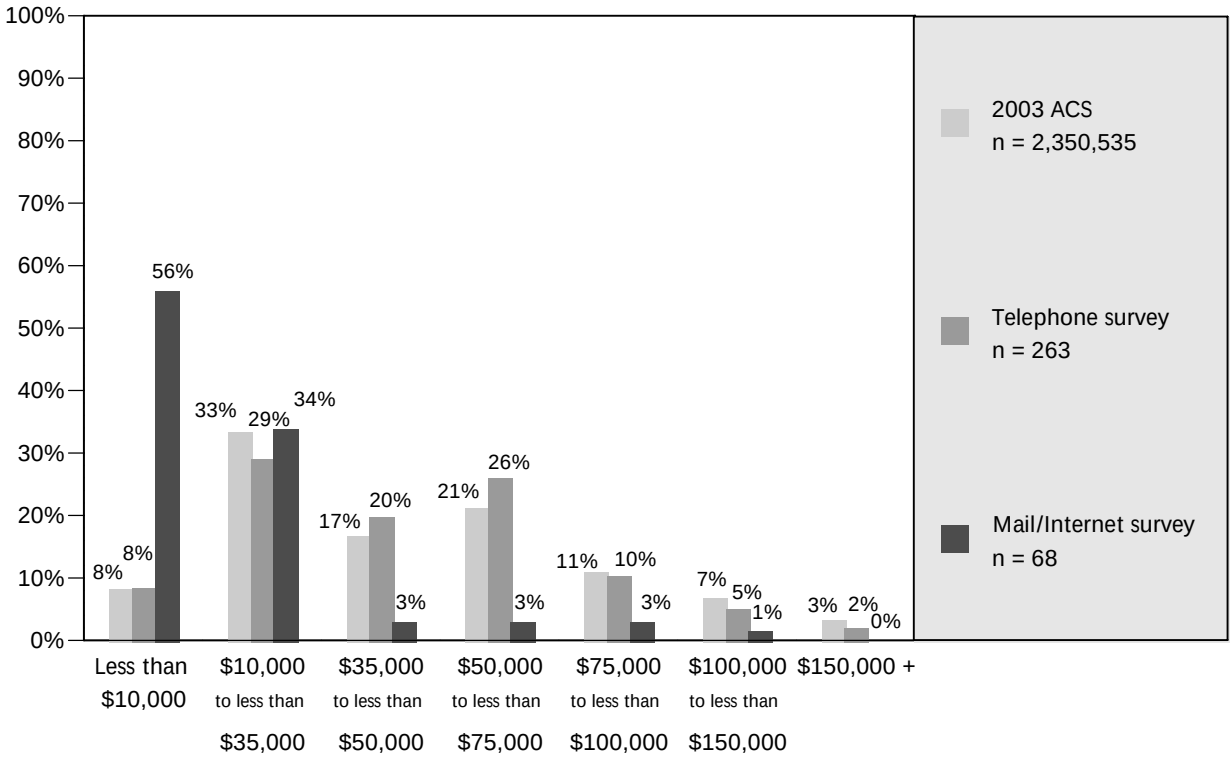


Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet, and 2003 American Community Survey U.S. Census Bureau.

Household income. Telephone survey respondents were less likely to provide information about their household income than other demographic and socioeconomic information; 12 percent did not answer the income question in the telephone survey. (Respondents to surveys are typically more reticent about providing income information than other types of demographic and socioeconomic information. Refusal rates are usually upwards of 20 percent.) Of telephone survey respondents who did provide this information, 43 percent had incomes of $50,000 or greater.

In general, the income distribution of respondents to the telephone survey was similar to the State overall, according to ACS data. In contrast, 90 percent of respondents to the mail/Internet survey earned less than $35,000 and over half of respondents earned less than $10,000. This is to be expected, as the mail/Internet survey was intentionally biased toward low-income populations. The following exhibit compares income data from the telephone survey sample, the mail/Internet survey sample and the Census population.

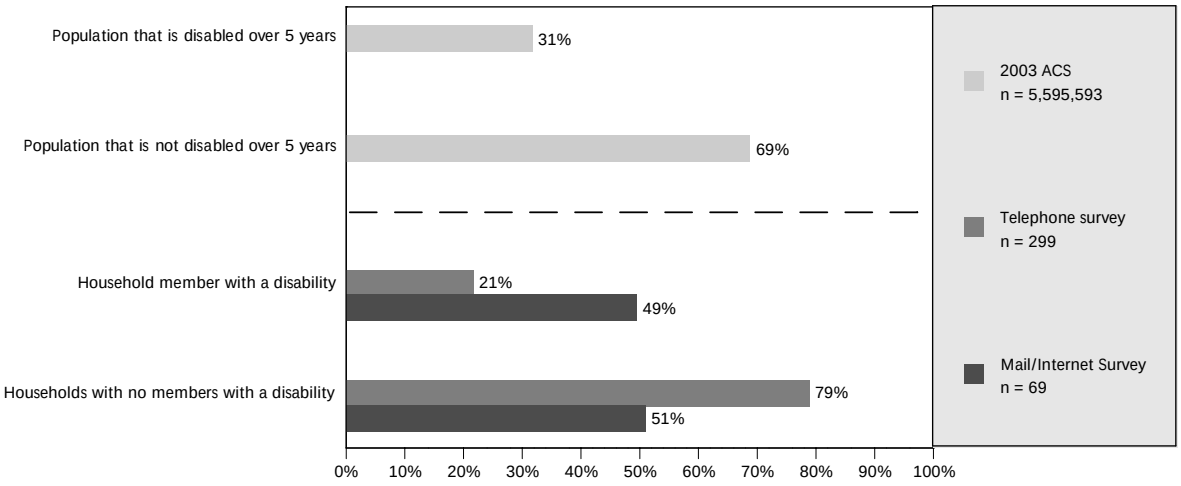
Exhibit III-25.
Household Income



Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet, and 2003 American Community Survey U.S. Census Bureau.

Disability. Exhibit III-26 compares the percentage of survey respondents who said they or a member of their household has a disability. The ACS does not report the number of households that have a member with a disability (only the percentage of the population); therefore the survey data and the ACS data cannot be compared directly.

Exhibit III-26.
Disability of Survey Respondents



Note: The 2003 ACS does not report the number of households with a member who has a disability. Therefore, the population who is disabled over the age of 5 years is shown.

Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet, and 2003 American Community Survey U.S. Census Bureau.

The data show that the mail/Internet survey successfully captured a disproportionate percentage of persons who are disabled as was intended: almost half of the mail/Internet survey respondents said they or a member of their household had a disability compared to the telephone survey response rate of 21 percent.

HIV/AIDS. There was only 1 telephone survey respondent (0.33 percent) and 2 mail/Internet survey respondents (3 percent) who said either they or a member of their household has HIV or AIDS. According to the Indiana State Department of Health there are currently 7,072 persons (0.12 percent) living in Indiana with HIV disease.

Currently homeless. Survey respondents were also asked if they had a permanent place to live. Eight respondents to the telephone survey, or 2.7 percent of all respondents, said they did not have a permanent place to live and three of them said they were currently homeless. This compares to four respondents to the mail/Internet survey, or 5.4 percent, who said they did not have a permanent place to live; none said they were currently homeless.

The persons who were homeless at the time the survey was taken gave the reasons they had become homeless. These included: getting fired; becoming sick and couldn't work; and moving out when they were young and making some bad choices.

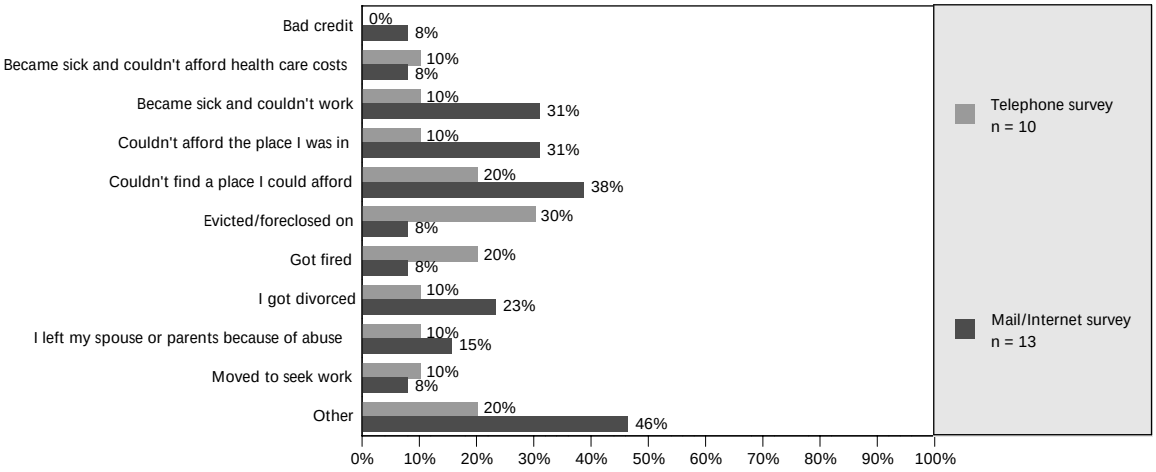
To have avoided becoming homeless the respondents said they would have needed a temporary place to live, childcare, and to have stayed in school.

Have been homeless. The surveys also asked respondents if they have ever been homeless. Three percent (10 respondents) of the telephone survey respondents answered they had been homeless before. Almost twice as many—19 percent (13 respondents)—of the mail/Internet survey said they have been homeless before.

The average length telephone respondents were homeless was 9 months, with the shortest period being 1 month and the longest period being 4 years. The mail/Internet respondents were homeless an average of 4.4 months, with the shortest period being 1 month and the longest period being 1 year.

Exhibit III-27 lists the reasons survey respondents became homeless. The top reasons why respondents became homeless were they were evicted/foreclosed on, couldn't afford the place they were in, and became sick and couldn't work or got fired.

Exhibit III-27.
Reasons For Homelessness



Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

Eighty percent (8 respondents) of the telephone respondents who have been homeless had a member of their household with a disability. Sixty-two percent of mail/Internet survey respondents (also 8 respondents) who had been homeless had a member of their household with a disability. Although the number of respondents who answered this question in both the mail/Internet and telephone survey is too low to suggest statistical validity, the data suggest that people who have been homeless are disproportionately likely to have a disability.

Housing. As discussed previously, 80 percent of telephone survey respondents were owners and 17 percent of the mail/Internet respondents were owners. The 2003 ACS reported 72 percent of Indiana housing units as owner occupied.

The following exhibit shows the type of housing the survey respondents live in. Eighty-two percent of telephone survey respondents live in single family homes and 8 percent in apartments. This compares to 33 percent of the mail/Internet survey respondents who live in single family homes and 57 percent in apartments. A comparison between the percentage of mail/Internet survey respondents who live in single family homes (33 percent) and the percentage who are owners (17 percent) suggests that many of the mail/Internet respondents rent single family homes.

Exhibit III-28.
Type of Housing Respondents Currently Live In

	Telephone survey n = 300		Mail/Internet Survey n = 69	
Apartment	24	8%	39	57%
Condo/townhome	10	3%	2	3%
Currently homeless	3	1%	0	0%
Mobile home	15	5%	2	3%
Single family home	246	82%	23	33%
Transitional housing	0	0%	2	3%
Other	2	1%	1	1%
Total	***300***	***100%***	***69***	***100%***

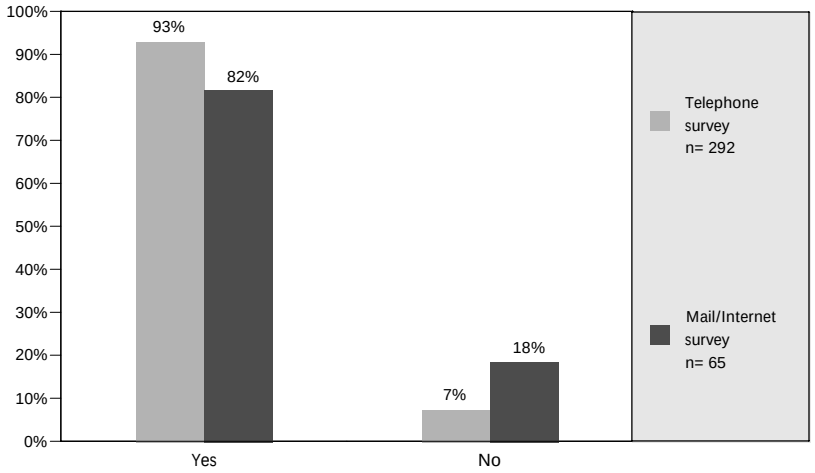
Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

Satisfaction with housing. Ninety-six percent of the telephone survey respondents said they were satisfied with their current home or apartment compared to 88 percent of respondents from the mail/Internet survey. The top three reasons why people were not satisfied with their home for both surveys were the home/apartment is in poor condition, it is too small and the rent/mortgage is too expensive.

Housing affordability. The survey respondents were also asked about their ability to pay for their housing. As shown in Exhibit III-29, 93 percent of the telephone survey respondents said they could afford to pay for their housing and 82 percent of the mail/Internet respondents said they could afford their housing. The 2003 ACS reported that 26 percent of Indiana's households were cost burdened, which means these households spent 30 percent or more of their household income on housing. Therefore, the telephone and mail/Internet respondents were more likely to be able to afford their housing—or at least to perceive that it is affordable—compared to affordability statistics for the State overall.

Exhibit III-29.
Can You Afford to Pay for Your Housing?

Source:
2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

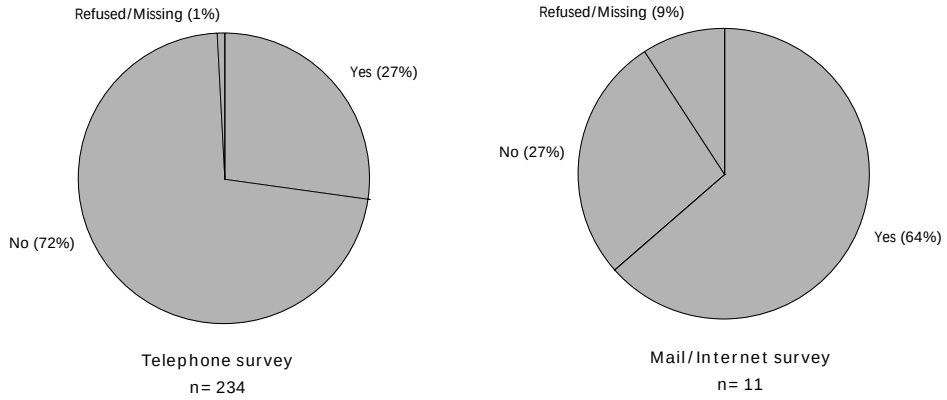


Of those who responded they could not afford their housing, the top thing they do to make sure they pay their mortgage/rent was to not go out too much, while some work more than one job, skip meals, don't get needed health care, and/or some don't make needed housing repairs.

Four percent (11 respondents) of the 300 telephone survey respondents received housing assistance from the government to help them pay their mortgage/rent at the time the survey was conducted. This compares to 62 percent (42 respondents) of the 69 mail/Internet respondents who received assistance.

Housing condition. Of the 234 owners from the telephone survey, over one-fourth (27 percent) said there were repairs/improvements that have not been made to their house. This compares to 64 percent of mail/Internet survey respondents who said there were repairs and/or improvements to their homes that have not been made.[3] Exhibit III-30 shows these results.

Exhibit III-30.
Are There Repairs/Improvements That You Have Not Made to Your House?



Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

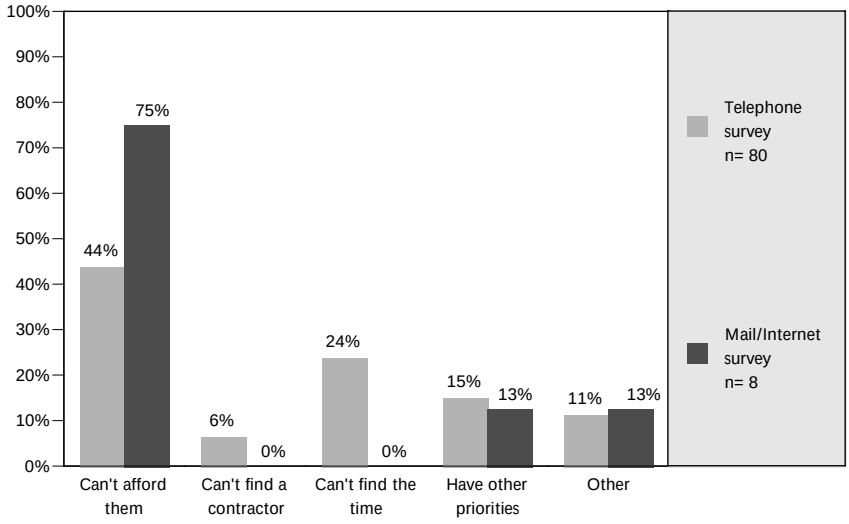
[3] Due to a possible misunderstanding of the survey questions, there were more respondents answering the questions meant only for "owners" than were owners. Only the respondents who indicated they were owners were used for the questions pertaining only to owners.

Of these respondents who have not made needed repairs/improvements, 22 percent of the telephone respondents and 71 percent of the mail/Internet respondents earned less than $35,000.

The top reason for not having made needed repairs/improvements for both the telephone and mail/Internet survey respondents was that respondents "cannot afford them." Exhibit III-31 shows the reasons repairs were not made.

Exhibit III-31.
Why Haven't You Made the Needed Repairs/Improvements to Your House?

Source:
2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,



The top repairs/improvements the telephone respondents need included windows/doors, painting and roofing. Of these respondents, 30 percent earned an income less than $35,000 and windows/doors and roofing repairs were the most common needed repairs.

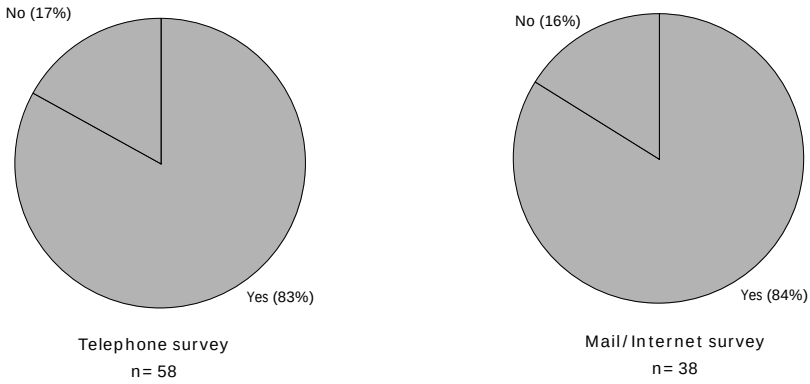
The mail/Internet respondents said they needed to repair/improve their flooring, roofing and windows/doors. Sixty-eight percent of these respondents earned less than $35,000.

Renters were asked if their landlord made repairs promptly when needed. Eighty-three percent of telephone survey respondents and 84 percent of mail/Internet survey respondents said that their landlords make repairs promptly, as shown in Exhibit III-32.[4]

[4]Due to a possible misunderstanding of the survey questions, there were fewer respondents answering the questions meant only for "renters" than there were renters. This is reflected in the lower number of respondents for the questions pertaining only to renters.

Exhibit III-32.
Does Your Landlord Make Repairs Promptly When Needed?

Source:
2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,



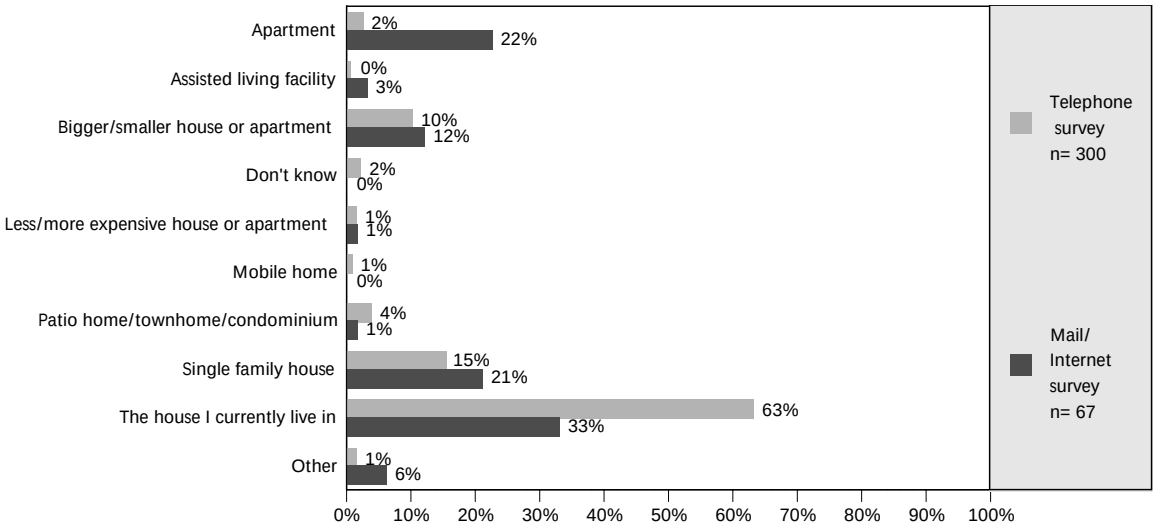
Over 70 percent of the telephone survey renters whose landlords did not make repairs promptly were lower income, earning less than the 2003 ACS-reported median household income for the State of $42,067. The mail/Internet survey percentage was slightly higher, with 80 percent of the renters whose landlords did not make repairs promptly earning less than Indiana's median household income.

The survey respondents were also asked about what repairs/improvements they needed to make most to their rental units. There was no one repair that received the majority of responses from the telephone survey. The mail/Internet survey respondents needed painting, window/doors, and heating repairs completed.

Future housing demand. Survey respondents were also asked what type of housing they would like to be living in 5 years from now. Sixty-three percent of the telephone survey respondents said they would like to be living in the house they currently live in. Most of these respondents were owners (93 percent). The next most popular housing types were a single family home and a bigger/smaller house or apartment.

Mail/Internet survey respondents want to stay in their current housing (33 percent), move into an apartment (22 percent) or move into a single family home (21 percent). Exhibit III-33 shows the results from both surveys on where respondents would like to be living in 5 years.

Exhibit III-33.
Type of Housing Respondents Would Like to be Living In 5 Years from Now



Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

Over two-thirds of the telephone survey respondents who were renters said they would prefer to own a house or a condominium/townhome, while the remaining one-third would like to continue renting. This compares to just over one-third of the mail/Internet respondents who would like to own a house and 57 percent who would prefer to continue renting. The following exhibit shows these results.

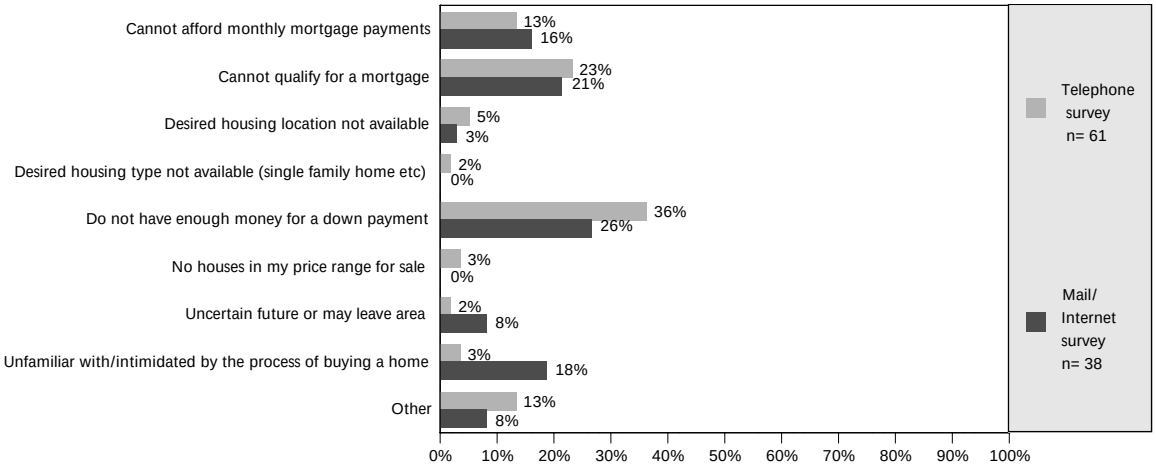
Exhibit III-34.
Would You Prefer to Continue Renting or to Own a House, Condominium or Townhome?

Source:
2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

Prefer to:	***Telephone survey n = 58***		***Mail/Internet Survey n = 35***	
Own a condominium/townhome	2	3%	1	3%
Own a house	37	64%	13	37%
Own a mobile home	1	2%	1	3%
Rent	18	31%	20	57%
Total	***58***	***100%***	***35***	***100%***

Several of the most common barriers to owning a home for telephone respondents included not having enough money for a downpayment, not qualifying for a mortgage, being intimidated by the home buying process, and not being able to afford monthly mortgage payments. The mail/Internet survey had similar responses compared to the telephone survey, as shown in Exhibit III-35.

Exhibit III-35.
What Are Some of Your Current Barriers to Owning a Home or Condo/Townhome or Mobile Home?

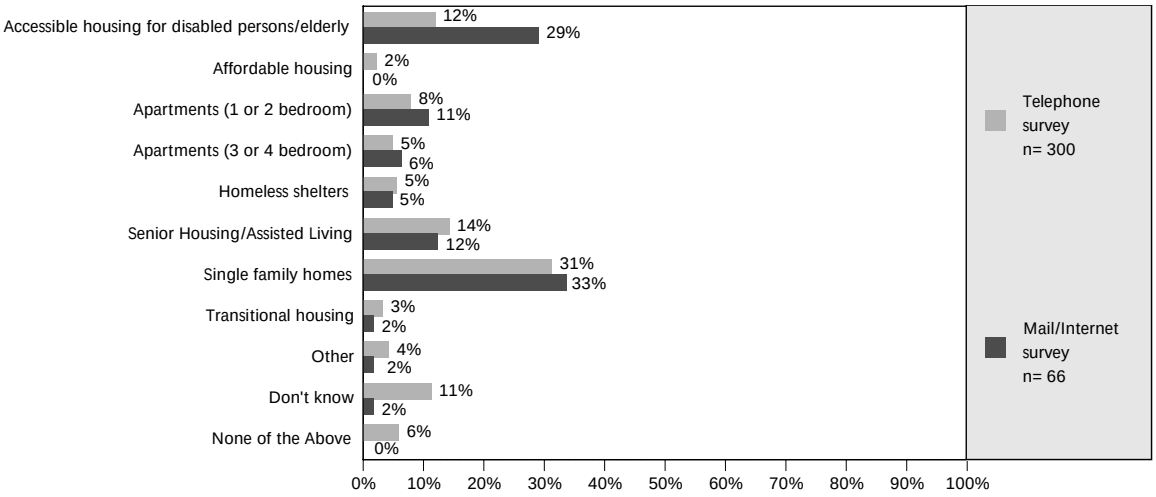


Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

Seven of the telephone survey respondents who were renters said they had tried to get a loan for a home or condo/townhome and couldn't. The top two reasons why they could not get a loan included having poor credit and not enough credit to get a loan. Only two mail/Internet respondents out of 16 tried to get a loan and could not. The reasons they could not get a loan included poor credit, not enough credit, and their debt to income ratio was too high.

Housing needs in community. In addition to asking about their individual needs, the survey respondents were asked about the needs in their communities. As shown in the following exhibit, single family homes were identified by both types of survey respondents to be the housing type most needed. The second highest type of housing needed was identified by the mail/Internet respondents and was accessible housing for disabled/elderly persons.

Exhibit III-36.
Type of Housing Most Needed in Your City/Town/Area of Residence



Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

Finally, survey respondents were asked to choose two ways in which they would spend $1 million to improve their community. Both the telephone survey and mail/Internet respondents said they would spend their $1 million bringing jobs to their area, building more housing for persons who are disabled and/or seniors, and build child care centers and more single family affordable housing.

Exhibit III-37.
How Would You Spend $1 million Dollars to Improve Your Community?

	Telephone survey n = 550		***Mail/Internet Survey n = 126***	
Build child care centers	75	14%	7	6%
Build community/senior centers	29	5%	8	6%
Build housing for persons who are disabled and/or seniors	97	18%	23	18%
Build more affordable rental housing	50	9%	10	8%
Build more homeless shelters	35	6%	8	6%
Build more single family affordable housing	69	13%	23	18%
Fund a public bus system	16	3%	9	7%
Help bring jobs to my city/town	106	19%	26	21%
Help my city improve public safety	28	5%	4	3%
Improve my neighborhood	17	3%	3	2%
None of the above	12	2%	0	0%
Other	13	2%	5	4%
Don't know	3	1%	0	0%
Total	***550***	***100%***	***126***	***100%***

Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

Key Person Interviews

To collect additional information from citizens about Indiana's housing and community development needs, interviews with key persons who are knowledgeable about the housing and community development needs in the City were conducted. These key people included housing developers, real estate professionals, community service providers, advocates and others. The interviews provided information about the housing market in general, the top housing and community development needs in the City and the needs of special populations.

The information from the forms and interviews is summarized here and has been integrated into the other sections of the Consolidated Plan. A list of the individuals interviewed and the organizations they represent are listed Appendix C.

Can most of your clients afford to buy a home that's suitable for them? For those who can't, what is the tradeoff (size, quality, just keep renting, etc.)?

- Most clients cannot afford to buy a home that's suitable for them (21)
- The most consistent tradeoff is that the person continues to live with family or family member (7)
- Some clients take on loans they can't afford to try to make ends meet (4)
- Some clients also stay in group homes that are too small, or just do not meet needs (4)
- Some clients have to go with out medicines or other needs to be able afford a home or even continue to pay rent (1)

Are your clients able to afford housing rehabilitation and maintenance? Are renters generally able to get landlords to make needed repairs?

- There has been major problem of landlords being neglectful (14)
- Some are able to receive rehabilitation through the places they go to for help (12)
- Most cannot afford rehabilitation and maintenance. (11)
- Very few stated that landlords did make the repairs and maintenance (6)
- Some organizations make sure that landlords are available for repair (2)

What type of housing is most needed by your clients? What groups of people are in the greatest need of housing?

- Greatest housing needs included housing for persons with disabilities, minorities, and large families. (31)
- Housing that is affordable for people of low-incomes (22)

- Most respondents stated that there was a need for affordable single family homes (16)
- Affordable rental housing (7)

What are the greatest housing needs Statewide and/or in the area you serve?

- Non-congregate housing (people want to live on own) (9)
- Low income individual homes (6)
- Housing for persons with disabilities 6)
- Affordable housing for seniors (6)
- Need more areas to build affordable housing for those who need it (4)
- Larger affordable homes for those with large families (3)
- More affordable housing close to cities so people can get out to do a variety things such as grocery shop (1)
- To assist homeowners with home repairs (1)
- Housing for persons earning less than 30 percent AMI (tax credit properties do not serve) (1)
- More land with infrastructure to develop (1)
- Increased assistance with operating costs for affordable housing developers (1)
- New construction of multifamily units, especially for 2-3 bedrooms (1)
- Expand the home repair program, especially to assist the elderly households (1)

What demand are you aware of for special needs housing, serving as physically or developmentally disabled persons? Seniors? Homeless?

- The most consistent answer was that there a large need for housing for those who are disabled (18)
- Most shelters for homeless meet the needs of the area because clients are there on a short time stay basis (4)

What State policies would you change to increase housing affordability? What State policies would you change to address the community/economic development needs in your area?

- Better allocation of money (6)
- More money for all types of shelter such as family shelters and battered women's shelters (4)
- Make it possible to tear down old buildings and put up new ones (4)
- Concern about burden of property tax of elderly home owners (2)
- Revised approach for homebuyer education (1)
- Less modular housing because of fire hazards (1)
- Provide more flexibility in tax programs (1)

What is the greatest community and/or economic development needs in the area you serve?

- Need higher wages, or better paying jobs (8)
- More community outreach and education programs (8)
- Need for transportation in rural areas (7)
- Affordable housing for seniors (4)
- Jobs are available, but the quality of jobs is not good (2)
- Help for people who want to start small business (no support) (1)
- Bad roads and bad sewers were a problem in one community (1)
- Educate the young people (high school age) about housing programs offered by agencies in the State (1)
- Homebuyer education and homeowner counseling on a more permanent basis (1)

If you were given unlimited authority and a large pot of money to fix a need in your area, what would you do on your first day? What would be your top priorities? What would you spend money on, and how much (in general terms)?

- Build individual homes, as well as some special needs group homes (9)
- Fix up older properties (6)
- Tear down old housing units and build new ones (4)

- More affordable housing, and/or free temporary housing for homeless (4)
- Help with credit history (3)
- Outreach to providers to show need of housing for persons with disabilities and other groups in need (2)
- Call together "key players" and get plan for accessible housing (2)
- Purchase of furniture for clients' housing (1)
- Education on personal finances (1)
- Purchase land to build low-income quality sub divisions (1)

What are the potential barriers to affordable housing developing in your area (e.g. market forces, infrastructure needs, State or local policies, community perceptions)?

- All of the above examples (12)
- Lack of money (7)
- Lack of availability of housing and space for housing (6)
- Lack of land for building (4)
- Community perceptions are a major problem, because groups of neighbors believe property values will go down if housing is built for minorities or those with disabilities (3)
- Market forces (3)
- High single family housing prices (3)
- High rental rates (2)
- Local policies prevent building affordable housing (1)

Are there areas in your city/town that are lacking certain community services? If so, where are they and what types of services are lacking? (Transportation, social services, quality schools, health care, financial institutions, parks and recreation facilities).

- Most organizations in rural areas said there is a major problem with transportation (7)
- Secondary concerns are health care facilities and parks/recreational facilities

Are homebuyers able to secure adequate financing (in terms of interest rates and down payment requirements)? If not, what are the biggest barriers to not being able to obtain adequate financing? (Examples: credit history, carrying too much debt, incomes too low, inadequate down payment, lenders too conservative, lending discrimination).

- The main problem is low incomes and lack of credit or no credit (15)
- Most are not able to secure adequate financing without help (13)
- Bad credit history of low-income populations (6)
- Access to a local bank is a major problem (4)
- Lack of knowledge about how to receive financing (2)

SECTION IV.
Housing Market Analysis

SECTION IV.
Housing Market Analysis

This section addresses the requirements of Sections 91.305 and 91.310 of the State Government contents of Consolidated Plan regulations. In contrast to the Housing & Community Development Needs section (Section III), which contains a qualitative assessment of housing and community development conditions, this section is quantitative in nature. Sections III and IV should be read together for a complete picture of housing and community development needs in the State.

Methodology

This analysis of housing market conditions includes data from the 2000 Census, data from the American Community Survey's (ACS) Summary Tables and Public Use Microdata (PUMS). The Summary Tables and PUMS data sets are both produced by the U.S. Census and released annually for large geographical areas, such as states. These data sets provide similar data to that found in the 2000 Census. The data are from ongoing surveys that will ultimately replace the long form survey used in prior Censuses.

The ACS uses three modes of data collection—mail, telephone and personal visit—and is given to a sample of the population during a three-month period. The profile universe is currently limited to the household population and excludes the population living in institutions, college dormitories, and other group quarters. The group quarters population will be included starting with the 2005 data when the ACS begins full implementation. Data are based on a sample and are subject to sampling variability.

PUMS data show the full range of responses made on individual surveys—e.g., how one household or member answered questions on occupation, place of work, and so forth. The files contain records for a sample of all housing units, with information on the characteristics of each unit and the people in it. PUMS data allow a more detailed analysis of the Census survey data than is available from the ACS Summary Tables and 2000 Census tables.

This section also contains the results of a mail survey of Public Housing Authorities (PHAs) in non entitlement areas in the State. The survey asked about Section 8 Housing Choice (HC) voucher usage by individual housing authorities, and was administered twice in 2004: once in February/March (for the 2004 Consolidated Plan Update) and once in September (for the Five-Year Plan).

Housing Types

There were approximately 2.65 million housing units in the State in 2003, according to the U.S. Census Bureau's ACS. This was an increase of approximately 119,000 housing units (4.7 percent) from 2000. Approximately 64 percent of these units were owner occupied, 25 percent were renter occupied and 10 percent were vacant. Of the 2.35 million units that were occupied, 72 percent were owner occupied; 28 percent were renter occupied.

According to the Census Bureau's annual survey, the State's homeownership rate in 2003 was 71.8 percent – much higher than the national homeownership rate of 66.8 percent. Indiana was one of eleven states (Indiana tied for 10th place with Pennsylvania) with homeownership rates of 71.8 percent or higher in 2003.

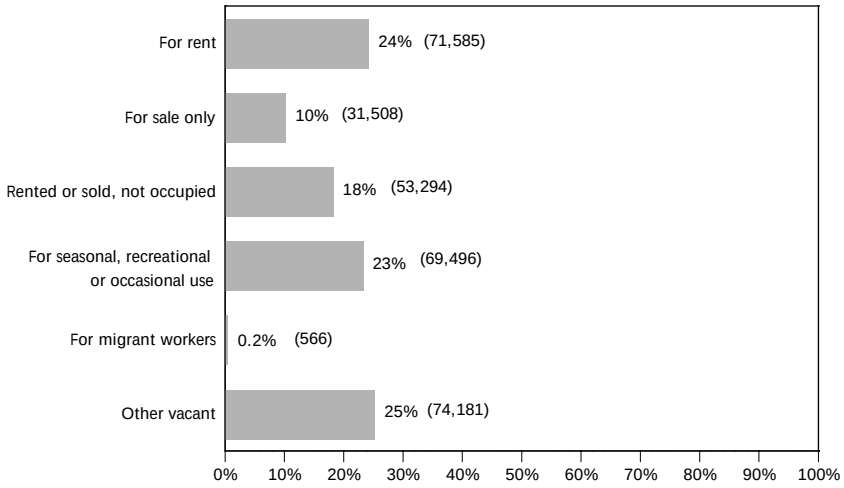
Vacant units. The 2003 statewide homeownership vacancy rate was estimated by the Census Bureau's ACS to be 1.8 percent. The 2003 rental vacancy rate was estimated at 9.8 percent, which is lower than the rate in 2002 (11.2 percent), but higher than in 2000 and 2001, and above the 8.1 percent average rate over the previous 15 years.

In 2003, over half of all vacant units in the State (52 percent) consisted of owner or renter units that were unoccupied and mostly for sale or rent. Another 23 percent consisted of seasonal units, while 25 percent of units were reported as "other vacant." The Census reported that 566 units were designated for seasonal workers and vacant at the time the Census was taken. Other vacant units included caretaker housing, units owners choose to keep vacant for individual reasons and other units that did not fit into the other categories.

Exhibit IV-1 shows the vacant units in the State by type.

Exhibit IV-1.
Vacant Units by Type
in Indiana, 2003

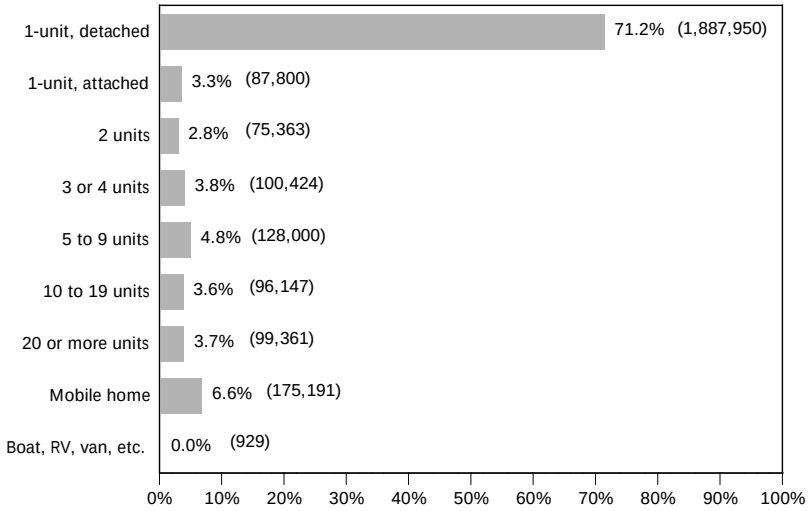
Source:
U.S. Bureau of the Census, 2003 American Community Survey.



Composition of housing stock. Data from the 2003 ACS indicate that most housing in Indiana (71 percent of units) was made up of single family, detached homes. Over 77 percent of units were in structures with two or fewer units, with only 16 percent in structures with 3 units or more and 7 percent of units defined as mobile homes. Exhibit IV-2 presents the composition of housing units in the State.

Exhibit IV-2.
Distribution of Housing Units by Size/Type in Indiana, 2003

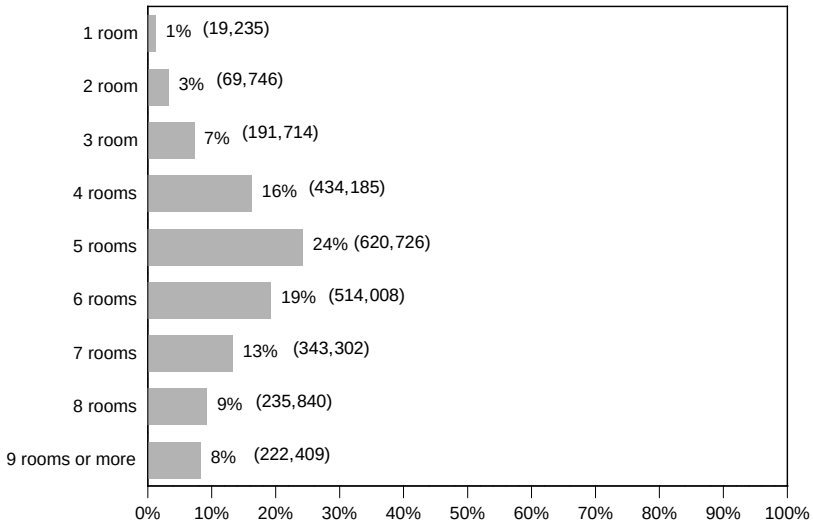
Source:
U.S. Bureau of the Census, 2003 American Community Survey.



Housing units in Indiana tend to have at least four rooms, with 72 percent reported as having four to seven rooms. The Census Bureau reported a median of 5.5 rooms per housing unit in the State. Exhibit IV-3 presents the distribution of housing units in the State by number of rooms.

Exhibit IV-3.
Distribution of Housing Units by Number of Rooms in Indiana, 2003

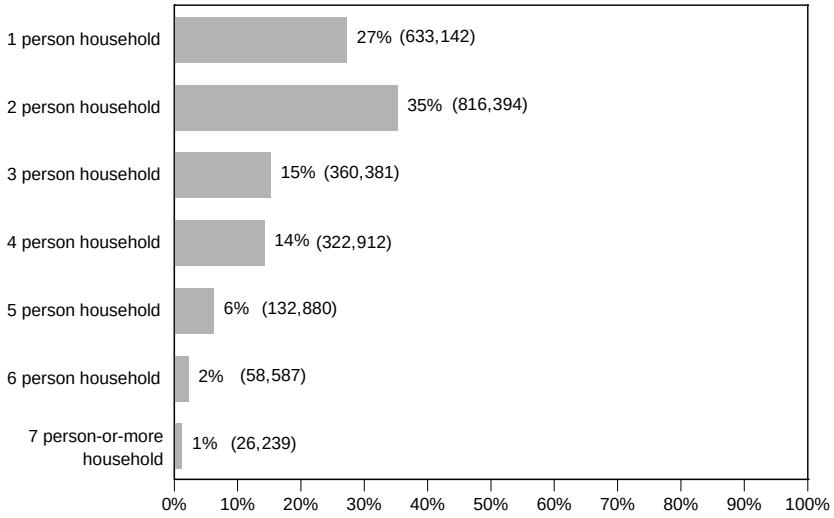
Source:
U.S. Bureau of the Census, 2003 American Community Survey.



Composition of households. Data from the 2003 ACS show the majority of housing units in the State are occupied by two-person households (35 percent), followed by one-person households (27 percent). Exhibit IV-4 shows the distribution of housing units by household size.

Exhibit IV-4.
Households in Occupied Units, 2003

Source:
U.S. Bureau of the Census, 2003 American Community Survey.



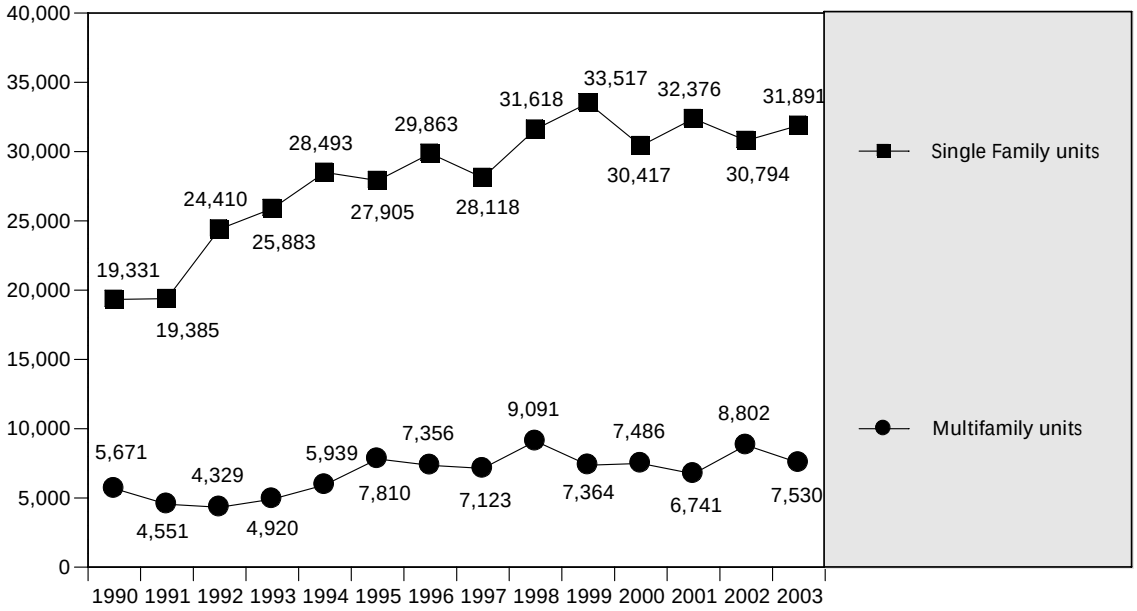
According to the ACS, the average household size in Indiana in 2003 was 2.56 persons per household, which is an increase from 2.53 persons per household in 2000.

Housing Supply

Construction activity. During 2003, 39,421 building permits were issued for residential housing development in Indiana. This is about the same level as in 2002 and is close to the historically high levels of the late 1990s. Eighty-one percent of the building permits issued in 2003 were for single family construction; 19 percent was for multifamily units, most having 5 units or more.

Exhibit IV-5 shows trends in building permit activity statewide since 1990 by single and multifamily units.

Exhibit IV-5.
Building Permit Trends by Single and Multi Family Units, 1990-2003



Source: U.S. Census Bureau.

Vacancy rates. As noted previously, the ACS estimated the statewide homeownership vacancy rate at 1.8 percent in 2003. The rental vacancy rate in the State was an estimated 9.8 percent in 2003 – a 2.1 percentage point increase from 2000. However, a Housing Vacancy Survey conducted by the U.S. Census Bureau reported the 2003 rental vacancy rate at 12.8 percent, which is about 30 percent higher than the 9.8 percent vacancy rate from ACS. Also, according to the U.S. Census Bureau's Housing Vacancy Survey, the rental vacancy rate of 12.8 in 2003 was the highest rental vacancy rate in the past 15 years. The 2003 rental vacancy rate (12.8 percent) was well above the average rate of 8.1 percent for the preceding 15 years.

The following map shows the vacancy rate for each county according to the 2000 Census. 2003 ACS data are not available at the county level. In 2000, there were 44 counties with a vacancy rate higher than the State vacancy rate of 7.7 percent. These counties appear to be concentrated in the southwest area of the State and the north central area of the State.

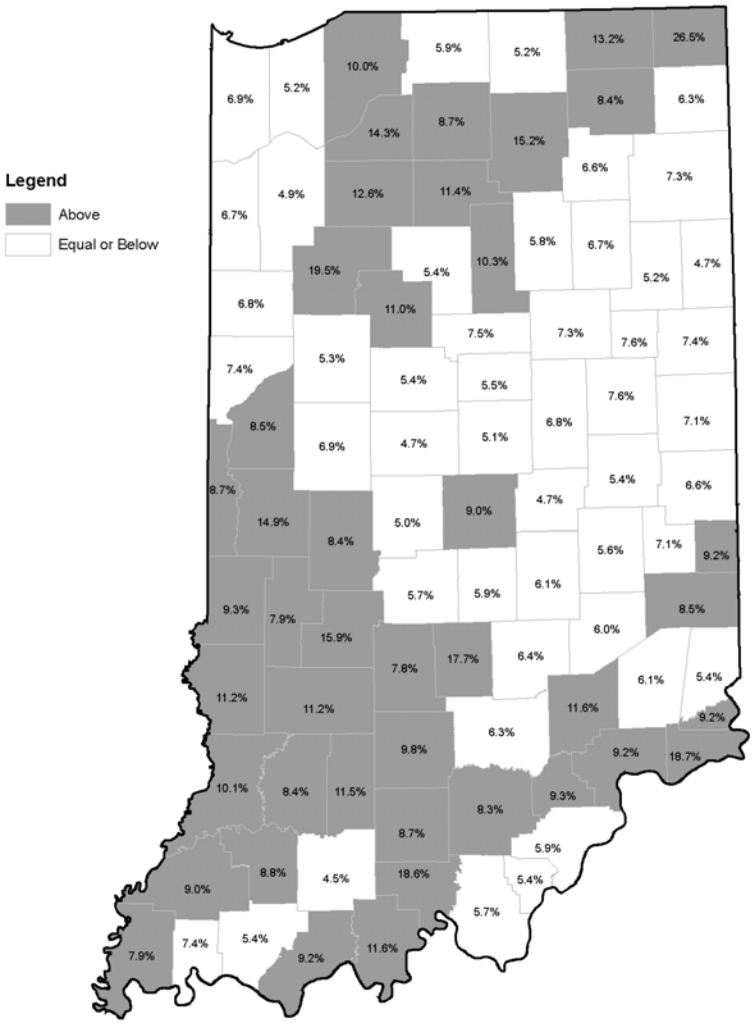
Exhibit IV-6.
Vacancy Rates by County, 2000

Note:

Indiana vacancy rate was 7.7 percent in 2000.

Source:

U.S. Bureau of the Census, 2000 and BBC Research & consulting.



The following map shows the percent of vacant for sale units of all owner occupied and for sale units at the county level. Indiana had a vacancy rate of 2.1 percent for owner occupied and for sale units. Vacancy rates ranged from the highest rate of 3.5 percent in Jay County, in the east central region of the State, and as low as 0.7 percent in Pike and Dubois counties, in the southern region of the State.

Exhibit IV-7
Homeowner
Vacancy Rates,
2000

Note:

Indiana Homeowner vacancy rate was 2.1 percent in 2000.

Source:

U.S. Bureau of the Census, 2000 and BBC Research & consulting.

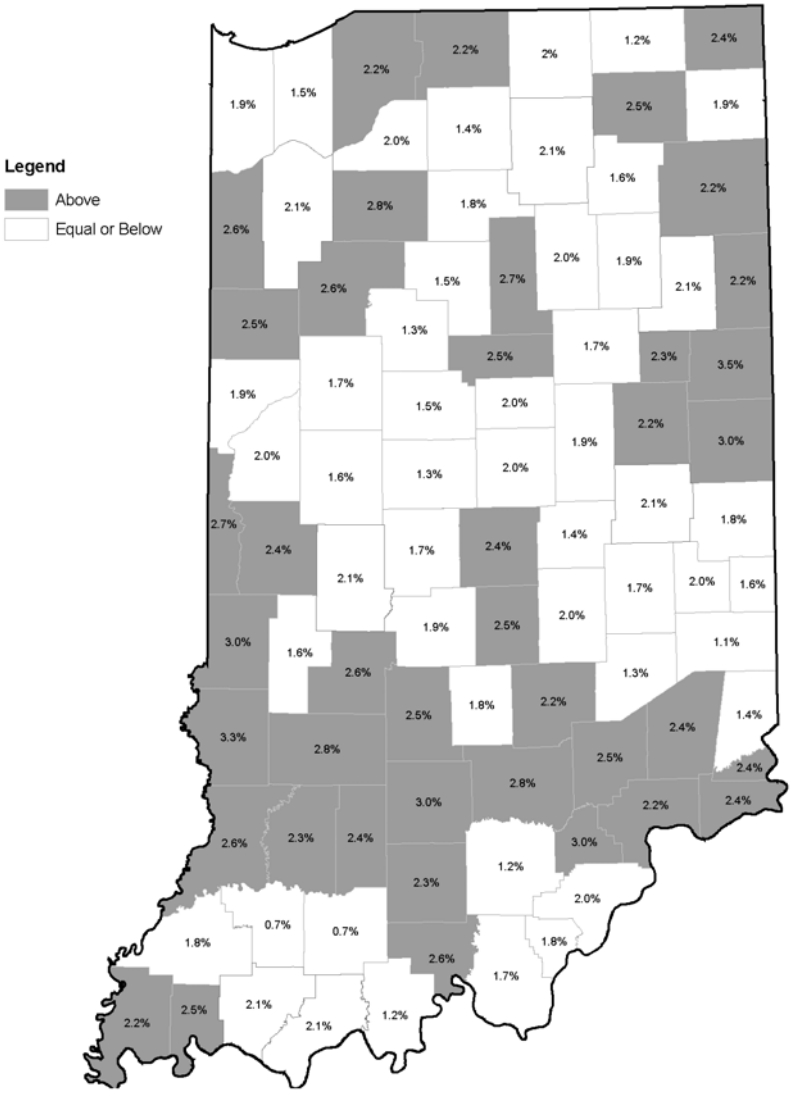


Exhibit IV-8 shows the percent of rental units that are vacant for rent of all renter occupied and vacant for rent units for each county. In 2000, there were 29 counties with a vacancy rate higher than the State vacancy rate of 8.8 percent.

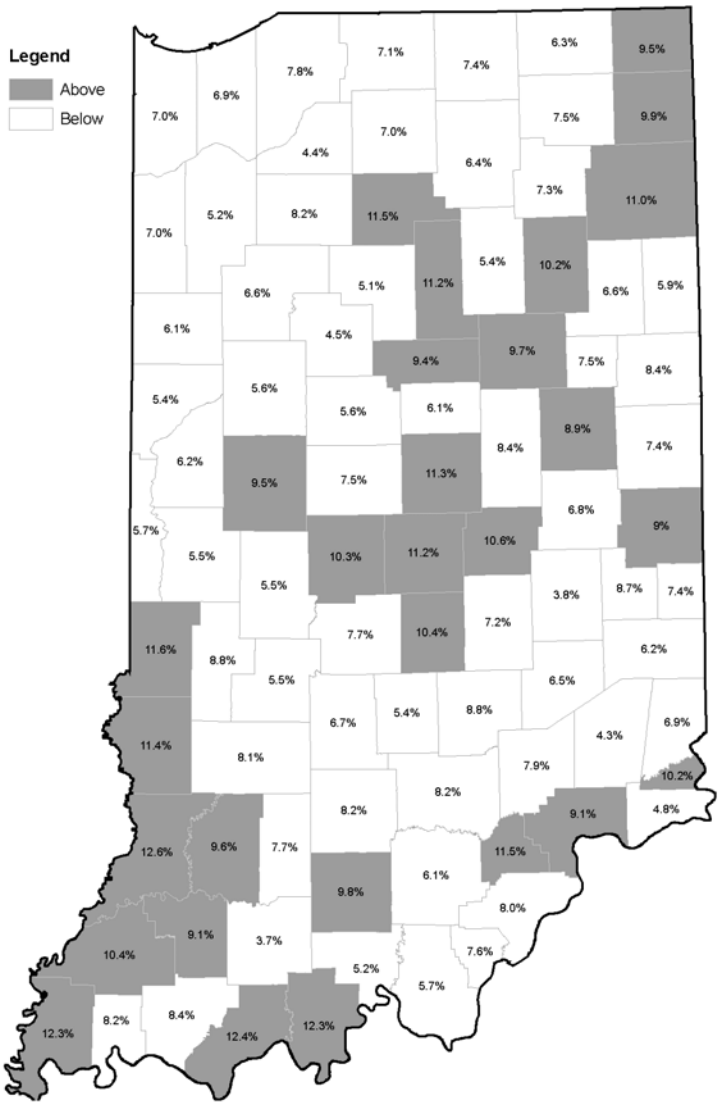
Exhibit IV-8.
Rental Vacancy Rate, 2000

Note:

Indiana Rental vacancy rate was 8.8 percent in 2000.

Source:

U.S. Bureau of the Census, 2000 and BBC Research & consulting.



Expiring use properties. A growing concern in the country and Indiana is the preservation of the supply of affordable housing for the lowest income renters. In the past, very low-income renters have largely been served through federal housing subsidies, many of which are scheduled to expire in coming years. The units that were developed with federal government subsidies are referred to as "expiring use" properties.

Specifically, expiring use properties are multifamily units that were built with U.S. government subsidies, including interest rate subsidies (HUD Section 221(d)(3) and Section 236 programs), mortgage insurance programs (Section 221(d)(4)) and long-term Section 8 contracts. These programs offered developers and owners subsidies in exchange for the provision of low-income housing (e.g., a cap on rents of 30 percent of tenants' income). Many of these projects were financed with 40 year mortgages, although owners were given the opportunity to prepay their mortgages and discontinue the rent caps after 20 years. The Section 8 project-based rental assistance contracts had a 20 year term.

Many of these contracts are now expiring, and some owners are taking advantage of their ability to refinance at low interest rates and obtain market rents. Most of Indiana's affordable multifamily housing was built with Section 221 (d)(3) and Section 236 programs. Thus, a good share of Indiana's affordable rental housing could be at risk of elimination due to expiring use contracts. According to HUD's expiring use database, as of January 2004 (the latest data available), Indiana had 29,900 units in expiring use properties, or approximately 4.5 percent of the State's total rental units.

When expiring use units convert to market properties, local public housing authorities issue Section 8 vouchers to residents of the properties that are converting to market rates. In some cases, market rents may be lower than subsidized rents, which could enable residents to stay in their current units. Vouchers may also give residents an opportunity to relocate to a neighborhood that better meets their preferences and needs. The outcomes of expiring use conversions are hard to determine because of the many variables (location, level of subsidized rents, tenant preferences) that influence tenants' situations.

Nonetheless, the loss of the affordable rental units provided by expiring use properties could put additional pressure on rental housing markets, especially in Indiana's urban counties, where most of these units are located.

In 1997, Congress passed legislation that provides solutions, such as debt restructuring, to the expiring use problem. The legislation requires that HUD outsource the restructuring work to Participating Administrative Entities (PAEs). In January 1999, the Indiana Housing Finance Authority (IHFA) was selected to be the PAE for all expiring use properties in the State. In that responsibility, IHFA is playing a direct role in finding solutions by encouraging owners to stay in the federal programs, in addition to examining other programs and creative financing tools that will help preserve these properties as affordable housing.

Additionally, in May 2000, HUD selected IHFA to serve as a contract administrator for selected project-based housing assistance payment contracts in the State. In this role, IHFA manages the contracts between HUD and the owners of affordable housing projects to ensure that the projects remain affordable, provide decent and safe housing, and are absent of housing discrimination. As of December 2004, IHFA was under contract to administer 410 project-based Section 8 contracts. These contracts include almost 28,000 units receiving Section 8 rental assistance.

Nationally, less than 10 percent of owners of expiring use properties have opted out. The National Alliance of HUD Tenants, working with HUD data, estimates that up to 200,000 units have been lost to conversion nationally as of August 2001. The percentage of owners who have opted out in Indiana has been lower than the national percentage. Since the Section 8 preservation effort began in 2000 to 2003, 46 properties (representing 2,342 units) have either opted out of the Section 8 program or been removed from the program due to action taken by HUD's Departmental Enforcement Center. Of these, 14 of the properties (representing 549 assisted units), were from IHFA's contract administration portfolio.

There are 49 counties with all of their expiring use units due to expire by January 2010. Exhibit IV-9 on the following page shows the percent of units with affordable provisions that are due to expire in the next five years by county along with the total number of expiring units.

Exhibit IV-9.
Percentage of Expiring Use Units That Will Expire by January 2010, by County, as of January 2004

County	Percent of Expiring Use Units Due to Expire by January 2010, by County	Total Expiring Use Units		Percent of Expiring Use Units Due to Expire by January 2010, by County	Total Expiring Use Units
Adams	100%	223	Lake	85%	2,983
Allen	87%	1,591	Lawrence	91%	217
Bartholomew	85%	465	Madison	95%	496
Blackford	100%	142	Marion	88%	5,752
Boone	100%	194	Marshall	59%	207
Carroll	100%	10	Miami	100%	88
Cass	100%	346	Monroe	96%	434
Clark	97%	870	Montgomery	100%	241
Clinton	100%	95	Morgan	100%	420
Crawford	100%	123	Newton	100%	18
Daviess	100%	236	Noble	69%	74
Dearborn	74%	155	Orange	100%	100
Decatur	56%	144	Owen	100%	68
DeKalb	100%	72	Parke	100%	60
Delaware	87%	485	Perry	100%	93
Dubois	100%	252	Pike	74%	77
Elkhart	78%	887	Porter	100%	341
Fayette	100%	180	Posey	100%	116
Floyd	100%	293	Putnam	100%	132
Fountain	100%	20	Randolph	100%	77
Gibson	96%	291	Ripley	100%	56
Grant	93%	653	Rush	100%	78
Greene	34%	35	St Joseph	98%	1,600
Hamilton	100%	346	Scott	76%	142
Hancock	71%	104	Shelby	100%	146
Harrison	0%	50	Spencer	100%	22
Hendricks	100%	166	Steuben	92%	76
Henry	83%	214	Tippecanoe	96%	1,420
Howard	100%	436	Union	100%	50
Huntington	100%	129	Vanderburgh	100%	693
Jackson	100%	276	Vermillion	100%	148
Jasper	100%	40	Vigo	90%	528
Jay	100%	36	Wabash	100%	215
Jefferson	89%	365	Warrick	100%	120
Jennings	64%	22	Washington	100%	49
Johnson	100%	520	Wayne	86%	733
Knox	100%	293	Wells	100%	129
Kosciusko	86%	146	White	100%	62
La Porte	100%	660	Whitley	100%	30
LaGrange	100%	48			
			Total	***92%***	***29,904***

Note: Expiration dates are according to the "TRACS Current Expiration Date" as provided by HUD.
Source: U.S. Department of Housing and Urban Development and BBC Research & Consulting.

Housing Condition

Measures of housing condition are relatively scarce. However, the annual release of the ACS's Summary Tables and PUMS provide a good source of current information on housing conditions.

The ACS data cover the important indicators of housing quality, including plumbing facilities, type of heating fuel, age and crowding. In addition to measuring housing conditions, such variables are also good indicators of community development needs, particularly of weaknesses in public infrastructure. The Census Bureau reports most of these characteristics for occupied housing units.

Plumbing. The adequacy of indoor plumbing facilities is often used as a proxy for housing conditions. The ACS estimated there were 6,474 *occupied* housing units lacking complete plumbing in 2003, or 0.28 percent of occupied units in the State. This is an improvement over 2000, when 0.53 percent was reported for inadequate plumbing, and a substantial improvement over 1990 and 1980, when 0.7 percent and 2 percent, respectively, of the State's housing units reportedly had inadequate facilities.

Vacant units are disproportionately more likely to have incomplete plumbing than occupied units, perhaps because the units are in substandard condition or construction is not yet completed. In 2003 there were 22,735 *vacant and occupied* units lacking plumbing (0.86 percent of all units) in Indiana and 72 percent of these units were vacant. According to the 2000 Census, there were 10 counties where more than 2 percent of the total housing stock, *occupied and vacant*, lacked complete plumbing facilities, as shown in the following exhibit. County level data was not available for 2003.

Exhibit IV-10.
Counties with More Than 2 Percent of Housing Stock without Complete Plumbing Facilities, 2000

Source:
U.S. Bureau of the Census, 2000.

Geography	Housing Units lacking plumbing facilities	Percent of total housing units
Adams County	683	5.5%
Switzerland County	193	4.6%
Crawford County	218	4.2%
Owen County	362	3.7%
Martin County	159	3.4%
Parke County	227	3.0%
Perry County	231	2.8%
Greene County	421	2.8%
Washington County	286	2.6%
Orange County	194	2.3%

Heating fuel and kitchens. According to the 2003 ACS, most occupied housing units in Indiana were heated by gas provided by a utility company (61.1 percent) or by electricity (24.1 percent), while a fairly high percentage used bottled, tank or LP gas (9.6 percent). A small number of units (39,674, or 1.7 percent) report heating with wood, and another 3,093 units (0.13 percent) do not use any fuel. The lack of heating fuel, or wood as the fuel source, for units other than seasonal units is a likely indicator of housing condition problems.

Another indicator of housing condition includes the presence of kitchen facilities. About 48,600 units, or 1.83 percent of all units in the State, lacked complete kitchen facilities in 2003. Twenty-three percent of these units were occupied (0.28 percent of occupied units) and 77 percent were vacant.

Water and sewer. There has been a growing awareness and concern in Indiana about the number of housing units that rely on unsafe water sources. According to the Indiana State of the Environment Report for 2004, 73 percent of Indiana households get their drinking water from community public water supply systems. Private wells are the source of water for 15 percent of the State's housing. This is substantially less than in 1990, when 25 percent of the State's households were served by wells. Public sewerage provision to housing in Indiana is still somewhat below the national average, based on the most recently available data. Nationally, about 84 percent of housing units are served by public or private systems; wells are the water source for about 15 percent of units nationwide.

Water quality is another important consideration for the assessment of housing conditions. The Indiana Department of Environmental Management (IDEM) reported in 2002 that 93.5 percent of Indiana's public water systems were in compliance with EPA *water-quality* standards for the presence of the 91 primary contaminants. Compliance with health standards has remained consistent even though new mandates or requirements have increased since 1997.

An evaluation of the 2003 Annual Compliance Report for Indiana Public Water Supply Systems as compared to 2001 showed an improvement in the compliance rates for various contaminant violations. This improvement in the compliance rate was attributed to the implementation of the Small System Laboratory Assistance Program (SSLAP) instituted in 2001. Since IDEM enacted the SSLAP, the number of significant non-compliance systems has dropped 36 percent in a two-year period. The program provides sampling assistance to systems serving populations less than 100 people for contaminants.

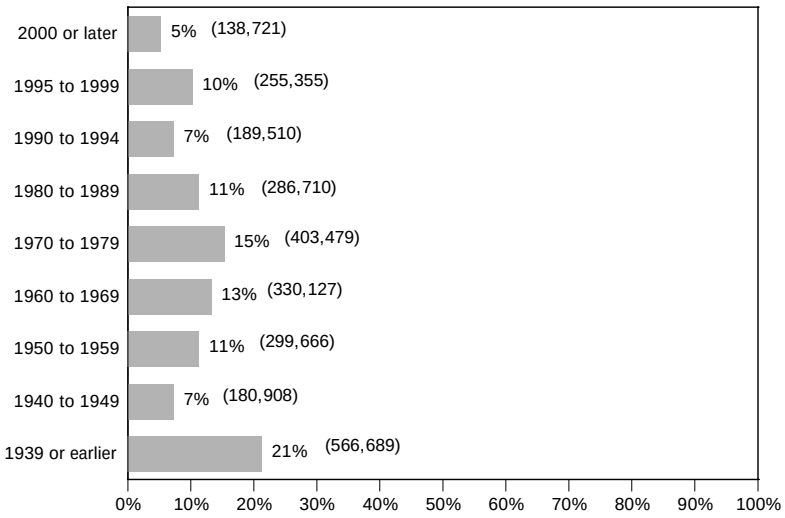
The percent of the total active water systems that have *monitoring and reporting* violations for at least one contaminant was approximately 42 percent in 2003, which is consistent with previous reports (approximately 43 percent), and many of the remaining non-complying systems in the State serve businesses and not residential users. The number of Indiana residents at risk of exposure to harmful contaminants resulting from non-compliant water providers has fallen dramatically. From 1994 to 1999 there was a 97 percent decline in the number of water users dependent on systems that were in significant non-compliance with State and federal regulations.

Age. Age can also be a proxy for the condition of housing, especially the risk of lead-based paint. As discussed later in this section, units built before 1940 are most likely to contain lead-based paint. Units built between 1940 and 1978 have a lesser risk (lead was removed from household paint after 1978), although many older units may have few if any problems depending on construction methods, renovation and other factors.

Housing age data from the 2003 ACS indicate that almost 21 percent of the State's housing units, occupied or vacant, was built before 1940, when the risk of lead-based paint is the highest. Approximately 67 percent of the housing stock was built before 1979. As of the 2003 ACS, the median age of housing stock in the State was 35 years old. Exhibit IV-11 presents the distribution of housing units in the State by age.

Exhibit IV-11.
Housing Units by
Year Built, 2003

Source:
U.S. Census Bureau's American Community Survey, 2003.



Overcrowding. A final measure of housing conditions is overcrowding. The Census Bureau reports that in 2003, 1.9 percent of the State's occupied housing units, or 45,120, were overcrowded, which is defined as 1.01 persons or more per room. Approximately 0.36 percent of the State's housing units were severely overcrowded (more than 1.51 persons per room). These data compare favorably to national averages of 3.8 percent of units that were overcrowded and 1.2 percent severely overcrowded in 2003.

Combined factors. PUMS data provided by the 2002 ACS allow for a comparison of housing condition factors by household income.[1]

The household income categories of 31 to 50 percent and 81 to 100 percent of median household income had a higher ratio of households with more than one person per room (2.2 percent and 2.5 percent, respectively), than other income categories. The following exhibit shows the percent of households experiencing overcrowding by household income category.

[1] In the PUMS data, there are some households that did not report household income. Therefore, these households are not included when variables (i.e., overcrowded housing units and units lacking plumbing) are crosstabbed by household income.

Exhibit IV-12.
Overcrowded Housing Units by Household Income Category, 2002

% of Median Household Income	Income Cut-Off	Percent of All Occupied Units that are Overcrowded	Distribution of Units Overcrowded
less than or equal to 30%	$12,390	1.7%	10.6%
31% to 50%	$20,650	2.2%	13.3%
51% to 80%	$33,040	1.6%	13.9%
81% to 100%	$41,300	2.5%	14.6%
greater than 100%	$41,300 +	1.8%	47.5%
Total		***1.9%***	***100.0%***

Note: Overcrowded is defined as a housing unit with more than one person per room. Households who did not report an income were excluded. Median household income in 2002 was $41,300 according to PUMS data.

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

According to PUMS, just under one percent (an estimated 22,360) of occupied housing units lack complete plumbing. Of these occupied units that lack complete plumbing, just under half have households who earn 50 percent or less than the area median household income. The following exhibit shows the distribution of occupied units with no plumbing by income category and the percentage of all occupied units that lack complete plumbing facilities by income. It is important to note that income levels were not reported for many of the occupied housing units lacking plumbing.[2] The data below represent only those units for which income was available and represent about 40 percent of all units lacking plumbing.

Exhibit IV-13.
Occupied Units Lacking Complete Plumbing by Household Income Category, 2002

% of Median Household Income	Income Cut-Off	Percent of All Occupied Units with No Plumbing	Distribution of Units with No Plumbing
less than or equal to 30%	$12,390	0.7%	22.5%
31% to 50%	$20,650	0.9%	25.6%
51% to 80%	$33,040	0.3%	13.4%
81% to 100%	$41,300	0.1%	2.7%
greater than 100%	$41,300 +	0.3%	35.9%
Total		***0.4%***	***100.0%***

Note: The percentages reflect those households who reported an income.

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

The data in Exhibit IV-13 suggests that lower income households are more likely to occupy units with condition problems than moderate to high income households.

[2] According to PUMS data, there were 13,787 units that did not report household income and that were lacking complete plumbing facilities. Of these units, 240 were vacant. Therefore, 13,547 units (60 percent) lacking complete plumbing reported no household income.

The U.S. Department of Housing and Urban Development (HUD) received special tabulations of Census 2000 data from the U.S. Census Bureau that are largely unavailable through standard Census products. The following exhibit shows some of these data. The data show that the lower the income the more likely a household is to have a housing problem. It should be noted that "housing unit problem" as defined by HUD includes cost-burden, which is an affordability, not a condition indicator.

Exhibit IV-14.
HUD-Defined Housing Unit Problems by
Household Income in 1999 by Household Type, Indiana

% of Renters with Housing Unit Problems	*Total*	*Elderly Family Household*	*Small Family Household*	*Large Family Household*	*Elderly Non-Family Household*	*Other Non-Family Household*
less than or equal to 30%	***71%***	68%	77%	85%	55%	74%
31% to 50%	***62%***	49%	60%	67%	54%	68%
51% to 80%	***24%***	23%	18%	40%	34%	23%
81% to 95%	***9%***	9%	6%	32%	18%	6%
greater than 95%	***6%***	5%	4%	29%	13%	2%
Total	***35%***	***29%***	***30%***	***49%***	***46%***	***35%***
% of Owners with Housing Unit Problems	*Total*	*Elderly Family Household*	*Small Family Household*	*Large Family Household*	*Elderly Non-Family Household*	*Other Non-Family Household*
less than or equal to 30%	***69%***	63%	78%	87%	62%	71%
31% to 50%	***44%***	28%	63%	72%	28%	58%
51% to 80%	***29%***	15%	36%	42%	15%	42%
81% to 95%	***18%***	8%	19%	24%	10%	26%
greater than 95%	***5%***	4%	5%	11%	4%	8%
Total	***17%***	***13%***	***13%***	***24%***	***27%***	***26%***

Note: The 1999 HUD Area Median Family Income for Indiana is $50,256.

Housing unit problems: Lacking complete plumbing facilities, or lacking complete kitchen facilities, or with 1.01 or more persons per room, or with cost burden more than 30.0 percent.

Elderly households: 1 or 2 person household, either person 62 years old or older.

Cost burden is the fraction of a household's total gross income spent on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.

Source: U.S. Census Bureau, 2000, HUD and BBC Research & Consulting.

Substandard housing definition. HUD requires that the State define the terms "standard condition," "substandard condition" and "substandard condition but suitable for rehabilitation." For the purposes of this report, units are in standard condition if they meet the HUD Section 8 quality standards. Units that are substandard but suitable for rehabilitation do not meet one or more of the HUD Section 8 quality standards. These units are also likely to have deferred maintenance and may have some structural damage such as leaking roofs, deteriorated interior surfaces, and inadequate insulation. A unit is defined as being substandard if it is *lacking the following*: complete plumbing, complete kitchen facilities, public or well water systems, and heating fuel (or uses heating fuel that is wood, kerosene or coal).

Units that are substandard but suitable for rehabilitation include units with some of the same features of substandard units (e.g., lacking complete kitchens or reliable and safe heating systems, or are not part of public water and sewer systems). However, the difference between substandard and substandard but suitable for rehabilitation is that units suitable for rehabilitation will have in place infrastructure that can be improved upon. In addition, these units might not be part of public water and sewer systems, but they will have sufficient systems to allow for clean water and adequate waste disposal.

Without evaluating units on a case-by-case basis, it is impossible to distinguish substandard units that are suitable for rehabilitation. In general, the substandard units that are less likely to be easily rehabilitated into good condition are those lacking complete plumbing; those which are not part of public water and sewer systems and require such improvements; and those heated with wood, coal, or heating oil. Units with more than one substandard condition (e.g., lacking complete plumbing and heated with wood) and older units are also more difficult to rehabilitate.

Environmental Issues

Environmental issues are also important to acknowledge when considering the availability, affordability and quality of housing. Exposure to deteriorated lead-based paint and lead dust on the floor and windowsills, as well as lead in the soil, represents one of the most significant environmental threats from a housing perspective. Exposure to environmental hazards in the home, especially at a younger age, have been know to trigger asthma attacks and may even contribute to the development of asthma.

Lead-based paint. Childhood lead poisoning is one of the major environmental health hazards facing American children today. As the most common high-dose source of lead exposure for children, lead-based paint was banned from residential paint in 1978. Housing built prior to 1978 is considered to have some risk, but housing built prior to 1940 is considered to have the highest risk. After 1940, paint manufacturers voluntarily began to reduce the amount of lead they added to their paint. As a result, painted surfaces in homes built before 1940 are likely to have higher levels of lead than homes built between 1940 and 1978. A report completed for HUD on 2001 estimates that heavily leaded paint is found in about two-thirds of the homes built before 1940, one-half of the homes built from 1940 to 1960, and some homes built after 1960.

Children are exposed to lead poisoning through paint debris, dust and particles released into the air and then settled onto the floor and windowsills, which can be exacerbated during a renovation. The dominant route of exposure is from ingestion and not inhalation. Young children are most at risk because they have more hand-to-mouth activity and absorb more lead than adults.

Excessive exposure to lead can slow or permanently damage the mental and physical development of children ages six and under. An elevated blood level of lead in young children can result in learning disabilities, behavioral problems, mental retardation and seizures. In adults, elevated levels can decrease reaction time, cause weakness in fingers, wrists or ankles, and possibly affect memory or cause anemia. The severity of these results is dependent on the degree and duration of the elevated level of lead in the blood.

The primary treatment for lead poisoning is to remove the child from exposure to lead sources. This involves moving the child's family into temporary or permanent lead-safe housing. Lead-safe housing is the only effective medical treatment for poisoned children and is the primary means by which lead poisoning among young children can be prevented. Many communities have yet to plan and develop adequate facilities to house families who need protection from lead hazards.

Extent of the lead-based paint problem. As mentioned above, homes built before 1960 may have had interior or exterior paint with lead levels as high as 50 percent. Inadequately maintained homes and apartments are more likely to suffer from a range of lead hazard problems, including chipped and peeling paint and weathered window surfaces.

According to the 2003 ACS, approximately 1.8 million housing units in Indiana – 67 percent of the total housing stock—were built before 1978. About 567,000 units, or 21 percent of the housing stock, are pre-1940 and 481,000 units (18 percent of the housing stock) were built between 1940 and 1959. Urban areas typically have the highest percentages of pre-1940 housing stock, although the State's non entitlement areas together have about the same percentage of pre-1940 units as the State overall. Marion County Health Department issued more than 200 citations to residents for lead hazards between January 1, 2000 and July 31, 2003. More than 99 percent of these homes were rental properties. Many small landlords (with less that 50 properties) are unaware of their responsibility of complying with code and tenants are also often unaware of their responsibilities.

According to the Indiana Childhood Lead Poisoning Elimination Plan, Indiana children with the following characteristics are at high risk for exposure to lead hazards:

- Children living in older housing,
- Children living in poverty or families with low-incomes,
- Children enrolled in Hoosier Healthwise (HH, Indiana's Medicaid and S-CHIP program), and
- Minority children.

Lower income homeowners generally have more difficulty making repairs to their homes because of their income constraints. Low-income renters and homeowners often live in older housing because it is usually the least expensive housing stock. This combination of factors makes lower income populations most susceptible to lead-based paint hazards. One measure of the risk of lead-based paint risk in housing is the number of households that are both low-income and live in older housing units. According to PUMS data, in 2002, there were 53,233 (8.1 percent) renter households who were very low-income (earning less than 50 percent of the State median) and who lived in housing stock built before 1940. There were also 77,919 (4.6 percent) owners with very low incomes and who lived in pre-1940 housing stock. These households are probably at the greatest risk for lead-based paint hazards.

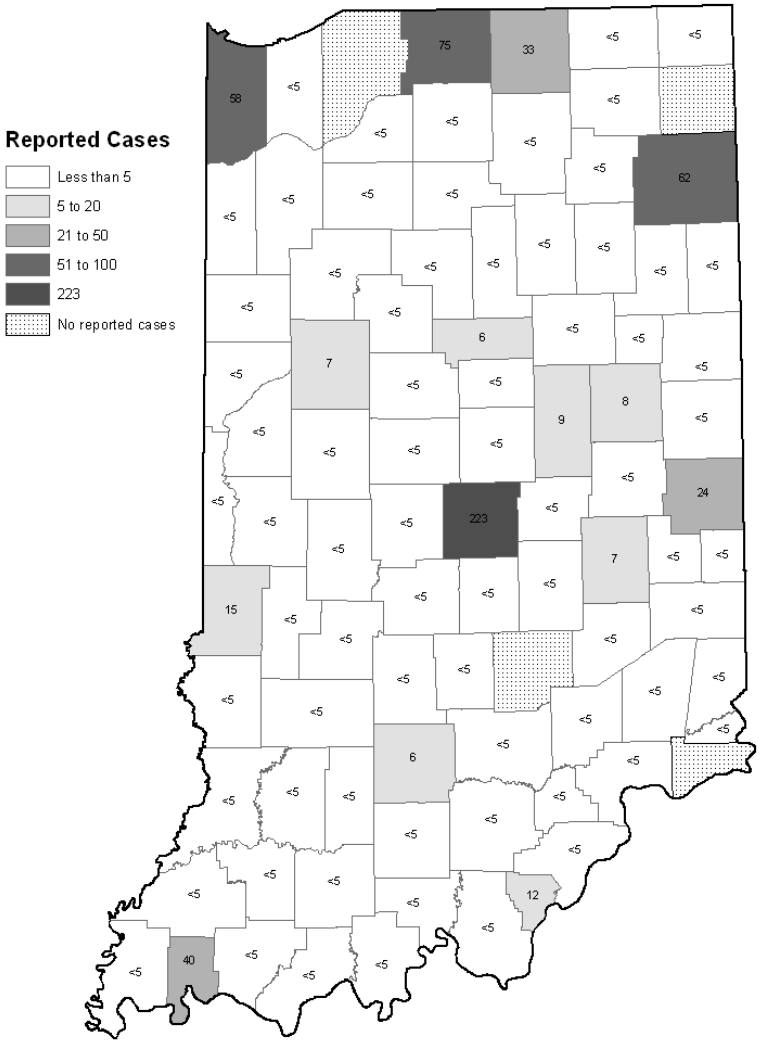
According to the Indiana State Department of Health's (ISDH) report to the Indiana General Assembly, 43,000 blood lead samples were taken in 2003 for children under 7 years old. Of these children, 691 (1.6 percent) were confirmed as lead poisoned. Another 572 children had failed the screening blood lead test and may or may not have been lead poisoned.

The CDC estimates that in 2002 there were 13,400 Indiana children under age six with elevated blood lead levels. ISDH estimates are similar: According to the ISDH, Indiana has more than 13,000 active cases of children with lead poisoning and more than 2 million homes with lead based paint. Marion County Health Department has alone issued citations to reduce lead hazards in more than 1,100 homes.

Recent reports of documented cases of elevated lead levels in children in Vigo County have been reported. According to an article in the Tribune-Star, Vigo County has the oldest housing stock in the State, a high percentage of children living in low-income families, and, as a result, the county has the highest rate of lead poisoned children of any county in Indiana.

The following exhibit shows the number of children less than 7 years old who were diagnosed with lead poisoning by county in 2003, according to the ISDH.

Exhibit IV-15. Number of Children (Age <7) in CY 2003 Diagnosed with Lead Poisoning by County



Note:

Lead poisoned confirmed: One venous blood specimen with elevated lead concentration, or two capillary blood specimens drawn within 12 weeks of each other, both with elevated lead concentration, or one capillary blood specimen with elevated lead concentration drawn on a previously confirmed case. The number in the table may be under counting since some follow-up tests may not be in the database yet. To protect the privacy of child poisoned, the number of children poisoned less than 5 (including 0) is presented as <5.

There were 28 children who were with confirmed lead poisoning where the county was not known.

Source:

Indiana Department of Environmental Management's Indiana Childhood Lead Poisoning Prevention Program (ICLPPP).

Available resources. Addressing the problem through existing and new housing rehabilitation programs is fundamental to reach the Indiana and federal goal of eliminating childhood lead poisoning by the year 2010. The Residential Lead-Based Hazard Reduction Act of 1992 (commonly referred to as "Title X") supports widespread prevention efforts of lead poisoning from lead-based paint. As a part of the Act, in 1991, the Office of Healthy Homes and Lead Hazard Control (OHHLHC) was established by HUD in order to bring together health and housing professionals in a concerted effort to eliminate lead-based paint hazards in America's privately-owned and low-income housing.

As of 2002, HUD estimates that 26 million fewer homes have lead-based paint compared to 1990 when the program began. The Centers for Disease Control and Prevention estimates the average amount of lead in children's blood has declined by 25 percent from 1996 to 1999. Ten years ago, there was no federal funding for local lead hazard control work in privately owned housing; today, the HUD program is active in over 200 jurisdictions across the country.

The Title X program provides grants of between $1 million and $2.5 million to state and local governments for control of lead-based paint hazards in privately-owned, low-income owner occupied and rental housing. Since the program's inception in 1993 through 2003, approximately $700 million was awarded to over 200 local and State jurisdictions across the country. The work approved to date will lead to the control of lead-based paint hazards in more than 65,000 homes where young children reside or are expected to reside.

The following are a list of programs offered by HUD to support widespread prevention efforts of lead poisoning from lead-based paint.

- Lead Hazard Control Grant Program
- Lead Hazard Reduction Demonstration
- Operation Lead Elimination Action Program
- Lead Paint Outreach Grant Program
- Lead Technical Studies
- Healthy Homes Technical Studies
- Healthy Homes Demonstration Program

The City of Indianapolis was the only Indiana community to apply for these grants. It received $1.7 million in 2002 with the contract signed in 2003.

In addition to available funding from the Title X program, recent changes to the CDBG program have added lead based paint abatement to eligible activities for CDBG funding. In order to receive Title X or CDBG funding, States must enact legislation regarding lead-based paint that includes requirements of accreditation or certification for contractors who remove lead-based paint. Indiana adopted such legislation in 1997 (Indiana Code, 13-17-14).

A priority for 2004/2005 according to the Indiana Annual State of the Environment report is to reduce the threat lead poisoning poses to Hoosier children. The Indiana Department of Environmental Management (IDEM) continues to partner with ISDH for lead poisoning prevention initiatives. During the past year, IDEM participated in chaired workgroups as a part of the Indiana Childhood Lead Poisoning Elimination Plan Advisory Committee (EPAC), lead by ISDH.

In October 2004, EPAC announced a plan to eliminate lead poisoning in Hoosier children. State and federal officials partnered with environmental, housing, and medical experts, as well as community advocates, to develop the plan. Aimed at parents, caregivers and landlords, the Childhood Lead Poisoning Elimination Plan offers simple, effective ways to prevent kids from being exposed to lead. It also outlines a long-term approach to eliminate lead contamination from Hoosier homes.

IDEM, in conjunction with the Department of Health and the Marion County Health Department, developed the "Lead for 2000" campaign. Initiated in 1998, the campaign was aimed at reducing the incidence of childhood exposure to harmful lead-based contaminants by providing families and childcare facilities with free lead risk assessments and educational outreach.

In 1998, the three organizations launched the "2000 Lead-Safe Families for 2000 Project." It was the first innovative project of its kind in the nation focusing on the primary prevention of lead poisoning. As of February 2002, IDEM has trained more than 100 lead assessors, and they have completed more than 1,300 lead assessments in homes and childcare facilities. This effort entailed training lead-assessors, promoting awareness of the health risks that lead exposure presents, and educating families in methods that they can apply to minimize the risks presented by exposure to lead. These efforts were aimed at private homes as well as childcare facilities when children may be at risk. Several groups and individuals are now better equipped to deal with lead-based paint poisoning concerns in Indiana:

- Several health departments have individuals trained, licensed, and ready to perform risk assessments whenever a lead-poisoned child is identified by the healthcare system;
- The IDEM Lead Licensing Branch has worked through its EPA approvals and has managed the testing and licensing of a large number of individuals;
- The ISDH laboratory has successfully managed a very large volume of samples and has identified key factors for successful analysis of risk assessment sample requests;
- The institute has developed, field-tested, and made available to Indiana risk assessors a standardized set of forms for conducting and reporting a risk assessment; and
- A large number of individuals and organizations have been sensitized to the genuine threat of lead poisoning to young children. This sensitization has been obvious during the past two years, as Indiana housing agencies have been working to incorporate lead-safe work practices into rehabilitation, renovation, modernization, and weatherization programs. Several key individuals in the current effort were first involved with lead issues during the 2000 Safer Families Program, and the experience gained and lessons learned have been important to the success of the current effort.

In September 2000, HUD adopted new requirements for lead evaluation of multifamily properties that are federally assisted for new applicants of mortgage insurance. In general, the regulations require the testing and repair of all of the properties acquired or rehabilitated through federal programs. In preparation for the new requirements, IHFA sent a list of the new requirements to its HOME and CDBG recipients and held a training to assist grantees with implementation of the new requirements in April and May of 2001.

In July 2002, the U.S Department of Energy updated its program guidelines and procedures of the Weatherization Assistance Program. This action updates guidance on health and safety issues and provides lead-safe weatherization protocol work in buildings that might contain lead paints. In September 2000, the Department of Energy also updated its regulations for administration of the Weatherization Assistance Program. This update further protects residents of HUD program housing and other federally owned or assisted homes from the dangers of lead-based paint by ensuring proper remediation and mitigation protocol when weatherizing these units.

Indiana's Weatherization program goes far beyond the federal minimum when it comes to lead-based paint hazards during weatherization. Community Action Agencies received training and x-ray fluorescence equipment so they could properly identify lead-based paint and lead hazards. FSSA has adopted specific policies and procedures to protect children.

In the past, IHFA has provided funding to The Indiana Association of Community Economic Development and the Environmental Management Institute (EMI) to provide lead inspection, risk assessor and lead supervision training, certification, and refresher courses. EMI is the State's largest provider of lead hazard training and offers supervisor, risk assessor and inspector training throughout the State.

In addition, EMI and Improving Kid's Environment (IKE) conducted the annual Lead-Safe Conference in November 2004, which provided information about improving compliance with lead hazard reduction methods. A record number of 117 organizations and 239 people attended the conference. The conference offered an Indiana Rules Awareness training, along with sessions on healthy homes, healthy kids, policy and technology, and discussion forum sessions.

A major challenge in mitigating lead hazards in Indiana has been increasing the number of abatement contractors. During 2003, two major changes were made to improve Indiana's numbers:

- IDEM recently streamlined its contractor licensing process; and
- EMI and IKE worked together to clarify the type of insurance required by IDEM for contractors. IDEM had been suggesting that contractors purchase specialty insurance that was cost prohibitive.

Legislation. The Indiana General Assembly adopted a law, HEA 1171 – Lead Poisoning Prevention Legislation for Indiana that went into effect July 1, 2002. It established specific obligations for landlords and tenants. The legislation:

- Sets the times for expiration and renewal of lead-based paint activities licenses and adjusts training for licensure.
- Provides for the licensing and training of clearance examiners.

- Prohibits the use of certain methods to remove lead-based paint and requires that removed paint be discarded, with the exception for certain homeowners.

- Requires a laboratory that tests the blood of certain children for lead to report the test results to the ISDH.

- Requires information that is gathered concerning the concentration of lead in the blood of children less than 7 years of age to be shared among certain federal, state, and local government agencies.

The General Assembly also passed on October 10, 2003, revisions to its lead-based paint activities rules. These revisions amended rules concerning the licensing of individuals and contractors engaged in lead-based paint and training activities. It also added and repealed text concerning work practice standards for nonabatement activities. The revisions simply captured requirements already established in statute by the 2002 Indiana General Assembly. It is now a Class D felony to dry-sand, dry-scrape or burn paint in housing built before 1960. It is also a Class D felony to leave painted debris behind after working on these homes.

Legislation was drafted to require ISDH to adopt rules regarding case management and require Indiana's Medicaid program to have:

- A measure to evaluate the performance of a Medicaid managed care organization in screening a child who is less than 7 years of age for lead poisoning.

- A system to maintain the results of an evaluation under subdivision (1) in written form.

- A performance incentive program for a Medicaid managed care organization evaluated under subdivision (1).

The Indiana Joint Select Commission on Medicaid Oversight unanimously recommended the adoption of the legislation to the Indiana General Assembly. This legislation will finalize an agreement with Indiana Medicaid to improve screening rates.

A State Senator agreed to carry legislation to fix ongoing problems in Indiana lead poisoning program. ISDH and IKE are asking to:

- Require adoption rules for blood lead screening and case management;

- Require electronic reporting of blood lead testing results by labs that tested more the 50 Hoosier children in the previous 12 months;

- Limit the sharing of confidential information to local housing agencies "to the extent necessary" to implement the HUD rules;

- Provide IDEM with access to the information to the extent necessary for IDEM to set priorities and take advantage of IDEM's existing authorities to require cleanups where the hazards pose an imminent and substantial threat to the health of people; and

- Incorporate the provisions in State Senator's legislation regarding Medicaid.

Asthma

Dangers of asthma. Asthma is a chronic lung disease that causes episodes of breathlessness, wheezing and chest tightness. Asthma can be difficult to diagnose and differentiate from other respiratory problems. The strongest risk factors for development of asthma are family history of allergic disease and sensitization to one or more indoor allergens. Sensitization to a substance is the development of an allergic reaction to that substance. Allergens are proteins with the ability to trigger immune responses and cause allergic reactions in susceptible individuals. They are typically found attached to very small particles, which can be airborne as well as present in household dust. Common indoor allergen sources include dust mites, cockroaches, animals (domestic animals and pests such as rodents), and mold.

According to a HUD report completed in 2001, dust mites are the only home allergen source that the National Academies' Institute of Medicine report found sufficient evidence in the literature of a causal relationship between exposure and the development of asthma in susceptible children. Exposure to house dust mite allergens in childhood has been linked to an increase in the relative risk of developing asthma, and numerous other allergens are associated with asthma exacerbation in sensitized individuals. General conclusions about the relative risk of various indoor agents associated with asthma are difficult, largely due to the dependency of the particular risk on the characteristics of a given environment (e.g., climate, urban setting) and its occupants (e.g., smokers, genetics). Research generally supports the avoidance measures for allergens begin at the earliest age possible in high risk infants.

Extent of the asthma problem. National data shows that prevalence of asthma in children has risen in the past 20 years and has become a significant medical problem. Between 1982 and 1994, the national prevalence of asthma increased 66 percent overall (3.5 percent to 5.8 percent) and increased 73 percent among children/young adults age 18 years and less (4.0 percent to 6.9 percent), affecting 15 million people (nearly 5 million under the age of 18).

According to the national Behavioral Risk Factor Surveillance System (BRFSS) completed in 2002, 11.3 percent of Hoosiers have had asthma in their lifetime and 7.5 percent currently have it. These rates are the same or slightly better than the national averages of 11.8 percent and 7.5 percent, respectively.

The 2002 Indiana BRFSS survey showed that approximately 13 percent of Indiana households reported having one child who had been diagnosed with asthma, and nearly 3 percent has two or more children diagnosed with asthma. Health officials report that asthma accounts for one-third of all pediatric emergency room visits. Asthma is also the most prevalent chronic disease among children, and it is the number one reason for school absences.

A previous BRFSS study in 2000 indicated that Indiana had a much higher percentage of people with asthma in the lower economic brackets: 19.3 percent of adults with annual income less than $15,000 in Indiana were reported to have asthma, compared to 14.4 percent nationwide. Indiana also had 18.1 percent of the population reporting asthma compared to 12.1 percent for the national average among the African American, non-Hispanic population.

Available resources. In 2002, IDEM joined a national steering committee comprised of state health agencies and state environmental agencies, to discuss developing a vision statement and action items to identify steps that states can take to address indoor and outdoor environmental factors that contribute to asthma in children. A document is being made available for states to use in developing their asthma prevention and control programs and will undergo further review and discussion.

IDEM and ISDH recently leveraged their resources by combining a public health and an environmental approach to address asthma by developing the Indiana Joint Asthma Council (InJAC). The Centers for Disease Control and Prevention's National Center for Environmental Health funded Indiana to create a State action plan prior to implementing activities to decrease the burden of asthma in Indiana. The U.S. Environmental Protection Agency (EPA) funded Indiana to develop a patient education tool addressing environmental triggers of asthma.

The patient education tool will be a Web-based asthma tool for parents, medical providers, schools, and child care providers on how to reduce exposure to environmental triggers for asthma. The tool will allow the user to take a virtual tour through a home, rental property, school, and child care setting to learn how to reduce exposure to environmental triggers. The user will even be able to explore the outdoor environment to find out what activities contribute to outdoor environmental triggers for asthma. *BreathEasyville* features fact sheets, checklists and an example of an asthma action plan and is available as of January 2005.

Both of these tandem projects, the Indiana State Asthma Plan and *BreathEasyville*, occurred between May 2003 and December 2004.

Presently, the InJAC is on track to finalize its plan to reduce asthma in Indiana, which was ready for review in December 2004. The five areas of focus committees for InJAC are:

- Data and surveillance;
- General public and consumer education;
- Health care provider;
- Environmental quality; and
- Children and youth.

Housing issues are a primary focus for the Environmental Quality Committee.

Housing Affordability

Owners. The ACS estimated the median value of an owner occupied home in the State as $106,840 in 2003. This compares with the U.S. median of $147,275 and is the second lowest median compared to surrounding States, as shown in Exhibit IV-16.

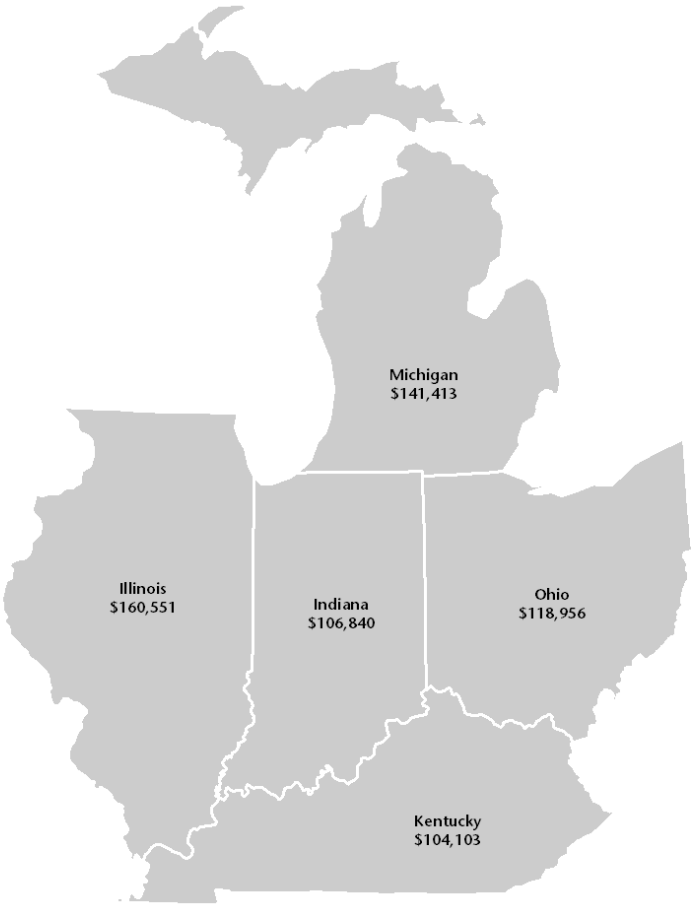
Exhibit IV-16.
Regional Median Owner Occupied Home Values, 2003

Note:

The home values are in 2003 inflation-adjusted dollars for specified owner occupied units.

Source:

U.S. Census of the Bureau, American Community Survey, 2003.

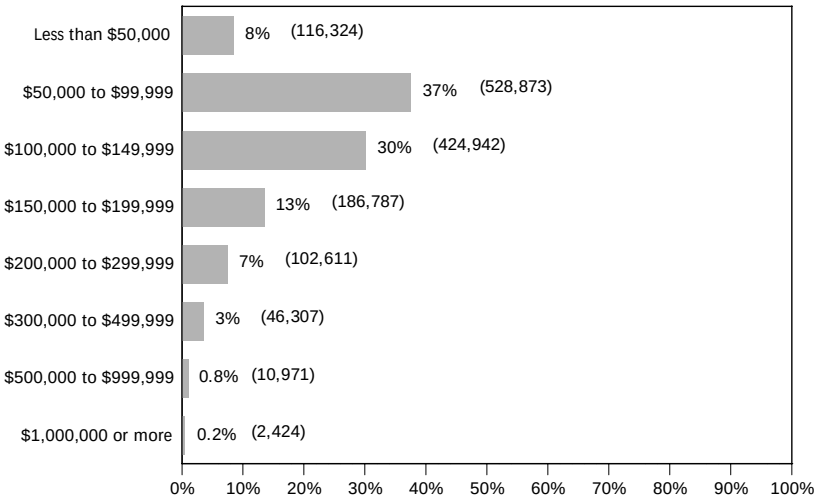


In Indiana, 45 percent of owner occupied units had values less than $100,000, and about 75 percent were valued less than $150,000. Exhibit IV-15 presents the price distribution of owner occupied homes in the State.

Exhibit IV-17.
Owner Occupied Home Values, 2003

Source:

U.S. Census of the Bureau, American Community Survey, 2003.



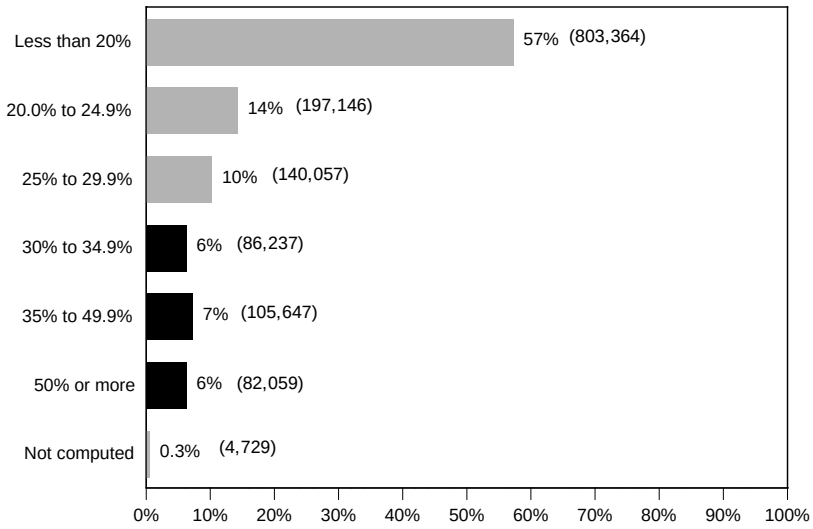
Although housing values in Indiana are still affordable relative to national standards, many Indiana households have difficulty paying for housing. Housing affordability is typically evaluated by assessing the share of household income spent on housing costs. For owners, these costs include mortgages, real estate taxes, insurance, utilities, fuels, and, where appropriate, fees such as condominium fees or monthly mobile home costs. Households paying over 30 percent of their income for housing are often categorized as cost burdened.

The ACS reported that in 2003, 19 percent of all homeowners (about 274,000 households) in the State were paying more than 30 percent of their household income for housing, and 6 percent (82,000 households) were paying 50 percent or more. Exhibit IV-18 presents these data.

Exhibit IV-18.
Owners' Housing Costs as Percent of Household Income, 2003

Note:
Dark shaded areas indicate cost burdened households.

Source:
U.S. Census of the Bureau, American Community Survey, 2003.



Among homeowners with mortgages, approximately 23 percent were reported as cost burdened, a figure that drops to about 9 percent when considering homeowners without mortgages.

The 2000 Census also reports cost burden by age of the primary householder and household income range. As shown in Exhibit IV-19, the percentage of households who are cost burdened tends to decrease as householder age increases — until householders become seniors, when they are likely to be living on fixed incomes.

Exhibit IV-19.
Cost Burden by Age of Householder, Owners, 2000

Age of Householder	*Number of owner households cost burdened*	*Percent of owner households cost burdened*
15 to 24 years	5,265	26%
25 to 34 years	33,498	18%
35 to 44 years	51,366	16%
45 to 54 years	42,130	13%
55 to 64 years	32,711	15%
65 to 74 years	29,514	17%
75 years and older	25,685	17%
Total	***220,169***	***16%***

Source: U.S. Bureau of the Census, 2000.

As shown in Exhibit IV-20 below, the cost burden of owner occupied households who pay a mortgage drops as income increases, particularly for households earning more than the median household income. In 2002, 89 percent of the households in the State who earned less than or equal to $20,650 per year were cost-burdened in 2002, compared to 16 percent of households earning more than $20,650. The $20,650 is equal to 50 percent of the median household income of $41,300, which was calculated using 2002 PUMS.

Exhibit IV-20.
Cost Burden by Income, Owner Households with a Mortgage, 2002

Percent of Median Household Income	*Income Cut-Off*	*Cost Burdened Owner Households*	*Percent of Households Cost Burdened*	*Owners with a Mortgage*
Less than or equal to 30%	$12,390	35,449	92%	38,730
31% to 50%	$20,650	54,397	88%	62,113
51% to 80%	$33,040	68,740	51%	135,225
81% to 100%	$41,300	39,005	33%	119,408
Greater than 100%	$41,300 +	63,135	8%	795,822
Total Owner Households		***260,726***	***23%***	***1,151,298***

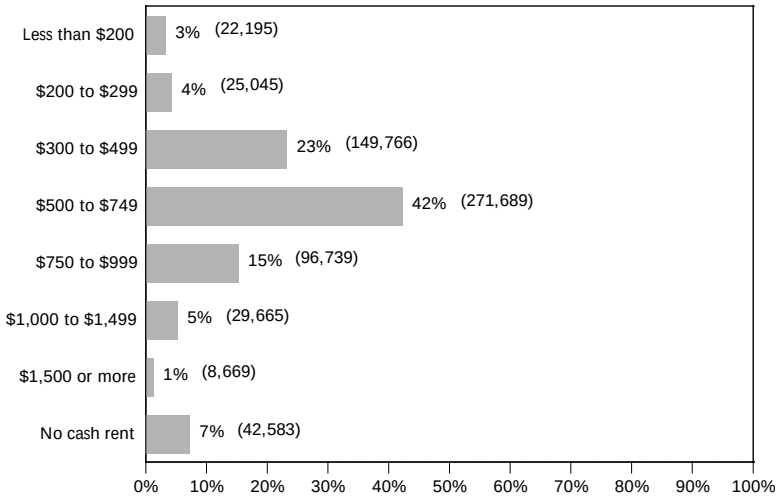
Note: Owner households who pay no mortgage were not included in calculation.
Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

Renters. The 2003 ACS provides data on housing costs for renter households. The Census Bureau reports that the median gross rent, statewide, was $581 per month in 2003. Gross rent includes contract rent, plus utilities and fuels if the renter pays for them. (And most renters do: The Census reports that 82 percent of rental units do *not* include utility payments in the rent price.) About 30 percent of all units statewide were estimated to rent for less than $499 in 2003, while another 42 percent were estimated to rent for $500 to $749. The distribution of statewide gross rents is presented in Exhibit IV-21.

Exhibit IV-21.
Distribution of statewide Gross Rents, 2003

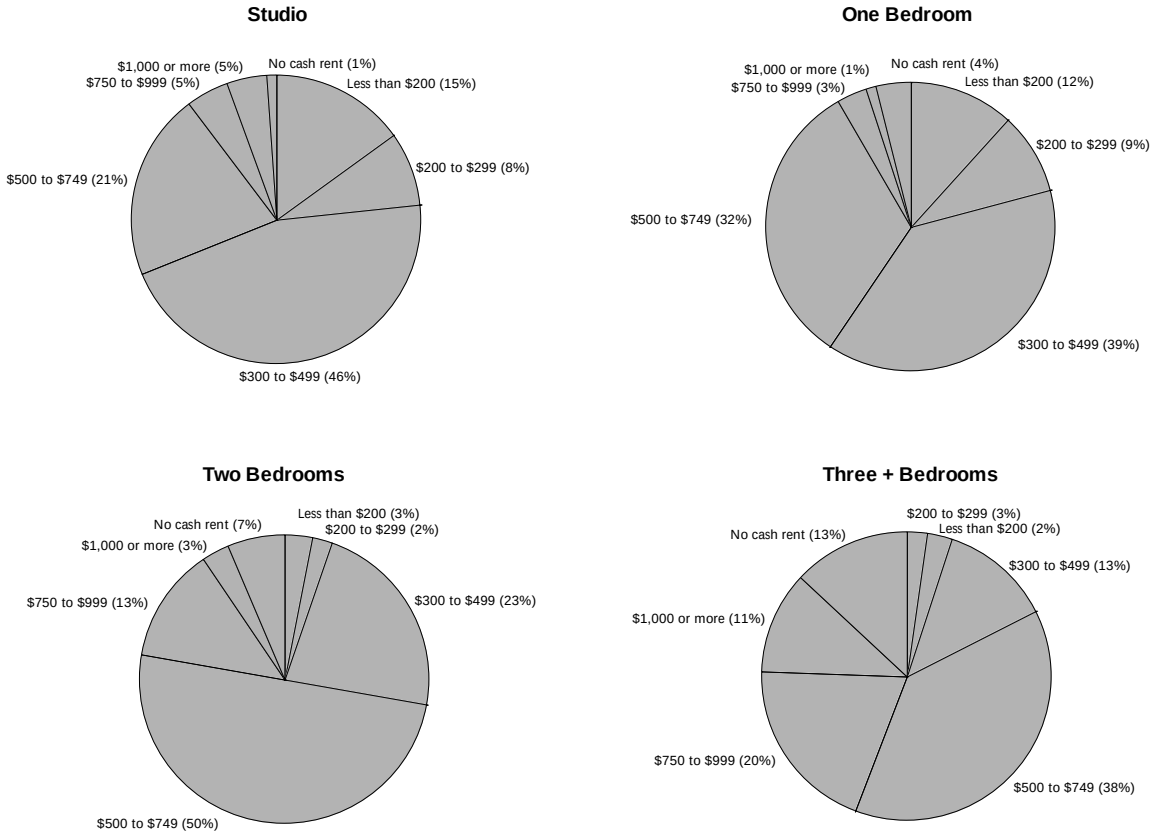
Note: "No Cash Rent" represents units that are owned by friends or family where no rent is charged and/or units that are provided for caretakers, tenant farmers, etc.

Source:
U.S. Census of the Bureau, American Community Survey, 2003.



The Census also collected data on rents by household size. Exhibit IV-22 shows the distribution of rent costs by size of housing unit.

Exhibit IV-22.
Distribution of Rents, by Size of Unit, 2002



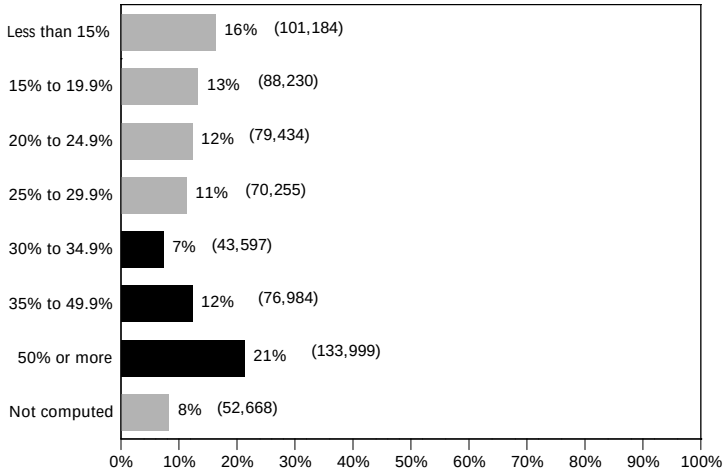
Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

As in the case of owner occupied homes, rent burdens can be evaluated by comparing rent costs to household incomes. The 2003 ACS estimates that 39 percent of Indiana renters – or 255,000 – paid more than 30 percent of household income for gross rent, with over half of these (21 percent of renters, or 134,000) paying more than 50 percent of their incomes. Rentals constituted only 28 percent of the State's occupied housing units in 2003; however, there were almost as many cost-burdened renter households (255,000) as cost-burdened owner households (274,000). Exhibit IV-23 presents the share of income paid by Indiana renters for housing.

Exhibit IV-23.
Renters' Housing Costs as Percent of Household Income, 2003

Note:
Dark shaded areas indicate cost burdened households.

Source:
U.S. Census of the Bureau's American Community Survey, 2003.



The Census also reports renter cost burden by age and household income range. As shown in Exhibit IV-24, the largest numbers of cost burdened renter households are in the youngest age cohorts. However, the youngest (15 to 24 years) and oldest (75 years and older) households have the largest percentages of households considered cost-burdened: Just under half of these households are cost burdened.

Exhibit IV-24.
Cost Burden by Age of Householder, Renters, 2000

Age of Householder	*Number of renter households cost burdened*	*Percent of renter households cost burdened*
15 to 24 years	48,420	46%
25 to 34 years	50,088	28%
35 to 44 years	36,060	27%
45 to 54 years	22,884	26%
55 to 64 years	16,062	32%
65 to 74 years	16,534	40%
75 years and older	27,699	47%
Total	***217,747***	***33%***

Source: U.S. Bureau of the Census, 2000.

As would be expected, renter households with the lowest incomes are more likely to be cost burdened. Exhibit IV-25 shows cost burden by income for the State's households in 2002. As the exhibit demonstrates, renter cost burden drops dramatically when household income exceeds 80 percent of the median household income of $33,040 for 2002.

Exhibit IV-25.
Cost Burden by Income of Householder Who Pay Cash Rent, Renters, 2002

Percent of Median Household Income	Income Cut-Off	Cost Burdened Renter Households	Percent of Households Cost Burdened	Renters Paying Cash Rent
less than or equal to 30%	$12,390	118,260	78%	152,442
31% to 50%	$20,650	82,447	77%	106,856
51% to 80%	$33,040	38,667	29%	135,632
81% to 100%	$41,300	4,297	7%	63,029
greater than 100%	$41,300 +	972	1%	154,821
Total Renter Households		***244,643***	***40%***	***612,780***

Note: Renter households paying "no cash rent" were not included in calculation. The possible difference between the ACS Summary Table numbers of cost burdened renter's households (238,114) versus the PUMS cost burdened renters (219,709) may be due to different sampling methodology used for the Summary Tables.

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

Households with members who are disabled. According to the ACS, an estimated 17 percent of persons reported they had a disability in 2002. PUMS data was used to determine the number of households with at least one person with a disability who are also cost burdened. The data show that 44 percent of all cost burdened owners who pay a mortgage have a disability. The same is true for cost burdened households who are renters. Just over one-forth of owner households with a disability are cost burdened and 44 percent of renter households with a disability are cost burdened. The percentage of households with a disability who are cost burdened is higher for all types of households.

Exhibit IV-26.
Households with a Disability who are Cost Burdened, 2002

	Owners		Renters		Total	
Households with a Disability						
Cost burdened	106,174	27%	95,666	44%	201,840	33%
All households with a disability	394,368	100%	217,295	100%	611,663	100%
Cost Burdened Households						
With a disability	106,174	44%	95,666	44%	201,840	44%
All cost burdened households	241,171	100%	219,709	100%	460,880	100%

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

Housing market analysis. The 2002 PUMS data allow for an examination of household income by what households pay in rent and by the value of their property. This provides a more detailed comparison of the value of units the households are occupying and if they are affordable.

Exhibit IV-27 shows that in 2002 households earning less than 30 percent of the median household income of $41,300 can afford a home valued at $43,398 or below. According to PUMS, 79 percent of these households resided in units above what they can afford (i.e., they are cost burdened). Half of the households earning between 31 and 50 percent of the median income were in units that were not affordable.

Exhibit IV-27.
Household Property Value of Owner Occupied Units
with a Mortgage by Household Income, 2002

	Percent of Median Household Income ($41,300)									
	Less than or equal to 30%		31% to 50%		51% to 80%		81% to 100%		Greater than 100%	
Property Value	< $12,391		$20,650		$33,040		$41,300		$41,300+	
Less than $43,398	7,705	21%	10,575	18%	21,429	16%	11,742	10%	30,969	4%
$43,398 to $72,329	9,088	24%	19,504	32%	32,991	25%	25,797	22%	85,894	11%
$72,330 to $99,999	10,395	28%	15,511	26%	37,651	28%	34,896	29%	175,768	22%
$100,000 to 115,727	1,938	5%	3,537	6%	9,131	7%	12,603	11%	84,199	11%
$115,728 to 124,999	1,143	3%	2,085	3%	5,384	4%	7,431	6%	49,640	6%
$125,000 to $144,658	1,403	4%	4,631	8%	7,466	6%	8,175	7%	87,288	11%
$144,659 to $199,999	2,338	6%	3,042	5%	11,309	9%	11,106	9%	156,288	20%
$200,000 to 299,999	1,485	4%	1,334	2%	5,478	4%	5,418	5%	80,073	10%
$300,000 to $499,999	1,452	4%	0	0%	1,190	1%	1,202	1%	34,648	4%
$500,000 or more	295	1%	0	0%	435	0%	199	0%	9,340	1%
Total	**37,243**	**100%**	**60,218**	**100%**	**132,464**	**100%**	**118,569**	**100%**	**794,107**	**100%**
Total "Overpaying" Hoosiers	**29,538**	**79%**	**30,140**	**50%**	**31,262**	**24%**	**17,925**	**15%**		
Total "Underpaying" Hoosiers			**10,575**	**18%**	**54,420**	**41%**	**85,038**	**72%**		

Note: The numbers assume loan terms of 5 percent down, 6 percent interest rate, and 30-year term, adjusted for PMI, hazard insurance, and property taxes.
Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

The shaded areas in the table above represent households who spend less than 30 percent of their income on housing. The darker shaded areas represent households who occupy housing in their affordability range. Households who earn less than or equal to 30 percent of the median household income (<$12,391) can afford homes valued under $43,399; households in the 31 to 50 percent income category can afford home values under $72,330; households in the 51 to 80 percent income category can afford home values under $115,728; and households in the 81 to 100 percent income category can afford home values up to $144,659.

Further analysis of the upper income categories reveals that some households are occupying units below their price range. For example, 72 percent of households in the 81 to 100 percent income range are occupying units below what they are able to afford (households in the 81 to 100 percent income category can afford homes valued up to $144,659).

Forty-one percent of the households in the 51 to 80 percent income range are occupying units that are affordable to households in the lower income categories. Sixteen percent of these households are occupying units that would be affordable to households in the extremely income range (less than or equal to 30 percent of AMI). If these households occupied units in their affordability range, between $72,330 and $115,727, this would free up those lower priced units for the extremely low-income households to occupy.

The following exhibit shows the number of households by income category and the gross rent they pay. According to PUMS, 66 percent of the households who earn less than or equal to 30 percent of the median household income of $41,300 are in units they cannot afford. Just under half of the households in the 31 to 50 percent income category are living in unaffordable units.

Exhibit IV-28.
Household Gross Rent by Household Income, 2002

	Percent of Median Household Income ($41,300)									
	Less than or equal to 30%		31% to 50%		51% to 80%		81% to 100%		Greater than 100%	
Gross Rent	< $12,391		$20,650		$33,040		$41,300		$41,300+	
Less than $200	30,274	20%	2,967	3%	1,990	1%	465	1%	2,293	1%
$200 to $310	21,845	14%	5,466	5%	3,393	3%	2,425	4%	2,317	1%
$311 to $516	51,553	34%	47,527	44%	51,339	38%	16,094	26%	25,689	17%
$517 to $749	36,883	24%	41,213	39%	62,040	46%	30,613	49%	68,392	44%
$750 to $826	6,652	4%	3,087	3%	7,582	6%	3,713	6%	19,523	13%
$827 to $1,033	3,652	2%	4,081	4%	4,925	4%	7,254	12%	22,064	14%
$1,034 to $1,499	715	0%	1,688	2%	2,628	2%	2,248	4%	13,660	9%
$1,500 or more	868	1%	827	1%	1,735	1%	217	0%	883	1%
Total	**152,442**	**100%**	**106,856**	**100%**	**135,632**	**100%**	**63,029**	**100%**	**154,821**	**100%**
Total "Overpaying" Hoosiers	**100,323**	**66%**	**50,896**	**48%**	**9,288**	**7%**	**2,465**	**4%**		
Total "Underpaying" Hoosiers			**8,433**	**8%**	**56,722**	**42%**	**53,310**	**85%**		

Source: U.S. Census Bureau's American Community Survey PUMS, 2002.

The shaded areas represent households who are in units who spend less than 30 percent of their income on housing. The darker shaded areas represent households that occupy housing in their affordability range. Households who earn less than or equal to 30 percent of the median household income (<$12,391) can afford rents under $311; households in the 31 to 50 percent income category can afford rents under $517; households in the 51 to 80 percent income category can afford rents under $827; and households in the 81 to 100 percent income category can afford rents under $1,034.

Examination of the upper income categories reveals that many households may be occupying units that are well below their affordability level. Over three-fourths of the households in the 81 to 100 percent income category occupy units that lower income categories could afford. This may suggest a need for more higher-end rental units, which would free up lower priced units for the households in the lower income categories to occupy.

CHAS data. HUD provides data on households by income, special need and tenure for use in Consolidated Planning (these data are called CHAS data, after the name of the first consolidated planning reports). Exhibit IV-29, Exhibit IV-30 and Exhibit IV-31 present these data for all households in the Indiana State Program for CDBG and HOME and the State as a whole.

The CHAS data support the general findings in this section, showing that the State's households with the greatest housing needs – as measured by cost burden and condition problems – have the lowest incomes and that need decreases as income increases. In addition, the CHAS data show that the State's elderly households have a lower proportion of housing need than the State's small and large households.

Exhibit IV-29.
Housing Problems Output for All Households, State of Indiana CDBG Program, 2000

Name of Jurisdiction: Indiana State Program(CDBG), Indiana			Source of Data: CHAS Data Book			Data Current as of: 2000					
	Renters					Owners					
Household by Type, Income & Housing Problem	Elderly 1 & 2 member households (A)	Small Related (2 to 4) (B)	Large Related (5 or more) (C)	All Other Households (D)	Total Renters (E)	Elderly 1 & 2 member households (F)	Small Related (2 to 4) (G)	Large Related (5 or more) (H)	All Other Households (I)	Total Owners (J)	Total Households (L)
1. Household Income <=50% MFI	34,800	33,709	6,220	30,735	105,464	76,752	33,525	9,224	20,181	139,682	245,146
2. Household Income <=30% MFI	18,722	16,254	2,452	17,463	54,891	29,206	13,154	3,124	10,157	55,641	110,532
3. % with any housing problems	52.9	77.7	83.8	66.9	66.1	61.9	75.8	87.3	72.6	68.6	67.3
4. % Cost Burden >30%	52.2	76.1	78.3	65.6	64.7	61.2	74.9	78.5	71.8	67.3	66
5. % Cost Burden >50%	33.5	55.5	51.8	50.9	46.3	32.3	59.1	62.8	56.5	44.8	45.5
6. **Household Income >30% to <=50% MFI**	16,078	17,455	3,768	13,272	50,573	47,546	20,371	6,100	10,024	84,041	134,614
7. % with any housing problems	45.9	57.5	65.5	62.3	55.7	27.4	60.4	71.5	55.3	41.9	47.1
8. % Cost Burden >30%	44.9	55.3	40.6	60.2	52.2	26.7	59.2	59.8	54.2	40.3	44.8
9. % Cost Burden >50%	12.3	7.2	4.8	13.4	10.3	10.5	27.8	20.4	27.9	17.5	14.8
10. **Household Income >50 to <=80% MFI**	10,879	28,213	6,806	22,498	68,396	67,500	63,604	18,648	23,832	173,584	241,980
11. % with any housing problems	23.5	14.8	33.5	19.3	19.5	14.5	35.9	43.6	40.2	29	26.3
12.% Cost Burden >30%	22.2	11.1	7.2	17.6	14.6	14	34.9	29.6	39.3	26.8	23.4
13. % Cost Burden >50%	5.3	0.6	0.3	1	1.4	4.1	7	4.7	9.3	5.9	4.7
14. Household Income >80% MFI	8,946	54,242	9,120	35,721	108,029	116,708	468,969	78,410	72,916	737,003	845,032
15. % with any housing problems	7.3	3.2	24.4	3.3	5.3	4.6	5.9	12	10.7	6.8	6.6
16.% Cost Burden >30%	5.8	0.7	0.4	1	1.2	4.3	5.3	5.1	9.9	5.6	5
17. % Cost Burden >50%	2.7	0.2	0.1	0	0.3	0.7	0.5	0.5	1.1	0.6	0.6
18. **Total Households**	54,625	116,164	22,146	88,954	281,889	260,960	566,098	106,282	116,929	1,050,269	1,332,158
19. % with any housing problems	37.5	24.6	40.8	28.7	29.6	17.7	12.8	23.2	25.9	16.5	19.3
20. % Cost Burden >30	36.5	22	18	26.7	26	17.3	12.2	14.7	25.1	15.1	17.4
21. % Cost Burden >50	16.6	9.1	6.7	12.3	11.3	6.9	3.6	4.2	9.8	5.2	6.5

Note: Any housing problems includes cost burden greater than 30 percent of income and/or overcrowding and/or without complete kitchen or plumbing facilities.

Other housing problems include overcrowding (1.01 or more persons per room) and/or without complete kitchen or plumbing facilities.

Elderly households include 1 or 2 person households, either person 62 years old or older.

Renter data does not include renters living on boats, RVs or vans. This excludes approximately 25,000 households nationwide.

Cost burden is the fraction of a household's total gross income spent on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.

Source: HUD CHAS Data (http://socds.huduser.org/chas/index.htm?) Tables F5A, F5B, F5C, F5D, May 6, 2004, 11:30AM MDT.

Exhibit IV-30.
Housing Problems Output for All Households, State of Indiana HOME Program, 2000

Name of Jurisdiction: IN State Program (HOME), Indiana	Source of Data: CHAS Data Book					Data Current as of: 2000					
	Renters					Owners					
Household by Type, Income & Housing Problem	Elderly 1 & 2 member households (A)	Small Related (2 to 4) (B)	Large Related (5 or more) (C)	All Other Households (D)	Total Renters (E)	Elderly 1 & 2 member households (F)	Small Related (2 to 4) (G)	Large Related (5 or more) (H)	All Other Households (I)	Total Owners (J)	Total Households (L)
1. Household Income <=50% MFI	39,598	39,717	7,389	35,043	121,747	81,933	35,074	9,818	21,442	148,267	270,014
2. Household Income <=30% MFI	21,479	19,372	3,086	19,623	63,560	31,209	13,641	3,295	10,802	58,947	122,507
3. % with any housing problems	52.8	76.7	84.1	67.8	66.3	61.4	76.6	87.3	73	68.5	67.3
4. % Cost Burden >30%	52.1	75.2	77.7	66.7	64.9	60.7	75.6	78.8	72.2	67.3	66
5. % Cost Burden >50%	34.1	55.8	52	51.5	46.9	32.2	59.8	63.3	57.3	44.9	46
6. **Household Income >30% to <=50% MFI**	18,119	20,345	4,303	15,420	58,187	50,724	21,433	6,523	10,640	89,320	147,507
7. % with any housing problems	47.1	58.2	65.9	63.6	56.8	27.5	60.9	71.3	56.4	42.1	47.9
8. % Cost Burden >30%	46.2	56.2	41.8	61.8	53.5	26.9	59.7	60.3	55.3	40.6	45.7
9. % Cost Burden >50%	12.5	7.1	4.6	13.8	10.4	10.6	28.1	20.1	29.4	17.7	14.8
10. **Household Income >50 to <=80% MFI**	12,524	32,092	7,694	26,187	78,497	71,150	66,990	19,488	25,705	183,333	261,830
11. % with any housing problems	25.6	15.2	35.6	19.6	20.3	14.8	36.2	43.3	40	29.2	26.5
12.% Cost Burden >30%	24.3	11.3	7	17.9	15.2	14.4	35.2	29.1	39.2	27	23.5
13. % Cost Burden >50%	5.7	0.6	0.2	1.1	1.6	4.1	7.3	4.7	9	6	4.7
14. Household Income >80% MFI	10,200	61,244	10,345	42,072	123,861	122,882	493,693	82,303	79,461	778,339	902,200
15. % with any housing problems	8.2	3.5	26.5	3.4	5.8	4.5	5.9	12.2	10.8	6.9	6.7
16.% Cost Burden >30%	6.8	0.7	0.5	1.2	1.4	4.2	5.4	5.3	10	5.7	5.1
17. % Cost Burden >50%	2.8	0.1	0.1	0.1	0.3	0.7	0.5	0.5	1.1	0.6	0.6
18. **Total Households**	62,322	133,053	25,428	103,302	324,105	275,965	595,757	111,609	126,608	1,109,939	1,434,044
19. % with any housing problems	38.4	25.3	42.9	28.7	30.3	17.8	12.9	23.3	25.9	16.7	19.7
20. % Cost Burden >30	37.3	22.6	18.8	26.9	26.5	17.4	12.3	14.8	25	15.3	17.8
21. % Cost Burden >50	17	9.4	7.2	12.1	11.6	7	3.6	4.2	9.9	5.2	6.7

Note: Any housing problems includes cost burden greater than 30 percent of income and/or overcrowding and/or without complete kitchen or plumbing facilities.

Other housing problems include overcrowding (1.01 or more persons per room) and/or without complete kitchen or plumbing facilities.

Elderly households include 1 or 2 person households, either person 62 years old or older.

Renter data does not include renters living on boats, RVs or vans. This excludes approximately 25,000 households nationwide.

Cost burden is the fraction of a household's total gross income spent on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.

Source: HUD CHAS Data (http://socds.huduser.org/chas/index.htm?) Tables F5A, F5B, F5C, F5D, May 6, 2004. 11:30 AM MDT.

Exhibit IV-31.
TABLE 2A Priority Needs Summary Table, Indiana

PRIORITY HOUSING NEEDS (households)		Priority Need Level	Total households	Housing unit with any housing problems	
				Households	percent
Renter	Small Related (2 to 4)	0-30%	46,715	36,111	77.3%
		31-50%	41,935	25,245	60.2%
		51-80%	60,335	10,921	18.1%
	Large Related (5 or more)	0-30%	8,815	7,493	85.0%
		31-50%	9,335	6,273	67.2%
		51-80%	13,989	5,526	39.5%
	Elderly (1 & 2 members)	0-30%	38,394	20,387	53.1%
		31-50%	31,384	16,665	53.1%
		51-80%	22,710	6,836	30.1%
	All Other	0-30%	56,330	41,797	74.2%
		31-50%	40,285	27,474	68.2%
		51-80%	61,714	14,256	23.1%
	All Renters	0-30%	150,254	107,131	71.3%
		31-50%	122,939	75,730	61.6%
		51-80%	158,748	37,623	23.7%
Owner		0-30%	95,273	65,834	69.1%
		31-50%	141,201	61,564	43.6%
		51-80%	283,492	83,063	29.3%

Note: Any housing problems: cost burden greater than 30% of income and/or overcrowding and/or without complete kitchen or plumbing facilities.

Other housing problems: overcrowding (1.01 or more persons per room) and/or without complete kitchen or plumbing facilities.

Elderly households: 1 or 2 person households, either person 62 years old or older.

Renter: Data do not include renters living on boats, RVs or vans. This excludes approximately 25,000 households nationwide.

Cost Burden: Cost burden is the fraction of a household's total gross income spent on housing costs. For renters, housing costs include rent paid by the tenant plus utilities. For owners, housing costs include mortgage payment, taxes, insurance, and utilities.

Unmet Need: The estimated number of eligible households in need of assistance for the ensuing 5-year period that are not currently receiving assistance. This number is the unmet need.

The HUD Area Median Family Income used was $50,256.

Source: 2000 Census and HUD Table's F5A, F5B, F5C, F5D

Affordability by minimum wage. A 2004 study by the National Low-income Housing Coalition found that extremely low-income households (earning $17,546, which is 30 percent of the AMI of $58,486) in Indiana can afford a monthly rent of no more than $439, while the HUD Fair Market Rent for a two bedroom unit in the State is $612. For single earner families at the minimum wage, it would be necessary to work 91 hours a week to afford a two bedroom unit at the HUD Fair Market Rent for the State. This is an increase of 6 hours from the 2003 study of 85 hours a minimum wage worker must work.

The study analyzed the affordability of rental housing for the State overall and for the State excluding the metropolitan areas. Exhibit IV-32 reports the key findings from the 2004 study. As shown in Exhibit IV-32, in the State's non-metro areas, studio and one-bedroom apartments are relatively affordable to a family earning the median income—that is, families are not as likely to be cost burdened if they rented apartments of this size. However, families with one worker earning the minimum wage would have difficulty renting any size apartment without working more than a 40 hour week.

Exhibit IV-32.
Housing Cost Burden, Indiana Non-Metro Areas, 2004

	0 Bedrooms	*One Bedroom*	*Two Bedrooms*	*Three Bedrooms*	*Four Bedrooms*
Percent of median family income needed	30%	33%	41%	52%	57%
Work hours/week needed at the minimum wage	59	64	80	102	113
Income needed	$15,738	$17,183	$21,357	$27,437	$30,282

Note: Family annual median income was estimated at $52,670 for non-metropolitan Indiana.
Source: National Low-income Housing Coalition, ***Out of Reach, 2004.***

According to the study, annual family median income increased only slightly by 8 percent from 2000 to 2004, while fair market rent for a two bedroom apartment increased by 23 percent from 2000 to 2004.

Future housing needs. As discussed previously, approximately 274,000 households who own their homes and 255,000 households who are renting are paying 30 percent or more of their incomes in housing costs and, as such, are cost burdened. Although cost burden can be an indicator of housing need, not all households who are cost-burdened are in need of housing. For example, younger households may choose to be cost burdened when they buy their first or second homes in anticipation of rising incomes in the future. Also, it is not uncommon for elderly households to pay a higher percentage of their incomes in housing costs, because their other expenses are lower than those of younger households.

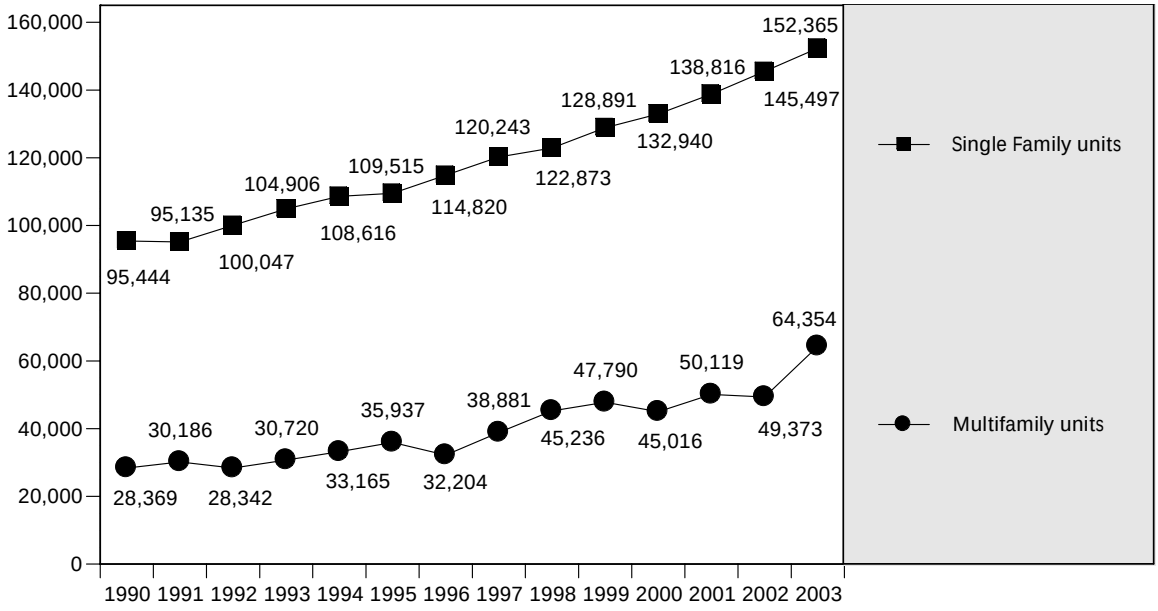
The cost burdened households with the greatest needs are generally those with the lowest incomes. The 2002 PUMS reported 152,494 cost burdened renter households and 88,402 cost burdened owner households with annual incomes less than $20,650 (50 percent of the median household income)—for a total of about 241,000—that are likely in need of affordable housing or some level of assistance with housing costs.

As shown in Exhibit IV-33, the cost of new housing in Indiana has been on an upward trend since 1990, as measured by the value of the housing constructed when units are permitted. These trends suggest that new housing is unlikely to grow more affordable in future years. However, the new housing may free up affordable housing currently occupied by households who could pay more for housing costs.

Between 1990 and 2003, the average building cost for single family units increased by approximately 60 percent; the cost of 5 of more units of multifamily housing increased by 127 percent. The average annual cost increase was 3.7 percent for single family housing and 7.1 percent for 5 or more units of multifamily housing for the same time period.

The following exhibit shows the annual average building cost for single family and 5 or more units of multifamily housing between 1990 and 2003.

Exhibit IV-33.
Average Building Cost for Single Family and
Multifamily (5 or More Units) in Indiana, 1990 to 2003



Note: Permit authorized construction.
Source: U.S. Census Bureau and Indiana Business Research Center.

If the State experiences the same level of household growth between 2005 and 2009 as it has so far this decade and the distribution of housing prices remains that same as it was in 2000, (which is unlikely given recent trends—therefore this would be a best case scenario) an estimated 357,000 low-income households will be cost burdened and in need of some type of housing assistance in 2009.

Disproportionate need. The 2000 Census reports the median rent and mortgage costs as a percentage of household income by race and ethnicity. These data are useful in identifying households (by race and ethnicity) that may have a disproportionate level of affordable housing need. If households of a certain race or ethnicity are more likely to be cost burdened than others, they are likely to have greater housing needs than other households.

Exhibit IV-34 shows the median rent and housing costs for households with mortgages by race and ethnicity in 2000.

Exhibit IV-34.
Median Housing Costs as a Percentage of Income, by Race and Ethnicity, 2000

Household Race/Ethnicity	*Rent/Income*	*Mortgage/Income*
African American	23.5%	19.1%
American Indian/Alaskan Native	26.5%	21.5%
Asian	25.7%	20.9%
Hispanic/Latino	22.1%	20.0%
Native Hawaiian/Pacific Islander	26.1%	19.8%
Some Other Race	21.8%	20.4%
Two or More Races	26.7%	21.0%
White	23.5%	19.1%

Source: U.S. Census of the Bureau, 2000.

The comparison of housing costs as a percent of income by race and ethnicity shows modest differences between the housing cost burden. Whites, Asians, and Hispanics/Latinos pay a lower percentage of their incomes in rents and mortgages than African Americans, American Indians/Alaskan Natives and individuals of other races. The difference is largest for renter households, particularly for African American, Native Hawaiian/Pacific Islander, and Two or More Races households.

Summary of Findings

The following exhibit is a summary of key findings for Indiana as reported throughout this section. The exhibit shows findings concerning housing condition, affordability and HUD's CHAS tables. County summaries showing similar housing condition information is provided in Appendix E.

Exhibit IV-35.
Summary of Findings, Indiana

Housing Condition	*Source*	*Households*
% of households overcrowded:	2002 PUMS	1.9%
Less than or equal to 30% of AMI		1.7%
31% to 50% of AMI		2.2%
51% to 80% of AMI		1.6%
81% to 100% of AMI		2.5%
Greater than 100% of AMI		1.8%
Occupied units lacking:		
Complete plumbing	2003 ACS	6,474
Complete kitchen facilities	2003 ACS	11,205
Lead-based paint risk:		
Renters	2003 ACS	127,862
Very low income (less than 50%) and built 1939 or earlier	2002 PUMS	131,152
Affordability		***Households***
Owners:		
Cost burdened	2003 ACS	273,943
Severely cost burdened	2003 ACS	82,059
Renters:		
Cost burdened	2003 ACS	254,580
Severely cost burdened	2003 ACS	133,999
Cost burdened households with disabled members	2002 PUMS	201,840
Households "underpaying" for housing:		
51% to 80% of AMI	2002 PUMS	111,142
81% to 100% of AMI	2002 PUMS	138,348
CHAS	***CDBG***	***HOME***
Households with housing problems:		
Elderly (1 & 2 members)	332,364	338,363
Small related (2 to 4)	728,966	729,069
Larger related (5 or more)	137,066	137,125
All other households	222,720	230,014
Total	***1,421,116***	***1,434,571***

Source: U.S. Census Bureau, HUD and BBC Research & Consulting.

PHA Survey Results

To better understand the demand for rental assistance, a mail survey of Public Housing Authorities (PHAs) in nonentitlement areas in the State was conducted as part of the 2005 Consolidated Plan process. The survey collected information on Section 8 Housing Choice voucher usage between January and September 2004, by individual PHA. Forty-three surveys were mailed, and 28 responses were received, for a response rate of 65 percent.

A similar survey was completed in February and March of 2004 for the 2004 Consolidated Planning process. The February/March survey collected information about voucher usage during 2003. The conclusions from that survey can be found in the 2004 Consolidated Plan Update. The high percentage (68 percent) of the PHAs providing data for both 2003 and 2004 enables us to make meaningful comparisons about voucher usage and the demand for vouchers over this two year period.

Voucher utilization and demand. Of the PHAs responding to the current survey, 22 (or 79 percent) administer Section 8 vouchers. The average number of vouchers administered by the 22 PHAs at the time of the survey was 214, with a low of 50 vouchers and a high of 429 vouchers. Voucher utilization remained high in 2004, with 91 percent of PHAs having a 95 percent or higher voucher utilization rate. In 2003, 95 percent of respondent PHAs had a 95 percent or higher voucher utilization rate.

The number of PHA survey respondents stating that their Section 8 voucher utilization rate had fallen below 95 percent during the prior year had declined to 55 percent in 2004, compared with 65 percent in 2003. The majority of lower utilization years were between the years 2000 and 2004. The primary reason(s) given for lower utilization are, in order of frequency of response: low HUD-specific Fair Market Rents, military base closures in communities, and poor management of the Section 8 voucher programs. Fifteen percent of housing authorities reported having to return portions of voucher funding to HUD, with the primary reason provided being low utilization. Approximately $402,000 in voucher funding was returned to HUD, most of which was returned during the years 2001 and 2002.

As in the 2003 PHA survey results, the 2004 survey data indicate that long waiting lists remain typical. The *average* number of households on waiting lists is up slightly: In 2004, the respondent housing authorities reported an average of 144 households on their waiting lists. This compares to an average of 139 reported by the PHAs in 2003.

The following exhibit shows the average number of households on waiting lists by PHA.

Exhibit IV-36.
Average Number of Households on Waiting Lists, 2003 and 2004 (through September 2004)

Source:
2005 Indiana Consolidated Plan PHA Survey.

City	Average for 2004	Average for 2003	Change in households on waiting lists, 2003 and 2004 averages
Anonymous	150	N/A	N/A
Anonymous	315	N/A	N/A
Brazil	120	N/A	N/A
Elwood	150	N/A	N/A
Fulton	50	N/A	N/A
Greencastle	162	140	22
Greensburg	72	N/A	N/A
Knox	300	300	0
Linton	60	N/A	N/A
Logansport	148	177	-29
Marion	340	N/A	N/A
New Castle	175	315	-140
Peru	150	N/A	N/A
Richmond	225	200	25
Rockville	40	N/A	N/A
Sellersburg	20	31	-11
Seymour	75	109	-34
Sullivan	50	42	8
Tell City	48	25	23
Union City	50	50	0
Vincennes	275	150	125
Warsaw	261	N/A	N/A

The PHAs were also asked to provide detailed information about the length of their waiting lists as of June 30, 2004 (in addition to an average for the year). The following exhibit reports the number of households on PHA waiting lists by size of unit needed. As shown in the exhibit, most households on waiting lists (88 percent of all households) need units with one to three bedrooms. About half of the PHAs who responded to both the 2003 and 2004 surveys had declines in their waiting lists; about half had increases.

Exhibit IV-37.
Numbers of Households on Waiting Lists as of June 30, 2004

City	Studio	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	More Than 4 Bedrooms	Total on Waiting List June 2004
Anonymous	0	94	140	94	4	2	334
Anonymous	0	63	71	47	4	1	186
Brazil	0	21	48	50	20	0	139
Elwood*							151
Fulton	0	25	25	23	6	3	82
Greensburg*							80
Linton	0	10	20	18	2	0	50
Logansport	0	65	34	27	4	0	130
Marion	0	319	397	252	55	8	1,031
New Castle	0	68	62	35	5	1	171
Peru	0	63	71	47	4	1	186
Richmond	12	47	34	112	14	6	225
Rockville	0	10	25	12	3	0	50
Sellersburg	0	5	12	5	0	0	22
Seymour	0	19	33	22	0	0	74
Sullivan	0	5	9	6	2	0	22
Tell City	0	8	15	13	9	0	45
Union City	0	44	26	30	6	0	106
Vincennes	0	125	91	51	8	0	275
Warsaw	0	110	97	44	10	0	261
Total	***12***	***1,101***	***1,210***	***888***	***156***	***22***	***3,620***
% of total	***0%***	***30%***	***33%***	***25%***	***4%***	***1%***	***100%***

Note: The PHAs marked with an asterisk do not keep waiting lists by bedroom size.
Source: 2005 Indiana Consolidated Plan PHA Survey.

Eighty percent of PHAs indicated a wait of greater than six months for all sized units. Thirty percent of the PHAs have households on waiting lists for 12 months or longer. Exhibit IV-36 shows the time to reach the top of the waiting list by unit size by PHA. Except for Richmond, unit size does not appear to be a factor in waiting list length.

Exhibit IV-38.
Months to Reach Top of Waiting Lists, June 30, 2004

City	Studio	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	More Than Four Bedrooms
Anonymous	0	18	18	18	18	18
Anonymous	0	12	12	12	12	12
Brazil	0	6	6	6	6	0
Elwood	0	7	7	7	7	7
Fulton	0	6 to 12	6 to 12	6 to 12	6 to 12	6 to 12
Greencastle	8	8	8	8	8	8
Greensburg	10 to 11	10 to 11	10 to 11	10 to 11	10 to 11	10 to 11
Linton	0	1 to 2	1 to 2	1 to 2	1 to 2	0
Logansport	0	12	12	12	12	0
Marion	0	24	24	24	24	24
New Castle	0	7 to 12	7 to 12	7 to 12	7 to 12	7 to 12
Peru	0	12	12	12	12	12
Richmond	3 to 6	3 to 6	6 to 12	12 to 24	12 to 24	24 to 36
Rockville	0	6	6	6	6	0
Sellersburg	0	6 to 12	6 to 12	6 to 12	0	0
Seymour	0	12	12	12	0	0
Sullivan	0	3	3	3	3	0
Tell City	0	4	8	10	3	0
Union City	0	8	8	8	8	0
Vincennes	0	6 to 12	6 to 12	6 to 12	6 to 12	0
Warsaw	0	15	18	16	15	0

Source: 2005 Indiana Consolidated Plan PHA Survey.

Household characteristics. The 2004 survey results indicate that the largest household category on waiting lists remains extremely low-income families and families with children. On average, 83 percent of households on waiting lists earn 30 percent or less of the area median income (AMI), as compared to an average of 76 percent of households in December 2003. The following exhibit shows the percent of households currently on voucher waiting lists by income category.

Exhibit IV-39.
Estimate of Number of Households Earnings, as a Percentage of Area Median Income (AMI), on Current Waiting Lists

Source:
2005 Indiana Consolidated Plan PHA Survey.

City	30% or less	31% to 50%	51% to 80%	Other
Anonymous	85%	13%	2%	0%
Brazil	95%	3%	2%	0%
Elwood	95%	5%	0%	0%
Greencastle	87%	13%	0%	0%
Knox	60%	35%	5%	0%
Logansport	87%	13%	0%	0%
Marion	66%	32%	2%	0%
New Castle	89%	10%	1%	0%
Peru	85%	13%	2%	0%
Richmond	85%	10%	5%	0%
Rockville	96%	4%	0%	0%
Sellersburg	100%	0%	0%	0%
Sullivan	99%	1%	0%	0%
Tell City	65%	3%	5%	0%
Union City	75%	25%	0%	0%
Vincennes	93%	6%	1%	0%
Warsaw	50%	48%	2%	0%
Average percent, June 2004	***83%***	***14%***	***2%***	***0%***
Average percent, Dec 2004	***76%***	***17%***	***5%***	***1%***

The average income for current voucher holders at the time of the September 2004 survey was $9,075 per year. The annual household income was even lower for those households on waiting lists, at $8,272 per year. These households are at the HUD defined level of extremely low-income.

The largest household group on waiting lists as of June 30, 2004 was families with children. Eighty-five percent of the PHAs reported that 60 percent or more of their waiting lists were comprised of families with children. The second largest household group on housing authority waiting lists continued to be non-elderly persons with disabilities. Two-thirds of housing authority respondents reported more than 10 percent of their waiting list households in this category.

Exhibit IV-40 shows each PHA's waiting list by household type. The Exhibit shows the average percentage in each household category for the 2004 survey.

Exhibit IV-40.
Estimated Percentage of Households on Waiting List, by Household Type, June 30, 2004

Source:
2005 Indiana Consolidated Plan PHA Survey.

City	Families With Children	Elderly Without Disabilities	Elderly With Disabilities	Non-elderly With Disabilities
Anonymous	80%	3%	10%	2%
Anonymous	73%	4%	3%	15%
Brazil	79%	9%	8%	4%
Elwood	78%	21%	0%	0%
Greencastle	60%	19%	3%	10%
Greensburg	70%	10%	10%	10%
Logansport	57%	2%	3%	33%
Marion	58%	4%	4%	24%
New Castle	60%	15%	14%	11%
Peru	73%	4%	3%	15%
Richmond	70%	10%	10%	10%
Rockville	78%	3%	0%	0%
Sellersburg	80%	0%	10%	10%
Seymour	30%	0%	4%	15%
Sullivan	70%	0%	0%	30%
Tell City	75%	15%	5%	5%
Union City	64%	12%	0%	24%
Vincennes	70%	4%	6%	20%
Warsaw	60%	11%	1%	5%
Average %, June 2004	***68%***	***8%***	***5%***	***13%***
Average %, Dec 2004	***66%***	***10%***	***8%***	***19%***

The survey also asked if the PHAs had ever applied for vouchers designated for persons with disabilities. Five of the PHAs said they had applied; three of the five had received funding. The PHAs that received funding for these vouchers said that the vouchers were well utilized.

Community needs. The survey also asked the PHAs what the greater need is in each PHA community—additional rental units or more tenant-based rental assistance (TBRA). Forty-eight percent of the PHAs were in need of additional affordable rental units, 38 percent were in greater need of TBRA, and 14 percent of respondents needed both rental assistance and affordable rental units. The following exhibit shows these needs by PHA. Earlier in 2004, during the February/March survey, respondents were fairly evenly divided between the need for rental assistance (Section 8 vouchers) versus additional affordable housing units, with 42 percent of housing authorities having the greatest need for additional voucher funding, and 47 percent needing additional units.

Exhibit IV-41.
Greater Need for TBRA or Affordable Units, June 30, 2004

Source:
2005 Indiana Consolidated Plan PHA Survey.

City	Greater Need for Tenant Based Rental Assistance	Greater Need For Affordable Units	Both
Anonymous	✓		
Anonymous	✓		
Angola		✓	
Brazil	✓		
Elwood		✓	
Fulton		✓	
Greensburg		✓	
Knox		✓	
Logansport	✓		
Marion	✓		
New Castle		✓	
Peru	✓		
Richmond		✓	
Rockville			✓
Sellersburg	✓		
Seymour		✓	
Sullivan		✓	
Tell City		✓	
Union City	✓		
Vincennes			✓
Warsaw			✓

Housing Authority respondents most frequently cited families, particularly large families, as having more difficulty finding units that accept vouchers. In addition, respondent PHAs said that disabled accessible units are also difficult to find. Of the 10 PHA respondents, 70 percent stated that families with children and large households find it more difficult than average to find a unit that accepts vouchers. Thirty percent listed households with disabilities as having a harder time finding units that will accept vouchers. Exhibit IV-42 shows the location and the type of household having difficulty finding a unit with a voucher.

Exhibit IV-42.
Types of Households Having Particular Difficulty Finding Units That Accept Vouchers

City	Type of Household
Brazil	Large families needing 3 to 4 bedroom units
Greencastle	Large families, households with bad credit and poor rental histories
Greensburg	Households living off SSI, disability income, TANF, other governmental assistance, and child support
Logansport	Large families and the disabled
Marion	Families with children and the disabled
New Castle	Disabled requiring wheelchair accessible units
Richmond	Families with children
Seymour	Large households
Warsaw	Large families and households with zero income

Source: 2005 Indiana Consolidated plan PHA Survey.

Accessible units available. Most PHAs that administer accessible public housing units were administering one and two bedroom units as of June 30, 2004. According to the 2005 survey, the total number of PHA administered units was 716, with 68 percent of those being one bedroom units, and 18 percent being two bedroom units. The 716 units are much smaller than the number of accessible units reported in the 2003 survey of 1,764. The following exhibit shows the number of accessible public housing units administered by size of unit for each responding location.

Exhibit IV-43.
Number of Accessible Public Housing Units Administered, by size, June 30, 2004

City	Studio/ Efficiency	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom	Total
Anonymous	0	10	0	0	0	10
Angola	0	3	2	2	0	7
Brazil	0	0	8	2		10
Fremont	0	4	0	0	0	4
Greendale	0	42	8	0	0	50
Knox	27	28	15	4	0	74
Linton	0	0	41	9	0	50
Marion	0	12	0	3	0	15
New Castle	0	10	6	0	0	16
Peru	0	10	0	0	0	10
Richmond	2	8	2	0	0	12
Sullivan	0	209	15	24	7	255
Tell City	0	138	39	20	2	199
Vincennes	0	2	2	0	0	4

Source: 2005 Indiana Consolidated Plan PHA Survey.

State voucher data. In addition to the surveys from the PHAs in nonentitlement areas, a completed survey was received from the State for the vouchers administered statewide, by the Family and Social Services Administration (FSSA).

As of June 30, 2004, FSSA administered 4,057 vouchers. The waiting list for State-administered vouchers was 6,728 households, with the majority of households waiting for one to three bedroom units. It takes households between 16 and 20 months to reach the top of the State's waiting list, depending on bedroom size.

The vast majority of the households on the State's waiting list—91 percent—earn less than 30 percent of the AMI. Most households on the waiting list are families with children (64 percent) or non-elderly persons *with* disabilities (46 percent). Nine percent of the waiting list is made up of elderly without disabilities; 5 percent is made up of elderly with disabilities.

The State reported that it does not provide funds for adaptive modifications of Section 8 funded units through its Section 8 voucher program. The State has applied for and received funding for vouchers designated for persons with disabilities; these vouchers are well utilized.

2005 Indiana Consolidated Plan PHA Survey

The State of Indiana Department of Commerce, Indiana Housing Finance Authority and the Family and Social Services Administration are currently preparing the 2004 Consolidated Plan for the U.S. Department of Housing and Urban Development. This plan will include a housing market analysis, which will examine the need for affordable rental units and vouchers in the State. To aid in this effort, please fill out this brief survey and return by February 15, 2004. We appreciate your assistance.

1. As of December 31, 2003, how many Housing Choice vouchers did your Housing Authority administer? _____

2. As of December 31, 2003 what was the utilization rate of your Housing Choice vouchers? _____

3. As of December 31, 2003, how many households were on your waiting list for Housing Choice vouchers by unit size? On average, how long does it take a household to reach the top of the waiting list? Please complete the chart below:

Unit Size	*Length of Waiting List (Number of Households)*	*Time to Reach Top of Waiting List (months)*
Studio/Efficiency		
1 bedroom		
2 bedroom		
3 bedroom		
4 bedroom		
More than 4 bedrooms		

4. During 2003 what was the average number of households on your waiting list for Housing Choice vouchers? _____

5. Has your Housing Authority's Housing Choice voucher utilization rate ever fallen below 95 percent?

   ρ Yes ρ No

5a. If so, during what year? _____

5b. If so, what was the primary reason for the low utilization rate? _____

_____

6. Has your Housing Authority ever had to return part of its voucher funding to HUD because of low utilization?

6a. If yes, what year did this occur? _____

6b. If yes, how much funding was recaptured (by year)? _____

6c. If yes, Please explain the reason for the recapture. _____

_____

7. By percent, roughly how many households on your current waiting list for vouchers earn 30 percent of median income or less, between 31 and 50 percent of median income and between 51 and 80 percent of median income?

   Earn 30 percent of area median income (AMI) or less _____%

   Earn between 31 and 50 percent of AMI _____%

   Earn between 51 and 80 percent of AMI _____%

   Other (specify) _____%

   Total **100%**

8. By percent, roughly how many households on your waiting list for vouchers are families with children, elderly or people with disabilities?

   Families with children _____% of total households

   Elderly (without disabilities) _____% of total households

   Elderly (with disabilities) _____% of total households

   Non-elderly with disabilities _____% of total households

9. What is the greater need in your community—tenant based rental assistance (e.g., rental vouchers) or additional affordable rental units? Please explain. _____

_____

_____

2005 Indiana Consolidated Plan PHA Survey

10. How easy is it for the average applicant to find a unit in your community that accepts vouchers?

    ρ Very easy ρ Difficult

    ρ Easy ρ Very Difficult

11. Is it particularly difficult for individuals or households with certain characteristics to find a unit that accepts vouchers? If so, please list those characteristics. _____

    _____

    _____

12. How many accessible public housing units does your Housing Authority administer, by bedroom size?

Number of Bedrooms	*Number of Accessible Units*
Studio/Efficiency	
1 bedroom	
2 bedroom	
3 bedroom	
4 bedroom	
More than 4 bedrooms	

13. Does your Housing Authority provide funds for adaptive modifications of Section 8 funded units in the Housing Choice Voucher program?

    ρ Yes ρ No

14. Has your Housing Authority ever applied for vouchers designated for persons for disabilities?

    ρ Yes ρ No

14a. If yes, were these vouchers well utilized? Why or why not? _____

    _____

    _____

15. Do you permit applicants to reject public housing units and remain on your waiting lists?

    ρ Yes ρ No

16. Do you have a policy of evicting tenants the first time they violate resident rules?

    ρ Yes ρ No

Contact Information (Optional)

PHA Name: _____
Address: _____
_____
Contact Person: _____
Phone/e-mail: _____

Would you like to receive a copy of the State Consolidated Plan Executive Summary?

ρ Yes ρ No

Would you like to receive information about the State Consolidated Planning process?

ρ Yes ρ No

For Further Questions and Information, Please Contact:

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Thank You for Your Assistance!

SECTION V.
Special Needs Populations

SECTION V.
Special Needs Populations

Introduction

This section discusses the housing and community development needs of special needs populations in Indiana, pursuant to Sections 91.305 and 91.315 of the State Government Consolidated Plan Regulations.

Due to lower incomes and the need for supportive services, special needs groups are more likely than the general population to encounter difficulties finding and paying for adequate housing and often require enhanced community services. The groups discussed in this section include:

- Youth;
- The elderly;
- Persons experiencing homelessness;
- Persons with developmental disabilities;
- Persons with HIV/AIDS;
- Persons with physical disabilities;
- Persons with mental illnesses and/or substance abuse problems; and
- Migrant agricultural workers.

A list of data sources used in assessing the needs of these populations is provided at the end of this section.

Individuals with extremely low- and very low-incomes are also considered a special needs group by many policymakers and advocates. Because the needs of this group are given attention in other sections of this report, low-income populations are not included here as a specific special needs group.

Key Population and Housing Statistics

Exhibit V-1 on the following page displays summary population and housing statistics found throughout this report by special needs group. These statistics incorporate the most current data available to estimate the specified living arrangements, unmet housing needs and homeless numbers by special needs population. The remainder of this report contains narrative and data detailing the needs of each special needs population group.

Exhibit V-1.
Key Population and Housing Statistics

Special Needs Group			Number
Youth	**Population**	Total aging out of foster care each year	787
	Housing	Youth shelters (17 years and under)	6 shelters
		Sheltered homeless youth (point-in-time)	726
		Former foster youth in 4 or more foster homes	315
		Former foster youth ending up homeless	315
Elderly	**Population**	Total population over 65 (2003)	763,059
	Housing	Group quarters population	50,034
		Cost burdened owners	55,199
		Cost burdened renters	44,233
		Nursing facilities	484 units/53,000 beds
		Living in substandard housing (nonentitlement areas)	27,000
		Living in units with condition problems:	
		Renters	48,599
		Owners	83,255
Persons Experiencing Homelessness	**Population**	Total:	18,811
		Individuals	6,600
		Persons in families with children	12,211
		Balance of Indiana:	15,932
		Individuals	4,591
		Persons in families with children	11,341
	Housing (Balance of Indiana excluding metro areas)	Emergency beds	2,080
		Transitional housing	1,859
		Permanent supportive housing	1,449
		Chronically homeless	2,777
		Unmet need, literally homeless	5,963
Persons with Developmental Disabilities	**Population**	Total	70,787
		DD population receiving services from state or non-state agencies (2003)	10,097
	Housing	Facilities for DD (2002)	2,039
		Persons in congregate care	4,729
		Persons in host home/foster home	782
		Living in own home	4,586
		Living with family member and receiving supportive services	4,587
		Unmet housing need	7,000
Persons with HIV/AIDS	**Population**	Total living with HIV/AIDS (2003)	7,588
	Housing	Units for persons with HIV/AIDS	143
		Tenant-based rental assistance units	144
		Short term rent/mortgage and/or utility assistance	239
		Sheltered homeless with HIV/AIDS (point-in time)	633
		Housing need	2,086
		Homeless or at-risk of experiencing homelessness	2,276 - 3,797
Persons with Physical Disabilities	**Population**	Total (2000)	1,054,757
	Housing	Living in poverty (rural areas)	71,000
Persons with Mental Illness	**Population**	Total	236,831
		Target population for State services	68,311
		SMI population served by DMHA (SFY 2002)	48,018
	Housing	Living in rural areas	11,999
		Living in urban areas	36,019
		Beds reported by CMHCs (2001)	1,900
		Sheltered homeless with SMI (point-in-time)	3,510
Persons with Chronic Substance Abuse	**Population**	Total	87,946
		Chronically addicted population served by DMHA (SFY 2002)	24,295
	Housing	Beds for substance abuse treatment	5,662
		Homeless with substance dependencies (1-year period)	30,000 - 71,000
		Sheltered homeless with chronic substance abuse (point-in-time)	4,176
Migrant Farmworkers	**Population**	Total	8,000
	Housing	State licensed camps (2003)	52
		Living in substandard housing	1,760
		Living in crowded conditions	4,160
		Substandard, cost burdened and crowded conditions	480

Source: BBC Research & Consulting.

Youth

Because of growing concerns Statewide of the needs of youth, the Consolidated Plan included this group as a special needs population for the first time in the 2004 Update. This section details the most current research about the needs of this population.

Population. There are three segments of the population of youth in Indiana who have potential housing and supportive service needs: Youths aging out of the foster care system; older youth transitioning to adulthood with uncertain future plans; and youth who are homeless.

Youth exiting the foster care system. Indiana has an average of 787 youth who "age out" of foster care each year.[1] Typically, the foster care system expects youth to live on their own at age 18. Often, youth in foster care do not get the help they need with high school completion, employment, accessing health care, continued educational opportunities, housing and transitional living arrangements, which can lead to longer term housing and supportive service needs.

Youth who are homeless. On March 27, 2000, the Census identified approximately 2,384 persons staying in emergency and transitional shelters Statewide. This tabulation does not include people in domestic violence shelters or shelters for abused women, transitional housing and permanent supportive housing. Of these 2,384 persons, 26 percent (615 persons) were under 18 years of age.

The Indiana Coalition on Housing and Homeless Issues (ICHHI) tabulated Statewide homeless numbers by consolidating homeless data from the Indianapolis, Evansville and Balance of State Continuum of Care. ICHHI reported that 726 youth Statewide are homeless but living in a sheltered environment. This number is quite comparable to the Census estimate (615 youths).

Youth with uncertain futures. The U.S. Census Bureau produced a special supplementary survey in 2002 with data on disconnected youth. Disconnected youth are persons ages 18 to 24 who are not presently enrolled in school, are not currently working and have no degree beyond a high school degree or GED. The statistic intends to capture a population of young adults having difficulty making the transition to adulthood. In 2002, 93,000 Hoosier youth (17 percent of all young adults) were reported by Census data to be "disconnected." This is slightly higher than the 15 percent of young adults who are considered disconnected nationally. [2]

Outstanding need. In December 2003, the Social Science Research Center of Ball State University of Indiana completed a study, *Indiana Independent Living Survey of Foster Youth*. The survey asked 247 youth in foster care (ages 14 to 18 years) from more than 40 of the 92 counties in Indiana information regarding the characteristics, experiences and needs of young people and offered these individuals the opportunity to voice their opinions regarding needs and resources. Approximately 28 percent of the youth lived in rural areas and the remaining in urban areas.

Over half (52.5 percent) of the youth stated that they did not know where they were going to live when emancipated. Additionally, 108 youths (44.3 percent) indicated they were *not* aware of housing options available upon emancipation. The youth who did know of housing options said they were

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[1] *An Amendment to the Indiana Child and Family Services Plan for FY 1999-2004, Education and Training Vouchers for Youths Aging out of Foster Care Program*, July 30, 2003.

[2] *KIDS COUNT 2003 Data Book Online*, Profile for Indiana, http://www.aecf.org/cgi-bin/kc.cgi?action=profile&area=Indiana.

informed mostly by their Division of Family and Children case manager (37.5 percent) or their independent living program staff (25.7 percent).

Almost three-fourths (74 percent) stated that they would prefer to stay with their foster parents. When asked if they would like to stay with their foster parents after emancipation or aging out, on average, the youth wanted to stay 2.06 years.

The study also reported that Indiana youths participating in focus groups in 2002 expressed an interest in better housing options when they left care. They stated they would need furnished housing and possibly roommates to share the bills. A suggestion by the participants included housing similar to the secure housing provided for seniors.

National studies have shown that most youth transitioning from in-home care to self-sufficiency do not appear to have the needed supports to be self-sufficient. These studies have found that of the youth leaving foster care, within 12 to 18 months:

- 40 percent end up homeless (which would equate to 315 Indiana youth per year).
- 50 percent are unemployed (394 Indiana youth per year).
- 37 percent do not have a high school diploma or GED (291 Indiana youth per year).
- 33 percent are on public assistance (260 Indiana youth per year).
- 30 percent have children (236 Indiana youth per year).
- 27 percent of the males and 10 percent of the females have been incarcerated.

Research also shows that three out of ten of the nation's homeless are former foster children, and homeless parents who have a history of foster care are almost twice as likely to have their own children placed in foster care as homeless people who were never in foster care. Several studies document that anywhere from 10 to 25 percent of former foster youth are homeless for at least one night after they leave foster care.

In February of 2004, the Midwest Study, a collaboration of state public child welfare agencies in Illinois, Iowa, and Wisconsin, the Chapin Hill Center for Children at the University of Chicago and the University of Wisconsin Survey Center produced a report entitled the *Midwest Evaluation of the Adult Functioning of Former Foster Youth: Conditions of Youth Preparing to Leave State Care.* The team gathered data from 732 adolescents in the aforementioned states to assess how former foster care youth handle the transition to adulthood. This study was the first comprehensive look at former foster care youth since the enactment of the Chafee Act in 1999.

The 732 interviewed youths were 17 years old and still under the jurisdiction of the state child welfare system. The youth respondents were almost split evenly between male and female. The majority of youths (57 percent) were African American and 31 percent were White. Before entering foster care, most youth lived with at least one birth parent, the birth mother in the majority of cases. Youth were asked to identify their primary caregiver's problems. Seventy-one percent said that their caregiver had one or more problems — 43 percent cited drug abuse, 39 percent cited inadequate parenting skills and another 35 percent cited alcohol abuse. When asked if they had been abused or neglected, the majority (59 percent) said they had been neglected. Twenty-five percent of youth reported only one foster home placement; however, almost 40 percent reported living in four or more foster homes since entering the system (315 of the 787 Indiana youth aging out each year).

The Midwest Study assessed the physical and mental health of the youth participants. Of the 732 youths, 230 (31 percent) suffered from one or more mental or behavioral health disorder, over one-third had received counseling, almost 25 percent had been prescribed drugs for a psychological or psychiatric condition and 7 percent had been in a psychiatric hospital for at least one night in the past year. In comparison to the general population, foster youth reported more serious physical injuries in the past year.

The foster youth in the Midwest Study "were much more likely than the national sample to have been pregnant and to have carried a pregnancy to term, but less likely to have had an abortion. Altogether, 100 of the youth (13.7 percent) reported having at least one child."

Foster youth in the study were much more likely than the average population to engage in delinquent behavior, particularly theft, serious fighting, causing injury and running away. In all crime categories, males were much more likely to be involved in the juvenile justice system than females.

Resources and solutions. As noted above, one of the greatest needs of youth transitioning from the foster care system—and, by definition, of youth who are homeless—is affordable housing. The need for safe, affordable housing is a central need consistently identified by young adults who have aged out of foster care. These young adults need to have transitional housing with supportive services, rental vouchers with supportive services and affordable housing.

There are several programs in Indiana that assist youth with housing needs. However, these programs are all transitional, providing temporary assistance, as outlined below.

Family Unification Program. HUD's Family Unification Program (FUP), managed by the Indiana Family Social Services Administration, provides housing assistance for youth ages 16 to 21 who have left foster care. These vouchers are time-limited; a youth can only have the voucher for 18 months. The agency that refers a youth to this program provides aftercare to each youth. There are an array of services available to youth in housing to promote their successful transition to adulthood.

Transitional Living Program. The Transitional Living Program (TLP) is a part of the U.S. Department of Health and Human Services Family and Youth Services Bureau's Runaway and Homeless Youth Program. Youths ages 16 to 21 experiencing homelessness are eligible for residential services for up to 18 months. The TLP provides funding to the Children's Campus, Inc. in Mishawaka. The Children's Campus treats severely emotionally disturbed children, adolescents and their families who require compassionate and specialized care in residential environments ranging from secure care to independent living.

John H. Chafee Foster Care Independence Program. Indiana is using the John H. Chafee Foster Care Independence Program funding for Room and Board, Independent Skill Services and Youth Advisory Boards for youth ages 14 to 21 who are transitioning from foster care. Services are available based on availability of funding in each county. All 92 counties have included IL services in their budgets to manage the 20 percent match but all have limited funds. Except for Room and Board, IL skill services are available to youth that were in foster care at any time after the age of 14 and probation youth that were in foster care after that age of 14 and were IV-E eligible. Room and Board services have been capped at $3,000 per eligible youth between age 18 and 21. When youth receive Room and Board services, it is expected that the youth will be capable of becoming self-sufficient within a 6-month period with skill services being provided. The Chafee allotment for Indiana was $2,184,711 in 2004 and is distributed by the Division of Family and Children.

Youth shelters. There are six youth shelters in Indiana for persons 17 years and younger. In Indiana, persons 18 years and over are considered an adult and can receive services at any shelter for adults. IHFA has given three awards for youth shelters for a total allocation of $980,000. The awards were made to the following counties:

- Harrison County was awarded $200,000 in CDBG funds in January 2004 for ten units of a youth shelter;

- The Bashor Home in Elkhart County was awarded $480,000 in January 1999 to provide permanent housing to children under the age of 21 that are either wards of the State or homeless; and

- Dearborn County was awarded $300,000 in November 1998 for rehabilitation of a youth shelter.

In addition to housing, there are a number of resources available to youth ranging from education about basic living skills to job training. The following is a description of primary programs in Indiana.

Emancipation Kits. Emancipation Kits (including items, such as a tool kit, towels, pot and pans, etc.) are given to youth aging out of the foster care system. A Resource Card, listing important telephone numbers of agencies, is provided to youth upon discharge from care. Helpful numbers listed on the laminated card include the Family Helpline, FSSA General information, Runaway National Switchboard and Indiana Workforce Development.

Other services. Many agencies providing housing services to youth, either directly or by referral, include the following services:

- Education regarding the range of housing options, budgeting for consistent payments of rent to assure a positive rental history;

- Education on tenant rights and responsibilities;

- Education to develop understanding of the importance of following apartment communities rules and regulations policies;

- Advocacy on behalf of youth for affordable appropriate housing;

- Assistance with obtaining safe, growth enhancing living environment suitable to the needs of the youth and his/her level of functioning; and

- Receives formal supervised independent living services where the youth is under the supervision of an agency and receiving agency financial support, but without 24-hour adult supervision, as appropriate and outlined in the case plan.

Workshops and conferences. Each year workshops and youth conferences are held throughout the State. Two computer workshops are held to increase self-sufficiency. Upon successful completion, the youth leaves with the computer, printer, software, power strip, and textbook. There are also two

youth conferences held each year discussing employment services, housing, post secondary and training opportunities, budgeting and living independently.

Education and Training Voucher Program. The Education and Training Voucher Program (ETV) that began in 2003 offers financial assistance, up to $5,000 per year not to exceed the cost of attendance, to eligible Indiana youths to help with post secondary education (college) or job training.

Energy Education Training. Young adults (18 to 20 years of age) voluntarily receiving independent living services, must undergo Energy Education Training. The training covers such topics as overall home energy use, space heating, adjusting thermostats, water heating, hot water heaters, lighting appliances and heating leaky space. In addition to training, each youth is also given an Energy Conservation Kit that includes such items as an energy efficient shower head, faucet aerators, compact fluorescent light bulbs and a Conservation Action Kit booklet to guide the young adults though the installation and assessment of energy savings potential.

Solutions to address needs. In 2002, the Casey Family Programs Foundations for the Future released a framework for youths transitioning from foster care to successful adulthood. It mentioned finding and maintaining good living situations as one of the biggest challenges for youths leaving foster care. The framework for housing includes:

- Provide life skills classes that teach youths how to live independently.
- Provide opportunities for youths to practice living on their own.
- Increase staff knowledge of housing issues, including knowledge of available resources to accommodate housing needs.
- Create alliances with housing providers.
- Ensure that youths have a safe, affordable place to live when leaving care.

The Governor's Commission on Home and Community-Based Services released a report June 2003 discussing the many barriers and action steps needed to shift the balance of long-term care services in Indiana. Twenty-eight actions were presented to serve as a blueprint for reform in Indiana. Two of the actions focused on children at-risk and are as follows:

- The Family and Social Services Administration should assist each Indiana community to implement an integrated and unified system of care that is organized to respond to the needs of children who are at-risk of long-term out of home placements. A system of care is a "comprehensive spectrum of services and supports that are organized into a coordinated network to meet the multiple and changing needs of individuals and their families."

- The Governor must issue a clear statement that identifies an on-going commitment by the State of Indiana to early identification and assessment of children who need services as well as a comprehensive prevention and early intervention strategy for Hoosier children.

The Elderly

Total population. The U.S. Census Bureau has two statistical units that estimate population in-between the decennial Census, the Population Division and the American Community Survey (ACS) Office. The American Community Survey data do *not* include those persons residing in institutions, college dormitories and other group quarters. Therefore, population estimates from both sources can vary considerably. According to 2003 estimates from the Population Division, there were 763,059 persons over the age of 65 living in Indiana in 2003, a 1.4 percent increase over the 2000 total of 752,831. However, according to the ACS, only 713,375 persons over the age of 65 were living in Indiana in 2003 (a difference of about 50,000 from the Population Division number). Because many elderly persons live in group quarter settings (not reflected in ACS data), the estimate from the Population Division likely reflects the elderly population in Indiana more accurately. In addition, comparing the 2000 Census number of 752,831 to the 2003 ACS estimate (713,375) would indicate a decrease in the elderly population, which is unlikely given national trends and projection data from the Indiana Business Research Center.

According to Indiana Business Research Center Data forecasts, the State's elderly population is expected to grow to 809,460 in 2010. The elderly made up 12.3 percent of the State's population in 2003; by 2010, this is expected to increase to 12.6 percent. Nationally, the elderly constituted 12.4 percent of the total population in 2003, but this share is projected to increase to 20 percent by 2030 as the baby boomers continue to age.

Housing. According to the 2000 Census, 50,034 seniors, or 6.6 percent of the State's elderly population, lived in group quarters (nursing homes included). This is nearly one percentage point higher than the 5.7 percent of seniors nationwide living in group quarters. Nationally, about 4.5 percent of the 65 and older population lived in nursing homes in 2000, with percentages increasing dramatically with age.[3] For example, only 1.1 percent of those aged 65 to 74 nationwide lived in nursing homes in 2000, while 4.7 percent among those aged 75 to 84 years and 18.2 percent of those 85 years and older lived in nursing homes.

Of the seniors residing in group quarters in Indiana, 44,402 lived in nursing homes and the majority of the remaining 5,632 lived in noninstitutionalized group housing. This noninstitutionalized housing most likely represents congregate care and assisted living settings, which are less care-intensive than nursing homes.

Of the senior households in Indiana not residing in group settings, 79 percent owned their homes in 2000. This was similar to nationwide statistics that showed 78 percent of older residents owning their homes. For individuals 85 years and older, the State homeownership rate dropped to 66 percent, which was slightly higher than the nation at 65 percent. Declining homeownership is indicative of both increasing needs for assisted living and the difficulty supporting the burden of homeownership as individuals age. Exhibit V-2 on the following page presents the housing situations of the senior populations in Indiana and the U.S.

[3] U.S. Census Bureau, "The 65 Years and Over Population: 2000 Census, Census 2000 Brief, October 2001," http://www.census.gov/prod/2001pubs/c2kbr01-10.pdf.

Exhibit V-2.
Senior Housing In the State of Indiana and the United States, 2000

Note:
Group home figures represent individuals while renter and owner figures are households.

Source:
U.S. Census Bureau, 2000.

Housing Type	*State of Indiana*	*United States*
Group quarters population	50,034	1,993,621
Nursing homes	44,402	1,557,800
Other institutionalized	1,478	83,276
Non-institutionalized	4,154	352,545
Owner occupied households	395,565	17,553,827
Renter occupied households	102,486	5,080,863

Exhibit V-3 displays the tenure of seniors by type of living arrangement. The Census defines a family to include the householder and one or more other people living in the same household who are related to the householder by birth, marriage or adoption. The Census further classifies families as either a "married-couple family" or an "other family." The "other family" category includes households where the spouse of the householder is missing. Non-family households are those householders living alone or with non-relatives.

Exhibit V-3.
Elderly Living Arrangement by Tenure, Type and Age, March 2000

Living Arrangement and Tenure	*65 to 74 Years*	*Percent 65 to 74 Years*	*75 Years and Over*	*Percent 75 Years and Over*
Total Elderly Living in Family Arrangements				
Owner Occupied	146,217	92%	89,771	89%
Renter Occupied	12,642	8%	11,656	11%
Married Couple Families				
Owner Occupied	127,447	94%	71,404	90%
Renter Occupied	8,334	6%	8,095	10%
Male Householder, No Spouse Present				
Owner Occupied	3,581	82%	3,628	89%
Renter Occupied	788	18%	463	11%
Female Householder, No Spouse Present				
Owner Occupied	15,189	81%	14,739	83%
Renter Occupied	3,520	19%	3,098	17%
Total Elderly Living Alone or with Non-family Members				
Owner Occupied	68,372	70%	91,205	65%
Renter Occupied	29,547	30%	48,641	35%
Male Householder, Living Alone				
Owner Occupied	16,448	67%	18,596	71%
Renter Occupied	8,079	33%	7,656	29%
Male Householder, Not Living Alone				
Owner Occupied	2,072	77%	952	76%
Renter Occupied	633	23%	297	24%
Female Householder, Living Alone				
Owner Occupied	48,088	70%	70,410	64%
Renter Occupied	20,362	30%	40,349	36%
Female Householder, Not Living Alone				
Owner Occupied	1,764	79%	1,247	79%
Renter Occupied	473	21%	339	21%

Note: The data in this table do not include individuals in group quarters.
Source: U.S. Bureau of the Census, 2000 Census.

Exhibit V-3 highlights several important features of elderly living arrangements:

- Homeownership declines as seniors age.
- Elderly persons living alone or in non-family arrangements are less likely to be homeowners than elderly living in family arrangements.
- Females and males living alone had the lowest homeownership rates.

In most communities, seniors prefer to stay in their own homes as long as possible. If they are nearby, family members can assist with basic care needs, which enables seniors to remain in their homes longer than they would otherwise. However, the increased work demands and increased transience of the population in recent years has made family assistance more challenging.

Outstanding need. Given the variety of housing options available to serve the elderly, and the fact that much of this housing is privately produced, it is difficult to assess the sufficiency of housing for the State's elderly households without undertaking a comprehensive market analysis. However, according to the data and research conducted for this section on elderly housing needs, the largest issues faced by the elderly in the state include cost burden, housing condition and need for accessible housing, especially as seniors age.

Cost burden and poverty. Households paying more than 30 percent of their income for housing are considered to be cost burdened. Data from the 2000 Census indicate that 17 percent of homeowners 65 to 74 years and 17 percent of homeowners 75 years and older were cost burdened, equaling 55,199 cost burdened elderly-owned households. This statistic is much higher for seniors who are renters: In 2000, 40 percent of renters 65 to 74 years and 47 percent of renters 75 years and older were cost burdened, equaling 44,233 cost burdened elderly renter households. Overall, the State's percentage of owners who were cost burdened was 16 percent in 2002; the percentage of renters who were cost burdened was 33 percent. Therefore, elderly renters have a higher incidence rate of cost burden than households overall in the State[4].

The elderly poverty rate in Indiana, those over the age of 65 whose total income was less than the threshold, was 7.2 percent in 2000. Of the 54,287 elderly in poverty as of the 2000 Census, 801 (or 1.5 percent) were male householders with no wife present and 3,724 (or 6.9 percent) were female householders with no husband present. In 1999, over 52,500 elderly households—or 9 percent of all elderly households—had incomes of less than $15,000 and an additional 54,000 (also about 9 percent) had incomes ranging from $15,000 to $24,999.

Housing condition. HUD's 1999 *Housing Our Elders Report* provides the latest national data available for seniors living in housing in need of repair or rehabilitation. HUD reports that in 1999, 6 percent of seniors nationwide lived in housing that needed repair or rehabilitation. Applying this estimate to Indiana, it is estimated that approximately 27,000 elderly residents of nonentitlement areas in Indiana were likely to live in substandard housing in 2000.

HUD also recently released special data from the 2000 Census that estimate the number of elderly living in housing units with condition problems. A housing unit "with condition problems" is defined as a household having at least one of the following conditions: lacking complete plumbing, lacking complete kitchen facilities, having more than 1.01 persons per room, or housing costs exceeding 30 percent of household income.

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[4] Cost burden for elderly is sometimes defined as 50 percent of household income, rather than 30 percent because of the assumption that elderly people have lower household costs than non-elderly households. HUD applies the 30 percent threshold to elderly households.

Exhibit V-4 compares the number of elderly households living in units with conditions by tenure, income and age.

Exhibit V-4.
Elderly Housing Condition by Tenure, Age and Income

		Living in Housing With Conditions		Living in Housing Without Conditions	
	Grand Total	Total	Percent	Total	Percent
Owners					
Householder between 62 and 74 years old	283,991	50,428	18%	233,563	82%
Earning less than $25,000 per year	94,058	35,530	38%	58,528	62%
Earning more than $25,000 per year	189,933	14,898	8%	175,035	92%
Householder 75 years old and more	180,971	32,827	18%	148,144	82%
Earning less than $25,000 per year	96,158	28,989	30%	67,169	70%
Earning more than $25,000 per year	84,813	3,838	5%	80,975	95%
All Households in State	***1,669,072***	***291,090***	***17%***	***1,377,982***	***83%***
Renters					
Householder between 62 and 74 years old	55,603	20,876	38%	34,727	62%
Earning less than $25,000 per year	38,063	19,280	51%	18,783	49%
Earning more than $25,000 per year	17,540	1,596	9%	15,944	91%
Householder 75 years old and more	60,287	27,723	46%	32,564	54%
Earning less than $25,000 per year	47,117	24,674	52%	22,443	48%
Earning more than $25,000 per year	13,170	3,049	23%	10,121	77%
All Households in State	***667,190***	***235,629***	***35%***	***431,561***	***65%***

Source: Economic and Market Analysis Division, Special Tabulation of 2000 Census Data, Department of Housing and Urban Development.

The data reveal the following about housing conditions of the elderly:

- Elderly renters are much more likely to be living in housing units with condition problems than owners and all households overall. In 2000, 38 percent of renters aged 62 to 74, and 46 percent of renters aged 75 years and above lived in housing units with condition problems, compared to 18 percent of all elderly owners and 35 percent of all the State's renters.

- Approximately half of all elderly renter households earning less than $25,000 per year live in housing units with condition problems.

- A very small percentage of elderly households earning more than $25,000 per year live in units with condition problems. The exception is elderly renter households who are 75 years and older: In 2000, nearly one-fourth of these households lived in units with condition problems.

Accessible housing. Many seniors also live in homes that need modifications to better serve their physical disabilities or other mobility limitations. This trend is reflected by the 33 percent of seniors age 65 to 74 who indicated disability status in the 2000 Census. The percentage rises dramatically to 54 percent of seniors age 75 years and older. Seniors who indicated disability status had a sensory, physical, self-care, going-outside-the-home or employment disability.

Resources and solutions. Numerous federal programs, although not targeted specifically to the elderly, can be used to produce or subsidize affordable elderly housing. These include CDBG, HOME, Section 8, Low-Income Housing Tax Credits, mortgage revenue bonds, credit certificates and public housing. There are also several federal programs targeted specifically at the elderly. A description of the programs widely available to the elderly in the State, along with the utilization of the programs, follows.

Section 202 housing. Section 202 is a federal program that subsidizes the development of affordable housing units specifically for elderly. The program might also provide rental subsidies for housing developments to help make them affordable to their tenants. The developments often provide supportive services such as meals, transportation and accommodations for physical disabilities. The units are targeted to very low-income elderly. The Section 202 program has supported over 300,000 units in over 3,500 housing developments nationwide since 1959. For FY 2004, four Indiana nonprofits received grants to fund 133 units for very low-income elderly.

Section 8. FSSA administers the State tenant-based rental assistance/Section 8 program, which provides rent subsidies to low-income households including households with disabilities. The State FSSA program funding for Section 8 is $19.8 million in 2005. Local PHAs also administer local Section 8 programs. In 2004, the total amount of Section 8 funds coming into the State through PHAs and FSSA was $181 million.

Equity conversion. The Home Equity Conversion Mortgage Program (HECM) supports repair and rehabilitation of housing and the ongoing needs of individuals by allowing elderly homeowners (62 years or older) to recapture some of their home equity. Individuals who own their homes free and clear, or have very low outstanding balances on their mortgages, are eligible for the program as long as they live in their homes. The HECM became a permanent HUD program in 1998.

As of December 2003, more than 80,000 elderly homeowners had chosen HECM loans to help them with their financial needs. Lenders originated a record 18,097 HECM loans during the federal fiscal year 2003 ending September 30, a 39 percent increase over the 13,049 loans closed the previous year. The increase in loans was driven by record low interest rates that reduced monthly income to seniors from CDs and similar investments, plus other factors. Since January 2004, seniors have been able to qualify for larger reverse mortgages due to higher loan limits. The loan limit increase enables seniors to convert a greater portion of the equity in their homes into cash to address their financial needs through retirement.

A study of the HECM program, conducted in March 2000, found the following trends:

- HECM borrowers tend to be older and are more likely to be single female households;
- HECM properties are more valuable and owners have a higher equity share;
- HECM properties have a higher share in the West and Northeast regions of the country;
- The program is increasingly located in the center city; and
- Highest penetration is in Utah, Colorado, the District of Colombia and Rhode Island.

Specifically in Indiana, the study found that HECM loans grew 611 percent from 76 loans in 1995 to 540 loans in 1999. Overall, as of October 1999, 694 HECM loans had been originated in Indiana.

In May 2003, an update to the 2000 report was completed to address several issues that may be inhibiting the reverse mortgage market in general and the HECM market in particular. The report updated the actuarial analysis presented in the 2000 HECM report and examined the potential impact of three legislated changes to FHA's Home Equity Conversion Mortgage Program. Between the 2000 report and the update in May of 2003, the HECM program originated 14,000 new loans.

Forty-seven entities in the State of Indiana are HUD approved mortgage counselors for the HECM program and 13 HUD approved lenders are physically located in Indiana.[5] The lenders are located in Indianapolis, Carmel, Schererville, Merrillville, Greenwood, Fort Wayne, South Bend and Mishawaka, which could limit program access for some elderly individuals.

Rural home improvement. The United States Department of Agriculture, through its Rural Housing Service, offers loans of up to $20,000 with very favorable repayment terms (currently 1 percent with a 20-year term) to very low-income rural residents to repair major health and safety related housing issues. Grants up to $7,500 are also available for very low-income rural residents who are 62 years and older and do not have sufficient funds to repay the rehabilitation loans offered.

Medicaid. Another important federal support for elderly housing is the Medicaid program. Typically, Medicaid is used to pay for room and board in nursing homes or other institutional settings. States can seek approval from the Centers for Medicare & Medicaid Services (CMS), previously named Health Care Financing Administration (HCFA), to allow Medicaid to be applied to in-home and assisted living services (excluding rents) of assisted living facilities. As of May 2002, there were 484 nursing facilities in Indiana with almost 53,000 beds, of which 68 percent utilized Medicaid.[6]

Currently in Indiana, Medicaid can be used for in-home services for the elderly and disabled in cases where without the services, an individual would need to be institutionalized. Medicaid waivers can also pay for "environmental modifications" to the homes of elderly or disabled individuals. The State recently received approval from CMS to be able to use Medicaid for assisted living services. In October 2003, the State received a grant of $500,000 to enhance community-based services for senior citizens and people with disabilities. During 2002 and 2003, Indiana's Family & Social Services Administration (FSSA) helped create options for more than 4,800 seniors and 2,000 people with disabilities to live in their homes and communities. In the next two years, FSSA plans to help create options for 1,000 more seniors and 1,000 more people with disabilities.

Individuals apply for a Medicaid waiver through their local Area Agency on Aging offices, Vocational Rehabilitation offices, Bureau of Developmental Disabilities Services field offices, and/or Division of Family and Children offices. The lifetime cap for use of Medicaid waivers is currently $15,000 for disabled individuals and the elderly.

CHOICE. The State of Indiana offers a home health care program (Community and Home Options to Institutional Care for the Elderly and Disabled, or CHOICE), which provides a variety of services, including minor home modifications. There are no income limits for the CHOICE program. After certain allowable deductions, individuals pay a portion of the cost of services. However, individuals earning 150 percent or less of the poverty limit and individuals on Medicaid are exempt from the cost-sharing provisions. The goal of the program is to enable the elderly and persons with disabilities

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[5] The list is limited to Lenders who have done a HECM within the past 12 months, as of November 2004.

[6] *Office of Medicaid Policy and Planning, County Listing Summary, Data Set: Latest RED Set as of 05/17/02*, Prepared by Myers and Stauffer LC.

to live independently. To be eligible, a person must be 60 years or older, or of any age with a disability that inhibits the person from performing two or more daily living activities. Similar to the Medicaid waivers, individuals apply for the program through Area Agencies on Aging. In fact, the State has combined funding from the various State and federal programs into a bundled program that provides "one stop shopping" for the elderly and disabled. There is currently a $5,000 lifetime limit for Medicaid funding of CHOICE services for the elderly.

In FY 2003, 11,272 Indiana residents benefited from the CHOICE program, a decrease of 11 percent from FY 2002. However, the original projections of CHOICE program use have been far exceeded. Between 1998 and 2003, the number directly served by CHOICE increased by 13 percent. It is interesting to note that between 2002 and 2003, the number of persons served actually decreased by approximately 1,500 people, the only year thus far to show a decline in people served. In FY 2003, there were 8,803 people on the waiting list to receive CHOICE services, an increase of 3 percent from FY 2002, which is approximately a three to four month wait from the first date of contact.[7]

The 2002 *Statewide IN-Home Services* report stated that 80 percent of CHOICE beneficiaries served were 60 years and over and 20 percent were persons with disabilities only (not 60 years and over).[8] During FY 2002, individuals 85 and over accounted for 27 percent of all CHOICE beneficiaries. In 2002, most CHOICE recipients lived alone and had incomes of less than $10,000 per year.

Home modifications. Funding for home modification projects is available to owner occupied households through IHFA's Housing from Shelters to Homeownership program, which uses HOME and CDBG.

The Governor's Planning Council for People with Disabilities (GPCPD) recently completed a survey of the scope, status and character of home modification services in Indiana with a grant from IHFA. Developed by the Indiana Institute on Disability and Community (Center on Aging and Community), the primarily web-based survey was conducted from November 11, 2002, to January 12, 2003. Forty-five organizations providing services in 91 of 92 Indiana counties responded to the extensive questionnaire. One hundred fifty individuals completed a second survey of 1,700 professionals in the building and trades industry. The results of both surveys were consolidated and interpreted in a final report published April 2003.

Exhibit V-5 presents the current status and future trends of home modification and proposed changes to public policy and programs to better accommodate needs of Hoosiers, as derived from the survey and interviews with service providers.

[7] Indiana Family & Social Services Administration, *Statewide IN-Home Services 2003 Annual Report, July 1, 2002 – June 30,* 2003.

[8] The *2003 Statewide IN-Home Services* report did not break down recipients by age.

Exhibit V-5.
Results of Indiana Home Modification Survey

Current State of Home Modification in Indiana
■ A wide range of non-profit and for-profit providers, varying in size and organizational base, provides home modification services in Indiana.
■ Home modification services are not equally available to consumers throughout the regions of the State.
■ Medicaid, Medicaid waiver, private pay and CHOICE are the most frequently utilized sources of funding for home modification services in Indiana.
■ Housing rehabilitation funding sources of federal origin are significantly underutilized for specialized home modification services.
■ Successful home modification programs depend upon a creative blending of funds from effective collaboration with multiple players, including local grass-roots and faith-based organizations.
■ Home modification services are needed and utilized by a broad population across the lifespan, from one to multi-person households, with very low- to moderately high-income.
■ The large majority of home modification services target owner occupied homes and not rental households.
■ In-home assessments for home modification are highly non-standardized throughout Indiana and draw upon a wide range of disciplines and professions.
■ Home modification providers regularly supplement their services with education for individuals, communities and other professions.

Future Trends and Barriers to Development
■ The demand for home modification services in Indiana is increasing while the funding base is decreasing or, at best, remaining stable.
■ The greatest barriers to the delivery of public home modification services to Indiana residents include lack of public funding, overly burdensome administrative requirements of funding sources, and lack of consumer information.
■ Local public home modification programs have created some innovative response to cope with barriers and expand services.
■ Home modification for private households is still rarely accomplished. Only 30 percent of private industry respondents provide accessibility features often or very often in their work.
■ The large majority of private industry respondents (66 percent) have never received specialized training in areas related to home modification.
■ A significant number of private industry respondents (58 percent) seek further education about home modification.

Exhibit V-5. (continued)
Results of Indiana Home Modification Survey

Program and Policy Recommendations
Based on the previous observations, a number of recommendations are offered to help improve the status of home modification services in Indiana and enable more Hoosiers to become and/or remain independent in their homes and active in their neighborhoods and communities. ■ Public home modification services should be supported to network with one another to share best practices and collectively advocate for greater awareness of their needs and capacities. ■ State and local housing and housing rehabilitation funding sources should contribute to the expansion of services through developing categorical grants for accessibility and visibility improvements to agencies that do not provide comprehensive housing development. ■ Training for professionals involved with the home modification industry, both public and private, should be greatly expanded. The training should provide certification in accessibility specialties and include information to enable the effective utilization of public funding sources by private providers. ■ Administrative requirements for private providers to access public funding should be streamlined and made user-friendly, with reimbursements provided on a timely basis. ■ The home modification movement in Indiana should be supported to create local or regional "staying put" coalitions to build community capacity and expand awareness among consumers, policy makers, the building and trades industry as well as the general public.

Source: Home Modification Services in Indiana: Statewide Survey Results and Recommendation for Public Policy and Programs, April 2003.

Since the survey results and policy recommendations were published, IHFA and the Indiana Governor's Planning Council for People with Disabilities have organized training workshops for builders and trades people, home designers care givers, and others who deal with home modification in their work. The trainings began in March 2004. Luncheons were also planned during the day of the workshops for participants and others who want to know more about home modification.

Persons Experiencing Homelessness

Definition. HUD's definition of homelessness is fairly comprehensive. In addition to defining individuals and families sleeping in areas "not meant for human habitation," the definition includes persons who:

- "Are living in transitional or supportive housing for homeless persons but originally came from streets or emergency shelters;
- Ordinarily sleep in transitional or supportive housing for homeless persons but are spending a short time (30 consecutive days or less) in a hospital or other institution;
- Are being evicted within a week from private dwelling units and no subsequent residences have been identified and they lack resources and supportive networks needed to obtain access to housing; or
- Are being discharged within a week from institutions in which they have been residents for more than 30 consecutive days and no subsequent residences have been identified and they lack the resources and support networks needed to obtain access to housing."

This definition demonstrates the diversity of people experiencing homelessness. The numerous locations in which people experiencing homelessness can be found complicates efforts to estimate an accurate number of the population.

Total population. Estimating the total population of persons experiencing homelessness on a nationwide, Statewide or even local level, is challenging because of the various types of homelessness and difficulty in locating the population. For example, an individual living with friends on a temporary basis can be considered homeless but would be unlikely to be identified in a homeless count.

Indianapolis count. The most recent and comprehensive count of persons experiencing homelessness anywhere in the State was conducted in Indianapolis on May 19, 2003, by the Coalition for Homelessness Intervention and Prevention (CHIP). CHIP first conducted this survey in 1999. The purpose of the 2003 study was to produce a new count of the homeless to measure against the 1999 baseline numbers. The survey found that an estimated 12,000 to 15,000 people in Indianapolis experience homelessness during one year. This equates to between 3,000 and 5,000 people on any given night in Indianapolis. If this incidence of homelessness is applied Statewide, approximately 100,000 Hoosiers have experienced homelessness over the period of one year.

CHIP's 1999 and 2003 surveys produced similar results. In fact, the point-in-time and annual counts are identical. However, interviews with local service providers indicated that homeless numbers are slightly worse than in 1999, suggesting that a single night count was not able to capture the entire population. Indeed, actual street counts in 2003 were 156 fewer people than in 1999. A variety of factors may contribute to this phenomenon. The street count numbers may be lower because of the nature of the "hidden homeless" and the greater number of shelters and beds. The night before the 2003 street count, it had rained heavily and the outreach teams found a number of vacant beds that were not included in street counts. Additionally, compared to the 1999 survey, the volunteers were more conservative in determining who was homeless.

Continuum of Care. The 2004 State Continuum of Care application estimated a total of 15,932 persons experiencing homelessness in the State. The Indiana Coalition on Housing and Homeless Issues (ICHHI) coordinated the point-in-time survey on June 26, 2003.[9] More than 50 shelters and transitional housing providers helped in the shelter and street count in 2003. Results were reported through the ICHHI website. ICHHI reviewed the data and compared it against population estimates provided by the U.S. Census Bureau. Through this comparison, ICHHI was able to determine the number of emergency and transitional housing beds per capita, and the percentage of the general population that received shelter.

The Continuum estimated a need for 11,351 beds, excluding metropolitan areas, for individuals and persons in families with children who are experiencing homelessness in Indiana, which exceeds the current and under development supply by 5,963 beds. After adjusting for beds per capita, the study estimated that 0.21 percent of the general population were homeless at any point-in-time. This number translates to 9,690 persons needing some type of shelter per night. This number correlates well with the City of Indianapolis, who has estimated nearly 3,500 homeless persons per night in their own CoC.

[9] HUD requires a homeless count at least once every three years. The next homeless count occurred in January 2005.

Census count. The Census provides a point-in-time estimate of the number of people in emergency and transitional shelters as identified by group quarters.[10] However, the Census stresses that these data do not constitute and should not be construed as a count of people without conventional housing, as the tabulation is not comprehensive. This count only includes people without conventional housing who stayed overnight in permanent and emergency housing, missions, Salvation Army shelters, transitional shelters, hotels and motels and similar places known to have people without conventional housing staying overnight. On March 27, 2000, the Census identified approximately 2,384 persons staying in emergency and transitional shelters of this type Statewide. Of these persons, 63 percent were male and 26 percent were under 18 years of age.

Agency report. Another way to estimate the number of persons experiencing homelessness is by using counts of persons experiencing homelessness served by State and local assistance. The Family and Social Services Agency (FSSA) reported serving 3,244 persons who had experienced homelessness at some point during FY 2003. Of these persons, 315 were located in rural areas and 2,929 were in urban areas.

Homeless at any point in time. As part of the State's Five-Year Consolidated Plan, a statistically significant telephone survey was conducted of Indiana residents in nonentitlement areas throughout the State. Three percent of respondents to the survey reported being homeless at some point in time in their lives. These data suggest that, based on 2003 population numbers for the State, as many as 108,000 Hoosiers in nonentitlement areas have ever been homeless.

Hidden homelessness. When assessing the extent of homelessness in nonentitlement areas, it is important to note the degree to which it may be hidden. That is, in areas where there are limited social service providers, it might be more common for those at risk of experiencing homelessness to move in with friends and relatives rather than to seek local services or housing at a shelter. Furthermore, when individuals have exhausted all other alternatives, they are likely to move to larger cities with institutional supports such as homeless shelters and soup kitchens. This progression makes it difficult to detect the extent of homelessness in nonentitlement areas. According to the Federal Interagency Council on the Homeless, if 1 percent of the population is homeless during the year and 10 percent of the homeless is chronically homeless, then there is a large undercount of chronically homeless persons and persons in need of Permanent Supportive Housing.[11]

The study conducted by CHIP in 1999 further illustrates this point. It found that only 2 percent of the general population said they would go to a shelter or the street if they lost their home, which implies that 98 percent of people considered homeless by definition are not in shelters or on the street. The 1999 study also indicated that over 110,000 Indianapolis residents, or about 7 percent of the population, were temporarily homeless and relying on relatives for housing in the past year. If this figure is applied to Statewide population statistics, approximately 400,000 Indiana residents defined as homeless were staying with friends or relatives at one point over the year. These people are considered to be the hidden homeless.[12]

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[10] Census 2000 PHC-T-12. Population in Emergency and Transitional Shelters, http://www.census.gov/population/cen2000/phc-t12/phc-t12.pdf.

[11] 2004 Continuum of Care, Exhibit 1: Indiana Balance of State.

[12] The 2003 CHIP study did not ask survey respondents these questions.

Characteristics of persons experiencing homelessness. While the only consistent characteristic of persons experiencing homelessness is the lack of a permanent place to sleep, there are a number of subgroups that are typically part of the homeless population. These include the following:

- ***HIV/AIDS.*** National estimates place the proportion of persons experiencing homelessness who are HIV positive at 15 percent. Other estimates place the total between 1 and 7 percent. Providers of HIV/AIDS services in Indiana believe the actual count is closer to the national figure. The 2003 CHIP report stated that 6 percent of the sheltered population was living with HIV/AIDS.
- ***Substance abuse.*** A recent HUD report found that 38 percent of individuals experiencing homelessness who contact shelters, food pantries or other assistance providers have an alcohol dependence, 26 percent have a drug dependence, and 7 percent have both. Applying these percentages to the estimate of the 100,000 persons experiencing homelessness in the State during any one-year results in a total of approximately 71,000 individuals experiencing homelessness who also have substance dependencies. The 2003 CHIP study reported that 50 percent of the sheltered population in Indianapolis had a chronic substance abuse issue. However, recent studies have concluded that addiction rates among persons experiencing homelessness have been greatly overstated. The 2003 U.S. Conference of Mayors' report cited the prevalence of addition disorders among adults experiencing homelessness at 30 percent.[13] Using this prevalence rate, 30,000 (compared to 71,000) persons experiencing homeless have an addiction problem.
- ***Mentally ill.*** CHIP's Indianapolis study indicated that approximately 24 percent of the homeless population suffers from some form of severe and persistent mental illness. National estimates suggest this may be closer to 40 percent. However, in a U.S. Conference of Mayors' report in 2003, 23 percent of homeless single adults suffered from a severe and persistent mental illness.[14] Using the above estimate of 100,000 persons experiencing homelessness in Indiana over the course of a year, this would indicate that between 23,000 and 40,000 of those individuals have a mental illness.
- ***Families.*** The *Blueprint to End Homelessness* in Indianapolis reported 40 percent of the local homeless population were families in 2002. Applying the 40 percent rate to the estimated 100,000 Hoosiers who have experienced homelessness during one year suggests that 40,000 were families. A 2003 study conducted by the U.S. Conference of Mayors found the same results—families constituted 40 percent of the homeless population, a significant increase over the last decade. In rural areas, the proportion of homeless families, single mothers and children is higher, due to the small number of shelters.[15] Twenty years ago it was rare to find families who were homeless. Nationally, families comprise the fastest growing group of homeless people. The *Blueprint* also reported 4,500 children experience homelessness annually in Indianapolis. Homeless children are more likely to suffer from mental and physical health problems and they are at greater risk of failing in school. In the 2003 Indianapolis CHIP survey, 30 percent of people counted were families with children. However, single night counts tend to underestimate homeless persons in families with children. Over the course of a year, more than half of persons experiencing homelessness may be families with children.

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[13] *Who is Homeless?* http://www.nationalhomeless.org/who.html

[14] *Who is Homeless?* http://www.nationalhomeless.org/who.html

[15] *Who is Homeless?* http://www.nationalhomeless.org/who.html

At risk of experiencing homelessness. In addition to those who have experienced homelessness in the past or who show up on a point-in-time estimate of current homelessness, it is important to understand the size of the population that is at risk of future homelessness. In general, the population at risk of experiencing homelessness includes persons who are temporarily living with friends or relatives (also known as hidden homeless) and individuals at risk of losing their housing (usually very low-income).

The 1999 Indianapolis study of persons experiencing homelessness conducted by CHIP found that 69,000 Indianapolis residents reported that they were in danger of becoming homeless in the past year. Applying this incidence rate to Statewide population data, it is estimated that over 550,000 (or about 9 percent) of Indiana residents may have been in danger of experiencing homelessness in the past year.

The share of the population that has very low-incomes or is severely cost-burdened (e.g., paying more than 50 percent of income in housing costs) is also useful in estimating the number of persons at risk of experiencing homelessness. The 2000 Census reports that 16 percent of all homeowners (220,000 households) in the State were paying more than 30 percent of 1999 household income for housing, and 11 percent (154,000 households) were paying more than 35 percent. The 2000 Census also estimates that one-third of Indiana renters—or 218,00—paid more than 30 percent of household income for gross rent, with most of these (26 percent of renters, or 172,000) paying more than 35 percent of their incomes. Rentals constitute only 26 percent of the State's occupied housing units in 2000; however, there were almost as many cost burdened renter households (218,000) as cost burdened owner households (220,000).

The Indiana Information & Referral Network received more than 10,000 calls in 2003 requesting help with a housing issue. This represents 20 percent of all callers in 2003, a 24 percent increase in reported housing needs compared to 2002. The three largest needs in the housing category were: rent/mortgage assistance, shelter and low-cost/subsidized housing. Rent/mortgage assistance accounted for 37 percent of all housing needs. Of the 4,086 rent requests, 3,847 (94 percent) were recorded as "unmet." This places these people at risk of becoming homeless if they are unable to pay their rent. Federal Emergency Management Agency (FEMA) money for rent assistance continues to be a very scarce resource. The only recourse for most people needing rent is to apply to their township trustee. Allocation amounts and eligibility requirements vary widely among trustees; most people needing help do not qualify for assistance. There are simply not enough financial resources in the community to meet this need.

Housing for homeless. According to the 2004 Balance of Indiana Continuum of Care, the State had a total of 3,048 beds or units available to individuals, and 2,031 for person in families with children, who are homeless (excluding metropolitan areas).

Outstanding need. The 2004 Balance of Indiana Continuum of Care application estimated a need for a total of 5,847 beds or units for individuals and 5,504 beds or units for persons in families with children who are experiencing homelessness. State shelters will support a total of 3,227 beds or units for individuals and 2,161 for persons in families with children by the end of 2004. As seen in Exhibit V-6 (which is also HUD table 1A), this total still leaves unmet needs for all types of housing, totaling 2,620 beds or units needed for individuals and 3,343 beds or units for persons in families with children.

Exhibit V-6.
Housing Gap Analysis Chart, Balance of Indiana, 2004

Source:
2004 Continuum of Care, Exhibit 1: Indiana Balance of State.

Beds	Current Inventory in 2004	Under Development in 2004	Unmet Need/Gap
Individuals:			
Emergency Shelter	1,188	0	495
Transitional Housing	923	49	583
Permanent Supportive Housing	937	130	1,542
Total (number of beds)	***3,048***	***179***	***2,620***
Persons in Families with Children:			
Emergency Shelter	852	40	678
Transitional Housing	821	66	739
Permanent Supportive Housing	358	24	1,926
Total (number of beds)	***2,031***	***130***	***3,343***

There are a total of 15,932 persons who are homeless in Indiana, excluding metropolitan areas. Approximately 57 percent are sheltered and the remaining 44 percent are unsheltered. The following exhibit shows the breakdown of homeless population and subpopulations and if they are sheltered or unsheltered.

Exhibit V-7.
Homeless Population and Subpopulations Chart, Balance of Indiana, 2004

	Sheltered			
Homeless Populations:	***Emergency***	***Transitional***	***Unsheltered***	***Total***
Homeless Individuals	1,066	1,476	2,049	4,591
Homeless Families with Children	833	1,310	1,640	3,783
Persons in Homeless Families with Children	2,502	3,919	4,920	11,341
Total (number of persons)	***3,568***	***5,395***	***6,969***	***15,932***
Homeless Subpopulations:	***Sheltered***		***Unsheltered***	***Total***
Chronic Homelessness	939		644	1,583
Chronic Substance Abuse	2,869			
Persons with HIV/AIDS	475			
Seriously Mentally Ill	2,853			
Veterans	3,299			
Victims of Domestic Violence	2,409			
Youth	593			

Note: When determining the chronic homeless, the CoC used national statistics that state that at least 10 percent of the homeless population is considered homeless.

Source: 2004 Continuum of Care, Exhibit 1: Indiana Balance of State.

Based on data from the Indianapolis, Evansville and the Balance of State Continuum of Care applications, the Indiana Coalition on Housing and Homeless Issues (ICHHI) was able to estimate that approximately 19,000 persons are homeless on any given night in Indiana.[16] Exhibit V-8 replicates the above exhibit for the entire State.

[16] The estimate of 19,000 persons experiencing homelessness includes an estimate of the persons experiencing homelessness in South Bend. The number of homeless persons is an estimate, and as the HMIS is implemented, the data will become more accurate.

Exhibit V-8.
Homeless Populations and Subpopulations, Indiana, 2004

Homeless Populations:	Sheltered Emergency	Sheltered Transitional	Unsheltered	Total
Homeless Individuals	1,624	2,469	2,507	6,600
Homeless Families with Children	1,010	1,443	1,640	4,093
Persons in Homeless Families with Children	2,964	4,327	4,920	12,211
Total (number of persons)	***4,588***	***6,796***	***6,969***	***18,811***

Homeless Subpopulations:	Sheltered	Unsheltered	Total
Chronic Homelessness	1,802	975	2,777
Chronic Substance Abuse	4,176		
Persons with HIV/AIDS	633		
Seriously Mentally Ill	3,510		
Veterans	3,799		
Victims of Domestic Violence	3,057		
Youth	726		

Note: The 18,811 homeless persons number is an estimate and as the HMIS is implemented the data will become more accurate.
Source: Email from Patrick Taylor, Indiana Coalition on Housing and Homeless Issues, December 14, 2004.

In 2003, the Information & Referral Network responded to 2,713 calls from people needing shelter. This represents a 27 percent increase in the number of shelter calls compared to 2002 (2,128). There are 25 shelters in central Indiana that serve families as well as men and women in domestic violence situations. Despite existing resources, finding shelter space remains difficult. In fact, the Information & Referral Specialists were unable to help 24 percent of those calling for shelter. Of those calling for shelter who were also in a domestic violence situation (14 percent of all shelter calls), 22 percent were unable to be immediately placed in a shelter.

In 2001, a study of 27 cities found that 37 percent of all requests for emergency shelters were denied due to a lack of resources. Fifty-two percent of requests from families were denied, a much higher rate than the general population. 'The "hidden homeless," those who stay in places not easily found by researchers, include those living in cars, campgrounds or with other individuals and families. A survey of formerly homeless individuals found that 59 percent stayed in vehicles and another 25 percent lived in makeshift housing like tents, boxes, caves or boxcars. Because this homeless subgroup is not easily found, the "hidden homeless" are frequently missed in homeless counts and are less likely to be receiving necessary services? [17]

Resources and solutions. Indiana's strategy for meeting the needs of persons experiencing homelessness includes outreach/intake/assessment, emergency shelters, transitional housing, permanent housing and supportive services. The State employs a number of resources to support this strategy, including State agencies, regional planning commissions, county welfare planning councils, local continuum of care task forces, county step-ahead councils, municipal governments and others.

[17] *How Many People Experience Homelessness?* http://nationalhomeless.org/numbers.html

Continuum of Care. The Continuum of Care has prioritized the projects it will fund in the 2004 application. The first project is for 50 units of Shelter Plus Care housing in Gary, Hammond and East Chicago targeted to those persons not served through traditional programs, including the chronically homeless, mentally ill and substance abusers. The second project is a renewal of a Supportive Housing Program (SHP) project providing 13 units of transitional housing to women and children in Fort Wayne. The third priority project is a new Shelter Plus Care project in Madison County providing 15 apartment units to the severely mentally ill population and 3 units for chronically homeless persons.

The State's Continuum of Care notes that there are numerous barriers to ending chronic homelessness. Examples of barriers include a lack of supportive services, shortages of matching funds and negative attitudes—i.e., "not in my backyard" (NIMBY). To combat these barriers, the State aims to create more permanent housing for chronically homeless persons and to implement the *Plan to End Chronic Homelessness*. The State strategy to achieving such goals include enhancing prevention activities and strategies, enhancing and coordinating support systems, optimizing use of existing mainstream resources and developing a policy and planning infrastructure to create accountability for plan implementation.

Additionally, the State's Continuum of Care is in the Pilot Phase of Homeless Management Information System (HMIS) implementation. The Pilot Phase, consisting of 33 agencies primarily located in two of Indiana's 14 regional sub-state continua, began training on March 29, 2004. Additional SHP funds have been allocated to expand HMIS to the remaining sub-state continuuas. As of December 2004, over 100 agencies and 300 users have received HMIS training. Indianapolis is using the Client Track software to exchange information regarding clients and delivered services. It is anticipated that the new system will more accurately reflect point-in-time counts over a greater period of time. The Balance of State's Continuum of Care is implementing AWARDS by Foothold Technology. [18]

Chronic Homelessness Policy Task Force. The Chronic Homelessness Policy Task Force was established in 2003. The Homelessness Task Force is made up of State agencies, advocacy groups and homeless service providers. The Task Force has attended a HUD-sponsored Chronic Homeless Policy Academy, and, in Fall 2003, developed a *Statewide Action Plan for Ending Chronic Homelessness.* Draft strategies are currently being reviewed and edited. Some draft priorities include:

- Increase the supply of supportive housing;
- Enhance prevention activities and strategies;
- Enhance and coordinate support systems;
- Optimize use of existing mainstream resources; and
- Develop a policy and planning infrastructure.

[18] The "State Continuum of Care" refers to all of Indiana except Evansville/Vanderburgh, Fort Wayne/Allen, South Bend/St. Joseph, and Indianapolis/Marion County. The Evansville, Fort Wayne, and South Bend Continua have also chosen Foothold Technology, which means all of Indiana will be using AWARDS except for Indianapolis.

Other activities. For the past several years, ICHHI, on behalf of the State through the Indiana Housing Finance Authority, has applied for HUD funding for Continuum of Care projects. In the 2003 SuperNOFA, 20 out of 22 Continuum of Care projects were funded, totaling over $8.3 million. The Continuum of Care has carried forth this momentum and applied for 39 projects in the 2004 application totaling over $10.2 million. The 2004 proposed NOFA projects will service 165 chronically homeless persons (including Shelter Plus Care units). For FY 2004, the State has requested $10,574,328 in CoC grants. CoC grants fund transitional housing, permanent supportive housing, domestic violence shelters, and housing for special needs populations. In addition to the Continuum of Care funding, IHFA has a goal of dedicating $3.5 million annually for the development, construction, and/or rehabilitation of emergency shelters, transitional housing and youth shelters. IHFA also administers HOPWA funds, which are allocated each year based on regional needs. A large percentage of HOPWA funds generally go toward transitional housing programs and shelters. Additionally, the Office of Rural Affairs provides planning grants and infrastructure funds to homeless assistance providers.

Emergency Shelter Grant. FSSA administers the Emergency Shelter Grant (ESG) program, which funds emergency shelter and transitional services in shelters throughout the State. For FY 2004, the State of Indiana received an Emergency Shelter Grant of $1,847,372[19] to use for homeless shelter support, services and operations, homeless prevention activities and limited administrative costs.

As in past years, the State chose to allocate this funding to three primary activities: essential services, operations, and homelessness prevention activities. These types of activities are described below.

- ***Essential services.*** Essential services consist of supportive services provided by shelters for persons experiencing homelessness. These services vary, as they are tailored to client needs. In general, essential services consist of the following: employment services (job placement, job training and employment counseling), health care services (medical and psychological counseling, nutrition counseling and substance abuse treatment) and other services (assistance in locating permanent housing and income assistance, child care and transportation).

- ***Shelter operations.*** Funds allocated to shelter operations are used by shelters for operating and maintenance costs, shelter lease costs, capital expenses, payment of utilities, purchases of equipment and furnishings, provision of security, and purchase of food.

- ***Homeless prevention.*** The State believes in taking a proactive approach to the problem of homelessness. Once a person becomes homeless, it can be very difficult to move them back into permanent housing. The State assisted those at risk of experiencing homelessness through short-term rental and mortgage subsidies to prevent evictions or foreclosures, payment of apartment security deposits, mediation of landlord/tenant disputes and provision of legal services for tenants in eviction proceedings.

Shelter Plus Care. One goal of the State's FY 2000 Consolidated Plan was to enhance resources such as FSSA's Shelter Plus Care grants that provide rental assistance for persons who are homeless *and* have a severe disability, including a serious mental illness. The State has successfully applied for and received two Shelter Plus Care grants from HUD. The first grant was awarded to Community Action

[19] *Bush Administration Announces Record $1.27 Billion to Help Homeless Individuals and Families* http://www.hud.gov/local/in/news/2003-12-19.cfm.

of Northeast Indiana; it will provide $900,000 over 5 years to produce approximately 50 vouchers for housing and utility payments. Populations to be served include persons who are homeless and disabled and may have other special needs. The State recently received another Shelter Plus Care grant of $2.2 million. On April 28, 2003, FSSA held a statewide Shelter Plus Care training about the program and the additional funds. In the 2004 NOFA, 45 new Shelter Plus Care units were funded, some units serving chronically homeless individuals.

Persons with Developmental Disabilities

Definition. According to the Indiana Bureau of Developmental Disabilities, five conditions govern whether a person is considered to have a developmental disability:

- Three substantial limitations out of the following categories: self-care, receptive and expressive language, learning, mobility, self-direction, capacity of independent living and economic self-sufficiency;
- Onset of these conditions prior to the age of 22;
- A condition that is likely to continue indefinitely;
- The condition is attributable to a mental or physical impairment or a combination of both (other than a sole diagnosis of mental illness); and
- The person needs a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services that are of lifelong or extended duration and are individually planned and coordinated.

Total population. The Association of Rehabilitation Facilities of Indiana's 2000 *Assessment of Developmental Disabilities Services* estimates that 70,787 people in Indiana, or 1.2 percent of the State's population had a developmental disability in 2000. In 1995, the Governor's Council for People with Disabilities estimated the number to be 0.8 percent of the population, or about 48,000. Based on the 1.2 percent assumption, the total number of people in Indiana that have developmental disabilities is projected to grow to 74,055 in 2005. Approximately 65 percent of the 70,787 people with developmental disabilities had some degree of mental retardation, 9 percent had cerebral palsy, 17 percent had epilepsy and 10 percent had other physical and mental disabilities including autism.

In June of 2004, the University of Minnesota published a report entitled *Residential Services for Persons with Developmental Disabilities: Status and Trends Through 2003*. This study reported that, not including nursing homes or psychiatric facilities, as of June 30, 2003, 10,097 Hoosiers with intellectual disabilities (ID) and/or developmental disabilities (DD) were receiving residential services from the State or a non-state agency.

Housing. There are a wide variety of housing options for persons with developmental disabilities in Indiana. These range from highly structured, institutionalized care to living in a community with various supportive services. The type of housing that best meets the needs of persons with developmental disabilities varies from person to person depending on each person's ability to live independently. Nationwide, there has been an increased focus on providing persons with developmental disabilities with needed supports to enable them to live in community settings.

The trend away from large institutional settings for those with developmental disabilities is evident in the recent closures of such facilities as New Castle Developmental Center and Northern Indiana State Developmental Center. Since 1960, five of the 11 large state facilities have closed and a sixth facility,

The Muscatatuck Development Center near Butlerville in Jennings County, is scheduled to close in 2005. After 2005, only three state-run facilities will remain: a large developmental disability center in Fort Wayne and three specialized hospital units (Madison, Logansport and Evansville) to serve persons with severe developmental disabilities.[20]

As the State has shifted away from institutional settings for people with developmental disabilities, the number of individuals served in smaller settings of six or fewer people (group homes, supervised apartments and supported living settings) has increased. According to the University of Minnesota's Institute of Community Integration, as of June 30, 2003, 6,317 of the total 10,097 persons with developmental disabilities served by State and non-State agencies lived with six or fewer persons, which represents a 13 percent increase from 2002. Nationwide, in 47 states, more than half of the persons with such disabilities receiving residential services lived in settings with six or fewer people.

Exhibit V-9 shows the number of facilities and residents in State-owned and non-State facilities, by size of facility for 2002/2003. The number of facilities for one to six people has increased by almost 1,500 facilities since 2000. This reflects the trend away from large institutional settings to smaller community-based facilities.

Exhibit V-9.
Facilities and Residents in State and Non-State Facilities for
Persons with Intellectual and Developmental Disabilities, June 30, 2003

	Number of Facilities *			Percent Change 2000 to 2002	Number of Residents			Percent Change 2000 to 2003
	State	Non-State	Total		State	Non-State	Total	
1 - 6 People	0	1,685	1,685 **	755%	0	6,317 **	6,317	509%
7 - 15 People	0	341	341	-3%	0	2,677	2,677	-3%
16+ People	6	7	13	-19%	566	537	1,103	-32%
Overall	***6***	***2,033***	***2,039***	***262%***	***566***	***9,531***	***10,097***	***86%***

Note: * Indiana did not furnish complete data for Number of Facilities in the 2003 report. Therefore, all data under Number of Facilities is from 2002.
** Contains an estimate.

Source: ***Residential Services for Persons with Developmental Disabilities: Status and Trends Through 2003***. University of Minnesota, Research and Training Center on Community Living, Institute on Community Integration.

As shown in Exhibit V-10 on the following page, the largest number of persons served in 2003 resided in congregate care facilities (4,729), followed by those living in their own homes or apartments (4,586), and those living with host families or in foster homes (782).

[20] *Residential Services for Persons with Developmental Disabilities: Status and Trends Through 2003*, Research and Training Center on Community Living, Institute on Community Integration/UCEDD, The College of Education and Human Development, University of Minnesota.

Exhibit V-10.
Residents by Type of Facility for People with
Intellectual and Developmental Disabilities, 2000 and 2003

	2000	2003	Percent Change
Congregate Care	5,423	4,729	-13%
Host Family/Foster Home	490	782	60%
Homes Owned/Leased by Persons with ID/DD	1,447	4,586 *	217%
Subtotal	7,360	10,097	37%
Persons with ID/DD Receiving Services While Living With Family Member	1,358	4,587 *	238%
Total Services Recipients in Family Homes and Residential Settings	***8,718***	***14,684***	***68%***

Note: Unable to separate "own home" and "family home" data; using 50 percent of total of 9,173.

Source: ***Residential Services for Persons with Developmental Disabilities: Status and Trends Through 2003***. University of Minnesota, Research and Training Center on Community Living, Institute on Community Integration.

Outstanding need. There are two primary needs of non-institutionalized persons with developmental disabilities—the need for a variety of supportive services to enable them to live in community settings and the need for affordable housing. Persons with developmental disabilities who want to work may also find barriers in finding adequate employment opportunities.

Need for services. There are a number of methods used when estimating the outstanding need of services for people with developmental disabilities in Indiana. Simple estimates place the number of adults in need of services at 50 percent of the entire population with developmental disabilities. This estimate suggests that of the 70,000 individuals with developmental disabilities in Indiana, approximately 35,000 need services. According to the Governor's Planning Council on People with Disabilities, 12,000 individuals are currently receiving services, suggesting that approximately 24,000 of those who were estimated to need services are not receiving them.

A more conservative estimate can be reached by examining the waiting lists for various types of services. According to the *Residential Services for Persons with Development Disabilities: Status and Trends Through 2003* report, there were 7,000 persons with developmental disabilities not receiving residential services who were on waiting lists for such services on June 30, 2003.

Lack of affordable housing. A critical need for people moving out of institutions is finding an alternative place to live. In 2003, an estimated 86 persons with developmental disabilities were discharged from State hospitals and institutions.[21] These individuals likely faced housing needs upon discharge. Section 8 tenant-based vouchers remain the primary mainstream resource available for housing people with disabilities and will likely continue to be a critical source of housing subsidies.

In many communities, the rent burden for people with disabilities moving from institutional settings would be more than 50 percent of their monthly Supplemental Security Income (SSI) benefit. Data from the recent study *Priced Out in 2002* indicate that people with disabilities were priced out of every market in the U.S.; nationally, rental housing costs rose at twice the rate of SSI cost of living adjustments from 2000 to 2002. In Indiana, the monthly SSI benefit of $545 in 2002 represented

[21] *Residential Services for Persons with Developmental Disabilities: Status and Trends Through 2003*, Research and Training Center on Community Living, Institute on Community Integration/UCEDD, The College of Education and Human Development, University of Minnesota.

16.6 percent of Statewide one-person median income. A person with disabilities receiving SSI income support in Indiana would have to pay 83.5 percent of this monthly benefit to be able to rent a modestly priced one-bedroom unit.

When considering future need, it is also important to note that the families and caregivers of persons with developmental disabilities are aging. Approximately 30 percent are 60 years and older and 40 percent are 40 years and older. As these primary caregivers become less able to care for their family members with developmental disabilities, alternative housing options will be needed. This could cause the needs for housing and other community resources to increase significantly in the next 10 to 15 years.

Employment. According to the 2000 U.S. Census, 14.5 percent of the population aged 16 to 64 years who were employed had a disability. This is slightly lower than the national average of 14.8 percent of the employed population aged 16 to 64 years with a disability. The National Organization on Disability *State of the Union 2002 for Americans with Disabilities* reported employment was the largest gap area, with 68 percent unemployment, despite the fact that two out of three individuals with disabilities wanted to work. According to a Harris Poll, 32 percent of Americans with disabilities ages 18 to 64 were working versus 81 percent of non-disabled adults.

Resources and solutions. Indiana provides many types of support available to individuals with developmental disabilities, as described below.

Intermediate Care Facilities. Intermediate Care Facilities for the Mentally Retarded (ICF/MRs) are large facilities or small group homes that provide intensive support services. A subset of these are Supervised Group Living (SGL) arrangements that provide 24-hour supervision overseen by paid staff in a home-like setting, which is often a single family dwelling. Nursing facilities are long-term health care facilities providing in-patient care and nursing services, restoration and rehabilitative care and assistance meeting daily living needs. Nursing facilities in Indiana served 1,844 individuals with ID/DD in 2003.[22]

Through the State's Division of Disability Aging and Rehabilitation Services (DDARS), the Bureau of Developmental Disabilities Services (BDDS) administers several programs that assist individuals with developmental disabilities and their families. The programs are as follows.

Supported Group Living. Supported Group Living consists of homes with four to eight individuals residing in a group home. In 2001, 3,791 Indiana residents with developmental disabilities resided in SGL homes.

Supported Living. Supported Living consists of one to four individuals residing in a house or apartment with individualized supports. The former Semi-Independent Living Program (SILP), the Alternative Family Program (AF) and family support/respite services are now administered by BDDS through Supported Living. As of the end of 2003, 3,877 individuals benefited from Supported Living services and Medicaid waivers.

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[22] *Residential Services for Persons with Developmental Disabilities: Status and Trends Through 2003*, Research and Training Center on Community Living, Institute on Community Integration/UCEDD, The College of Education and Human Development, University of Minnesota.

Supplemental Security Income. Supplemental Security Income (SSI) is a federal income support program that is available to people who have disabilities and limited income and resources. Effective January 2004, the SSI basic benefit payment is $564 a month for an eligible individual and $846 a month for an eligible couple. The State of Indiana does not add any money to the basic benefit.

CHOICE. Community and Home Options to Institutional Care (CHOICE) for the Elderly and Disabled is a State funded program that supports the elderly and persons with disabilities. It can cover financial assistance for home modifications and various in-home supports (e.g., personal attendant care). The goal of the program is to enable the elderly and disabled to live as independently as possible. A 2000 analysis of CHOICE beneficiaries found that more than 15 percent of individuals in the program were persons with disabilities. CHOICE dollars are all State funds, and CHOICE may fund up to $15,000 per person for home modifications. The original projections for the use of the CHOICE program were far exceeded. Between 1998 and 2003, the number directly served by CHOICE increased by nearly 13 percent each year. There is currently a waiting list for the services.

Home and Community-Based Services. The Home and Community-Based Services (HCBS) program makes Medicaid waivers available for community support services in noninstitutional environments. They cannot be used to cover the cost of housing, although up to $10,000 can be used for environmental modifications. As of the end of June 2003, 7,983 Hoosiers with developmental disabilities had been helped through the HCBS program.[23]

Section 811. The U.S. Department of Housing and Urban Development's Section 811 program provides grants to nonprofit organizations to develop or rehabilitate rental housing. Nonprofit developers of such housing are granted interest free capital advances and rental assistance. The goal of the program is to increase the supply of rental housing with supportive services for people with disabilities, allowing them to live independently. The target population of the Section 811 program is very low-income individuals with physical or developmental disabilities who are between the ages of 18 and 62.

New housing development. CDBG, HOME and tax credit funds can also be used to support the development of new housing, the construction of group homes, and provide rental assistance for people with developmental disabilities.

HomeChoice Program. The HomeChoice Program, offered by Fannie Mae and administered by housing finance authorities (including IHFA), offers conventional mortgage loan underwriting tailored to meet the needs of people with disabilities.

Indiana Conversion Task Force. The Indiana Conversion Task Force (CTF) is a group comprised of representatives of state agencies, advocacy organizations, Independent Living Centers, Community Rehabilitation Programs, and the Indiana Institute on Disability and Community. The purpose of the CTF is to promote a shift in philosophy, policies, funding, and services from facility-based to community-based employment and supports for adults with disabilities in Indiana.

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[23] *Residential Services for Persons with Developmental Disabilities: Status and Trends Through 2003*, Research and Training Center on Community Living, Institute on Community Integration/UCEDD, The College of Education and Human Development, University of Minnesota.

The group has been meeting since 1997 in an advisory capacity. All of the goals listed in Exhibit V-11 reflect the priority of integrated community-based services and a reduction of congregate, segregated services. These priorities mesh with federal legislation (e.g., ADA, Workforce Investment Act/Rehabilitation Act) and State plans (e.g., FSSA work plan and 317 Task Force plan).

Exhibit V-11.
Indiana Conversion Task Force Priorities for FY2002-2003

Fiscal Recommendations

Fiscal Incentives:

- Provide fiscal incentives for community-based day services. Rates for supported employment and related community supports must be higher than for facility-based services.
- Eliminate new Title 20 funding to sheltered facilities.

Individualized Budgets:

- Tie funding to individuals to purchase integrated, community-based services and supports (including MRO, Title XX, Ticket-to-Work, group home day services money, Medicaid Waivers).

Philosophy/Practice Recommendations

Shift People from Facilities to Community:

- The number of people and the hours they are served in integrated employment and community activities will exceed the number and hours people spend in facility-based day services by the year 2006.

State Leadership:

- FSSA will promote a clear and consistent message prioritizing community and integrated employment services across all divisions.

Provider Standards:

- Provider Standards should make it very difficult for someone to enter and stay in facility-based services. Providers need to utilize person-centered planning and emphasize integrated services.

Medicaid Waivers & SE:

- Significantly increase use of Medicaid Waivers for supported employment with adequate funding.

Training & Technical Assistance:

- Provide training to agencies, case managers, etc. regarding integrated employment and community services.

Source: Indiana Conversion Task Force Priorities, FY2002-2003.

The Olmstead Supreme Court ruling. In June 1999, in the Olmstead V. L.C. case, the U.S. Supreme Court ruled that under the Americans with Disabilities Act, States are required to support individuals with disabilities in community settings rather than in institutions when it has been determined that community settings are appropriate and can be reasonably accommodated.

As a result, Indiana has formed the Governor's Commission on Home and Community-Based Services Housing Task Force. Its purpose is to coordinate existing resources and develop new housing solutions for persons at risk of being institutionalized.

The Homeless Task Force has also addressed the change from State institutions to smaller settings. The Homeless Task Force learned of an Indiana Code requiring that residency must be considered in discharge planning. Currently, persons in developmental disability and mental health institutions that are being released cannot be released into homelessness. One of their 2002 goals was to ensure that State and local institutions do not discharge people into the homeless system. FSSA's Division of Mental Health has reviewed and written a policy concerning this issue; however, many local institutions do not have formal written policies in place.

In June 2003, the Governor's Commission on Home and Community-Based Services released its report. The report includes a list of 28 new actions to serve as a blueprint for reform in Indiana. The actions are organized into four categories: rebalancing the long-term care system; the removal of barriers; community capacity; and children at-risk.

A few of the Actions include:

- Raising the monthly income eligibility standard for the Medicaid Aged and Disabled Waiver (and all other applicable waivers) to the federally allowed limit of 300 percent (i.e., $1,692) of the SSI amount. This Action is further supported by a similar provision included in Senate Bill 493 (2003). FSSA responded to this action by raising the monthly income standard for the Medicaid Aged and Disabled Waiver to the federally allowed 300 percent of the SSI.

- Appointing a Housing Task Force by the Governor to focus on the housing issues of the elderly, disabled, and mentally ill populations. Membership should include: representatives of the housing industry, especially builder and contractors who have expertise and experience in new construction; consumers; advocacy groups; legislators; representatives of public/private funding sources; and service providers.

- Working with the Indiana General Assembly, the Governor should establish a real estate transaction fee to be assessed in the transfer of all commercial, farm, and residential real estate. The proposed fee per transaction would be dedicated to the Indiana Low Income Housing Trust Fund.

- Developing a Business Leadership Network in Indiana to establish and further strengthen the link between business and employment at the local and state levels. Business Leadership Networks assist employers by exploring methods to more effectively recruit, market, and hire the talents of job applicants with disabilities. Business Leadership Networks have been developed across the country as part of an initiative started by the Office of Disability Employment Policy (ODEP) and supported by the U.S. Chamber of Commerce.

The report also concludes that affordable and accessible housing is in very short supply. The study reported that there are 3,700 households receiving housing assistance through Indiana's Housing Choice Voucher Program (Section 8), two-thirds of which have elderly or disabled members.[24] The PHA survey conducted for this Consolidated Plan found that approximately one-fifth of persons on waiting lists for Section 8 vouchers in nonentitlement areas are non-elderly persons with disabilities.

Persons with HIV/AIDS

Total population. Among the 50 States and the District of Columbia, Indiana ranked 27th in HIV and AIDS prevalence, with an annual case rate of 8.2 per 100,000 people in 2003.[25] According to the Indiana State Department of Health, 167 new HIV and AIDS cases were reported in Indiana between July and September 2004.

In February 2003, AIDS Housing of Washington completed the *Indiana HIV/AIDS Housing Plan* for the Indiana Housing Finance Authority, the City of Indianapolis and The Damien Center. The study found that as of June 2002, there were a reported 3,368 people living with AIDS and another 3,668 people living with HIV Statewide (7,036 total). Since data have been collected on the epidemic, 11,994 people have been diagnosed with HIV and/or AIDS in Indiana.

However, estimates from the Center for Disease Control and Prevention's (CDC) *HIV Surveillance Report* are slightly higher. As of December 2003, CDC estimated that 3,902 persons were living with HIV and another 3,686 persons were living with AIDS in Indiana (7,588 total).

The State has divided its service areas for people with HIV/AIDS into 12 geographic regions. As of December 2003, Region 1 (Gary) and Region 7 (Indianapolis) accounted for almost 60 percent of people living with HIV in Indiana. However, from 1986 to June 2002, at least 240 cumulative cases of people living with HIV and AIDS have been reported in each region. Exhibit V-12 presents the number of people living with HIV by region as of September 2004.

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[24] Governor's Commission on Home and Community-Based Services, June 30, 2003 Report.

[25] Center for Disease Control and Prevention, *HIV Surveillance Report, Cases of HIV Infection and AIDS in the United States 2003, Vol. 15*.

Exhibit V-12.
Number of People Living with HIV by Region, September 2004

Source:
Indiana HIV/STD Quarterly Report, September 2004.

Region	Counties	People living with HIV
1	Lake, LaPorte, Porter	1,013
2	Elkhart, Fulton, Marshall, Pulaski, St. Joseph, Starke	480
3	Adams, Allen, DeKalb, Huntington, Kosciusko, LaGrange, Noble, Steuben, Wabash, Wells, Whitley	426
4	Benton, Carroll, Clinton, Fountain, Jasper, Montgomery, Newton, Tippecanoe, Warren, White	147
5	Blackford, Delaware, Grant, Jay, Randolph	168
6	Cass, Hamilton, Hancock, Howard, Madison, Miami, Tipton	407
7	Boone, Hendricks, Johnson, Marion, Morgan, Shelby	3,200
8	Clay, Parke, Putnam, Sullivan, Vermillion, Vigo	264
9	Dearborn, Decatur, Fayette, Franklin, Henry, Ohio, Ripley, Rush, Union, Wayne	110
10	Bartholomew, Brown, Greene, Lawrence, Monroe, Owen	236
11	Clark, Crawford, Floyd, Harrison, Jackson, Jefferson, Jennings, Orange, Scott, Switzerland, Washington	253
12	Daviess, Dubois, Gibson, Knox, Martin, Perry, Pike, Posey, Spencer, Vanderburgh, Warrick	330
	Total	***7,034***

Of cumulative cases of HIV and AIDS reported through September 30, 2004, by the Indiana State Department of Health, 82 percent of persons in Indiana were male, while approximately 49 percent of the population as a whole is male. In addition to males, African Americans and Hispanics are disproportionately more likely to have the disease. Although White residents of Indiana account for 89 percent of the State's population, only 60 percent of the State's residents with HIV and AIDS are White. Meanwhile, African Americans comprise only 9 percent of the State's population, yet account for over one-third of residents living with HIV and AIDS. A study prepared for the National Resource Center on Homelessness and Mental Illness in 1998 stated that HIV infection "is rapidly spreading to the poorest and most marginalized sectors of the U.S. population. It is impacting particularly hard on minority African American and Latino communities."[26]

According to the *Indiana HIV/AIDS Housing Plan*, although AIDS originated in the metropolitan areas, the epidemic is quickly spreading to rural areas with constrained resources and often a lack of knowledge. In 1999, 6 percent of all new AIDS-related cases were in rural areas.

Housing. The 11 regions of the State that are covered by the State HOPWA funds (Region 7, which includes Indianapolis, is funded separately through the City of Indianapolis) provide a total of 143 housing units dedicated to persons living with HIV/AIDS as of 2001. In addition to the units set aside for persons with HIV/AIDS Statewide, each of the 11 geographic service areas are available to assist persons with HIV/AIDS through short-term rental assistance, long-term rental assistance,

[26] *HIV, Homelessness, and Serious Mental Illness: Implications for Policy and Practice*. National Resource Center on Homelessness and Mental Illness.

housing referrals and other supportive services. From July 2004 to December 2004, there were 144 tenant-based rental assistance vouchers. Exhibit V-13 shows, by geographic service area, the number of persons with HIV/AIDS who were supported through either short-term or long-term rental assistance and/or supportive services between July 2004 (the beginning of the 2004 HOPWA awards) and December 2004.

Exhibit V-13.
Short- and Long-Term Rental Assistance and Supportive Services for Persons with HIV/AIDS by Service Region, July 1, 2004 to December 14, 2004

HIV Care Coordination Region (City)	Region Name	Long- Term Rental Assistance	Short-Term Rent, Mortgage and/or Utility Assistance	Supportive Services
Region 1 (Gary)	Greater Hammond Community Services, Inc.	34	34	-
Region 1 (Gary)	Brothers Uplifting Brothers	10	-	-
Region 2 (South Bend)	AIDS Ministries/AIDS Assist of North Indiana	8	17	-
Region 3 (Fort Wayne)	AIDS Task Force Fort Wayne	34	34	-
Region 4 (Lafayette)	The Center for Mental Health	6	19	-
Region 5 (Muncie)	The Center for Mental Health	7	34	-
Region 5 (Muncie)	Open Door Community Services	7	-	-
Region 6 (Elwood)	The Center for Mental Health	7	29	4
Region 8 (Terre Haute)	Area VII Agency on Aging	9	8	-
Region 9 (Richmond)	The Center for Mental Health	5	12	11
Region 10 (Bloomington)	Positive-Link	5	34	9
Region 11 (Jeffersonville)	Hoosier Hills AIDS Coalition	2	-	-
Region 12 (Evansville)	AIDS Resource Group and Evansville Housing Authority	10	18	-
Region 12 (Evansville)	Matthew 25 AIDS Services	-	-	9
	Total	***144***	***239***	***33***

Note: Region 7 (Indianapolis) is funded separately through the City of Indianapolis. Open Door Community Services was funded for 7 project based rental assistance units, as of December 14, 2004, only 1 unit was occupied. Brothers Uplifting Brothers was funded for 10 project based rental assistance units, as of December 14, 2004, there were no occupants.

Source: IHFA, email from Lisa Coffman, December 14, 2004.

Outstanding need. The National Resource Center on Homelessness and Mental Illness reported that between one-third and one-half of people with HIV/AIDS are either experiencing homelessness or at imminent risk of homelessness. Using this estimate, providers of services to people with HIV/AIDS estimate that between 30 and 50 percent of the number of people with HIV/AIDS need housing. This suggests housing needs for between 2,276 and 3,794 people living with HIV/AIDS in the State.

Part of the *Indiana HIV/AIDS Housing Plan* study included focus groups of people living with HIV/AIDS in Indiana. These focus groups cited housing affordability as the primary housing challenge. Other concerns noted by the focus group participants included the quality of housing that is affordable to them, the desire to live independently and confidentiality when accessing services. AIDS Housing of Washington also conducted a survey of 418 people living with HIV/AIDS throughout the State. Survey findings were as follows:

- Survey respondents had very low-incomes;
- Many survey respondents received some housing assistance, but most still pay a large portion of their income for housing;
- Consistent with the preferences expressed, the majority of respondents lived alone and rented their homes;
- Behavioral health issues, such as mental health and substance abuse, affected a small but considerable percentage of people living with HIV/AIDS; and
- Many respondents had experienced homelessness.

The survey also collected income and cost burden data of respondents. Exhibit V-14 on the following page summarizes median income, median housing costs and the cost burden of respondents by region.

Exhibit V-14.
Income and Cost Burden of HIV/AIDS Survey Respondents, 2001-2002

Source:
AIDS Housing of Washington, ***Indiana HIV/AIDS Housing Plan***, February 2003.

Region	*Median Income*	*Median Housing Costs*	*Cost Burden*
Region 1 (Gary)	$665	$415	52%
Region 2 (South Bend)	$597	$371	54%
Region 3 (Fort Wayne)	$601	$398	52%
Region 4 (Lafayette)	$653	$309	52%
Region 5 (Muncie)	$595	$500	53%
Region 6 (Anderson)	$787	$467	38%
Region 7 (Indianapolis)	$591	$413	44%
Region 8 (Terre Haute)	$551	$513	78%
Region 9 (Richmond)	$635	$314	37%
Region 10 (Bloomington)	$764	$453	50%
Region 11 (Jeffersonville)	$617	$293	45%
Region 12 (Evansville)	$598	$350	43%

The *Indiana HIV/AIDS Housing Plan* reported there were 143 existing housing units for persons with HIV/AIDS in 2001 and 190 persons receiving long-term rental assistance with HOPWA dollars. Assuming the total number of persons with HIV/AIDS and a need for housing assistance is 2,276 (30 percent of the State's HIV/AIDS population), the State faces an outstanding need of over 2,086 housing units for persons with HIV and AIDS. Surveys indicate that among persons living with HIV/AIDS, most desire to live in single family homes rather than apartments. The most desired types of housing subsidies are mortgage or rental assistance, followed by subsidized housing and units with some supportive services.

For persons experiencing homelessness who also have HIV/AIDS and a mental illness, fragmented services creates the largest barrier to receiving adequate care. As a whole, there is a "lack of integration of housing, mental health, substance abuse, and health services…"[27] The nature of case management has been to specialize in one particular service area. Therefore, even if case managers want to address the various needs of an individual, often they lack the expertise to do so.

A report entitled *Epidemiological Profile for HIV/AIDS in Indiana 2003* completed for the Indiana State Department of Health in May 2004, reported that in 2002, 4,726 people who were HIV positive had medical and service needs that were not met.

[27] *HIV, Homelessness, and Serious Mental Illness: Implications for Policy and Practice*. National Resource Center on Homelessness and Mental Illness.

In addition to living with their illness and inadequate housing situations, persons with HIV and AIDS in need of housing face a number of barriers, including discrimination. According to the 1998 report from the National Resource Center on Homelessness and Mental Illness, persons with HIV/AIDS and persons with a mental illness have long faced discrimination to safe and affordable housing. Landlords and housing providers sometimes fear that physical and architectural elements of their building might create an unsafe environment. Oftentimes, the discrimination is merely based on the stigma associated with the illness.

The co-incidence of other special needs problems with HIV/AIDS can make some individuals even more difficult to house. For example, 10 percent of *Indiana HIV/AIDS Housing Plan* survey respondents indicated alcohol or drug use. Approximately 12 percent of HIV/AIDS survey respondents indicated mental health or psychiatric disability. Among people with mental illness, a high rate of infection is attributed to several factors such as social circumstances, psychopathology, medications and substance abuse. Persons with serious mental illness tend to cycle in and out of homelessness, affecting behaviors in ways not completely understood. Because of the frequent concurrence of substance abuse and mental illness with HIV/AIDS and the need for health care and other supportive services, many of those with HIV/AIDS can be very difficult to serve.[28]

Additionally, the study's Housing Plan Steering Committee, consumers, providers of HIV/AIDS services and survey respondents identified the following barriers to achieving and maintaining housing stability:

- Poor credit;
- Recent criminal history;
- Poor rental history, including prior eviction and money owed to property managers; and
- Active substance abuse.

Resources. The following section described programs and services available to persons with HIV/AIDS.

HOPWA. The primary source of funding for HIV/AIDS housing in the State is the Housing Opportunities for People with AIDS (HOPWA) program. In addition to the $782,833 in formula HOPWA funding, on February 9, 2004, HUD announced the release of $1,171,860 in supplemental HOPWA funds to the State (these are left over from the FY 1998 - FY 2002 program years under the previous HOPWA administrator). Combining HOPWA formula allocation and supplemental funding, from July 2004 to June 2005, IHFA will allocate $1,954,693 in HOPWA funds. Funds will be allocated to 12 agencies in 11 of the State's 12 regions (Region 7, which includes Indianapolis, is funded separately through the City of Indianapolis). These funds are available for use as rental subsidies, as well as emergency services, such as utility assistance and emergency medicine. Awards of HOPWA funds are made on an annual basis. Exhibit V-15 displays the HOPWA awards made for July 2004 through June 2005.

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[28] *HIV, Homelessness, and Severe Mental Illness: Implications for Policy and Practice*, National Resource Center on Homelessness and Mental Illness.

Exhibit V-15.
HOPWA Awards by Category of Service, July 2004 to June 2005

Category of Service	*Award Amount*	*Percent of Total*
Rental Assistance	$549,532	28%
Short-term Rental, Mortgage and Utility Assistance	$268,753	14%
Support Services	$301,074	15%
Housing Information	$104,095	5%
Program Delivery	$59,261	3%
Administration	$113,240	6%
Resource Identification	$120,000	6%
Operating Costs	$111,052	6%
Developer's Fee	$46,980	2%
Environmental Review	$3,000	0%
Rehabilitation/Conversion	$277,706	14%
Total	***$1,954,693***	***100%***

Source: IHFA December 2004.

Exhibit V-16 presents the allocation of funds by counties served, projects sponsors, allocation amount and percent of total HOPWA funding from July 2004 to June 2005, outside of the Indianapolis MSA.

Exhibit V-16.
HOPWA Program Awards by Region and Activity, July 2004 to June 2005

Region		Counties Served	Project Sponsor	Award Amount	Percent of Total
1		Lake, LaPorte, Porter	Greater Hammond Community Services, Inc.	$192,000	10%
1	*	Lake, LaPorte, Porter	Greater Hammond Community Services, Inc.	$52,000	3%
1		Lake, LaPorte, Porter	Brothers Uplifting Brothers, Inc.	$36,871	2%
1	*	Lake, LaPorte, Porter	Brothers Uplifting Brothers, Inc.	$161,750	8%
1	*	Lake, LaPorte, Porter	AIDS Task Force of LaPorte and Parker Counties, Inc.	$100,146	5%
2		Elkhart, Fulton, Marshall, Pulaski, St. Joseph, Starke	AIDS Ministries/AIDS Assist of North Indiana	$110,959	6%
2	*	Elkhart, Fulton, Marshall, Pulaski, St. Joseph, Starke	AIDS Ministries/AIDS Assist of North Indiana	$188,000	10%
3		Adams, Allen, Dekalb, Huntington, Kosciusko, LaGrange, Noble, Steuben, Wabash, Wells, Whitley	AIDS Taskforce of Northeast Indiana	$103,451	5%
3	*	Adams, Allen, Dekalb, Huntington, Kosciusko, LaGrange, Noble, Steuben, Wabash, Wells, Whitley	AIDS Taskforce of Northeast Indiana	$432,521	22%
4		Benton, Carroll, Clinton, Fountain, Jasper, Montgomery, Newton, Tippecanoe, Warren, White	The Center for Mental Health	$38,377	2%
5		Blackford, Delaware, Grant, Jay, Randolph	The Center for Mental Health	$42,548	2%
6		Cass, Howard, Miami, Tipton, Madison	The Center for Mental Health	$57,982	3%
6		Cass, Howard, Miami, Tipton, Madison	Open Door Community Services, Incorporated	$34,668	2%
8		Clay, Parke, Putnam, Sullivan, Vermillion, Vigo	West Central Indiana Economic Development District	$53,950	3%
10		Bartholomew, Brown, Greene, Lawrence, Monroe, Owen	Bloomington Hospital	$55,062	3%
10	*	Bartholomew, Brown, Greene, Lawrence, Monroe, Owen	Bloomington Hospital	$103,800	5%
11		Crawford, Jackson, Jefferson, Jennings, Orange, Switzerland, Washington	Hoosier Hills AIDS Coalition	$11,959	1%
12		Daviess, Dubois, Gibson, Knox, Martin, Perry, Pike, Posey, Spencer, Vanderburgh, Warrick	AIDS Resource Group of Evansville, Inc.	$79,674	4%
12	*	Daviess, Dubois, Gibson, Knox, Martin, Perry, Pike, Posey, Spencer, Vanderburgh, Warrick	Matthew 25 AIDS Services, Inc.	$98,975	5%
		Total		***$1,954,693***	***100%***

Note: * indicates that funding was received through the HOPWA supplemental funding awards.
Region 7 (Indianapolis) is funded separately through the City of Indianapolis.
Source: IHFA, December 2004.

In addition to HOPWA funds, through various State agencies, Indiana administers five additional programs for people living with HIV/AIDS, as described below.

Care Coordination Program. The HIV/AIDS Care Coordination Program is State-funded. This program pays for Care Coordination at 15 sites throughout the State addressing medical, financial, psychosocial and other needs. Funding for grant year 2004-2005 is $2,452,500. Exhibit V-17 lists 15 organizations in the Care Coordination network in Indiana.

Exhibit V-17.
HIV Care
Coordination Sites

Source: Indiana State Department of Health, http://www.in.gov/isdh/programs/hivstd/care.htm.

Organization	*City*
AIDS Ministries/AIDS Assist	South Bend
AIDS Resource Group of Evansville	Evansville
AIDS Task Force of Northeast Indiana	Fort Wayne
Aliveness Project of Northwest Indiana	Gary
Area VII Agency on Aging and the Disabled	Terre Haute
Bloomington Hospital Positive Link	Bloomington
Center for Mental Health - Central	Elwood
Center for Mental Health -Southeast	Richmond
Center for Mental Health - West	Lafayette
Clark County Health Department	Jeffersonville
Concord Center Association	Indianapolis
Damien Center	Indianapolis
LifeCare Program of Clarian Health	Indianapolis
Open Door Community Services	Muncie
Wishard Health Services	Indianapolis

Special Population Support Program. The Special Population Support Program is a State-funded program administered by the FSSA. This program provides substance abuse and mental health support services throughout the State. Funding for grant year 2004-2005 is $900,000.

HIV/AIDS Education Program. The HIV/AIDS Education Program is a State-funded program that pays for prevention and education programs. Funds are sub-granted to community action programs throughout the State. Funding for grant year 2004-2005 is $674,802.

Social Services Block Grant. The Social Services Block Grant is federally funded. This program also provides care coordination at two of the 15 sites throughout the State. Funding for grant year 2004-2005 is $561,206.

HIV Medical Services Program. The Ryan White CARE Act – HIV Medical Services Program is federally funded and awarded to the State. Title II of the Ryan White CARE Act in Indiana is primarily used to purchase HIV medications, services and insurance coverage for eligible HIV positive State residents. Indiana received $11,402,950 for FY 2004 (April 1, 2004 to March 31, 2005). Eligible applicants must be living below 300 percent of the federal poverty level and must not have access to public or private health coverage. The program is administered centrally by the State Department of Health and a contracted third-party claims payer. Participants are required to enroll in the State's case management program (Care Coordination) as well. A portion of the award covers

normal administration costs, quality management projects, advisory council expenses, and special set-aside projects (i.e., Emerging Communities and Minority AIDS Initiative).

Persons with Physical Disabilities

Total population. Estimates of the total population in Indiana with physical disabilities vary according to the definition of disability. The 2000 Census definition of disability encompasses a broad range of categories, including physical, sensory and mental disability. The Census classifies individuals as having a disability if any of the following three conditions are true:

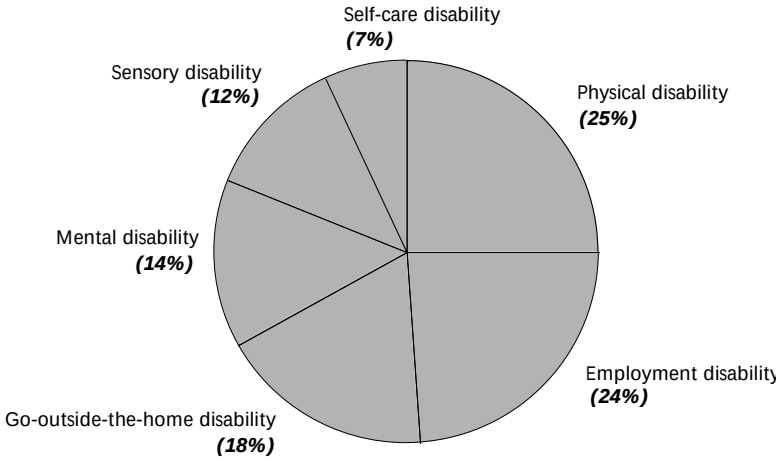
- They were five years old and over and, on the 2000 Census survey, had a response of "yes" to a sensory, physical, mental or self-care disability;
- They were 16 years old and over and had a response of "yes" to going outside the home disability; or
- They were 16 to 64 years old and had a response of "yes" to employment disability.

The Census definition of people with disabilities includes individuals with both long-lasting conditions, such as blindness, and individuals that have a physical, mental or emotional condition lasting 6 months or more that makes it difficult to perform certain activities. In 2000, 1,054,757 Hoosiers over the age of five indicated disability status. According to a 2002 publication *Opening Doors* produced by the Technical Assistance Collaborative and the Consortium for Citizens with Disabilities Housing Task Force, 23 percent of all rural area residents and 18 percent of all urban area residents are people with disabilities. Based on 2000 Census data, this indicates that nearly 775,000 persons in urban areas have a disability and almost 409,000 persons with disability status resided in rural areas.

The 2000 Census also reports total disabilities by type of disability for the population five years and older. Exhibit V-18 below displays the distribution of *types of disabilities* in Indiana in 2000.

Exhibit V-18.
Types of Disabilities, 2000

Source:
U.S. Bureau of the Census, 2000.



Of all disabilities, physical disability is the most prevalent, comprising one-quarter of all types of disabilities. According to the U.S. Census, seniors aged 65 and over compose 45 percent of persons with a physical disability, and 28 percent of all elderly had some form of physical disability.

Housing. Much like the elderly, it is difficult to estimate the housing situations of persons with physical disabilities because they often live independently or rely on family and friends for assistance. Furthermore, specific data on the housing needs of persons with physical disabilities is lacking.

Census data provide estimates of persons with disabilities who are living in poverty, which can be somewhat of a proxy for housing need. In 2000, 232,000 Hoosiers who had a disability lived in poverty. Census data suggest that persons with physical disabilities comprise roughly 44 percent of all persons with disabilities, and that 70 percent of persons with disabilities reside in rural areas. Applying these assumptions to the poverty data, an estimated 71,000 persons with physical disabilities in rural areas are living in poverty and, as such, are likely to have some type of housing need (e.g., cost burden, substandard housing).

Meeting housing needs of persons with disabilities in rural communities can be especially challenging. Challenges include poor quality housing, fewer accessible units and limited transportation options.[29]

The latest *Five Year State Plan for People with Disabilities* reported that persons with disabilities want to live in a community with privacy, safety, and without fear of being raped, abused or belittled. They need supportive services to make this possible. Some require the support of assisted living, but not regimentation. Those who are married expect to be able to live together. Group homes and Independent Living Centers are helping people become more self-sufficient, but they need well-trained, permanent staff who can teach life skills.

Outstanding need. The Governor's Planning Council for People with Disabilities (GPCPD) recently conducted a consumer survey of nearly 1,400 Indiana residents with disabilities and held various focus groups with representatives from nonprofit organizations and advocacy groups as part of their *Five-Year State Plan for People with Disabilities* (2001–2005). Through their research, they identified the following "key issues" for Indiana residents with disabilities:

- ***Home and community-based services.*** Indiana residents with disabilities believe that services delivered to their homes and places of work provide the greatest benefit, and they desire more options and greater investment in the implementation of such services.

- ***Waiting lists.*** Currently, thousands of Hoosiers with disabilities are waiting for home and community-based care services. According to the GPCPD report, "The issue is not just that waiting is hard, but many people's conditions deteriorate while they are waiting for services."

- ***Full utilization of Vocational Rehabilitation Services funds.*** Indiana residents with physical disabilities who participated in the survey indicated that they believe the available Vocational Rehabilitation Services programs are currently underutilized.

A recent study, *Priced Out in 2002*, compared average monthly SSI payments with rental housing costs at the national level and for each state. The study concluded that persons with disabilities receiving SSI income support lost "buying power" in the nationwide rental housing market over the past two years. The study also found that in Indiana, the monthly SSI benefit of $545 in 2002 represents only 16.6 percent of Statewide one-person median income. A person with disabilities receiving SSI income support in Indiana would have to pay 83.5 percent of this monthly benefit to be able to rent a modestly priced one-bedroom unit. (In 2004, the SSI benefit was raised to $564 per individual—an increase of $19.)

[29] *Opening Doors*, *A Housing Publication for the Disability Community*, September 2002, Issue 19.

Resources and solutions. Many of the programs (including CDBG and HOME) available to persons with developmental disabilities and some of the programs for the elderly are also available to persons with physical disabilities. Individuals with physical disabilities also have access to financial and supportive service programs to help meet their housing and support needs.

Supplemental Security Income. Supplemental Security Income (SSI) is a federal income support program that is available to people who have disabilities and limited income and resources. Effective January 2004, the SSI basic benefit payment is $564 a month for an eligible individual and $846 a month for an eligible couple. The State of Indiana does not add any money to the basic benefit.

CHOICE. Community and Home Options to Institutional Care for the Elderly and Disabled (CHOICE) is a State funded program that supports the elderly and people with disabilities. It can cover financial assistance for home modifications and various in-home supports (e.g., personal attendant care). In 1998 (the date of the last available data), approximately 1,800 Indiana residents with physical disabilities received CHOICE funds (18 percent of the total number of CHOICE fund recipients). In FY 2001, there were a total of 12,537 persons served by CHOICE and 2,666 of those residents (21 percent) were under 60 years old with physical disabilities. The number of residents over 60 years old with physical disabilities was not provided.

Medicaid. Medicaid services are available to meet the needs of individuals living in the community, large and small congregate facilities or who are receiving care in a hospital. Medicaid waivers allow Medicaid to fund home and community-based services that have the support services needed for individuals to live in his/her own home. Medicaid waiver funding cannot be used to cover the cost of housing, although up to $10,000 can be used for environmental modifications. Effective July 1, 2003, Medicaid participants receiving institutional care who are clients of the Autism and Developmental Disability waiver programs will have $1,000 available to them for out-of-pocket expenses when transitioning from institutions to community settings. The allowance will pay for the client's initial security deposit on an apartment, essential furnishings, pest eradication and set up fees for utilities and telephones.

Governor's Planning Council for People with Disabilities. The GPCPD has identified the following four objectives for increasing community inclusion of persons with physical disabilities:

- Increase the number of children with disabilities in inclusive educational settings, including those with emotional disabilities;
- Increase the number and quality of community living supports that enable people with disabilities and families to participate in inclusive community activities of their choice;
- Expand the number of people with disabilities who have accessible, affordable housing; and
- Expand the availability of accessible, affordable public and private transportation throughout the State, especially in rural areas.

GPCPD plans to expand the number of persons with disabilities who have accessible, affordable housing through the implementation of the following strategies:

- Promote interagency coordination around quality housing;
- Build supports that enable people to live in their own houses;

- Educate about and advocate for the benefits of universal design with housing designers, developers and builders as well as the general public; and
- Promote awareness in the housing industry that persons with disabilities are viable customers.

Five-Year Plan for People with Disabilities. In addition, the Five Year Plan identifies a vision for the future of community living for persons with disabilities. This vision includes the establishment of affordable and accessible, individualized and dispersed housing for people with disabilities of all ages throughout the community, and the direction of funding away from services/buildings that congregate people with disabilities. This vision includes the provision of individualized supports to meet people's needs in their own homes (ownership or rental).

Persons with Mental Illness or Substance Abuse Issues

Total population. It is appropriate to consider persons with mental illness and those with substance abuse issues together because Indiana uses one system to serve both of these populations.[30]

Severe mental illness. The most recent estimates developed by the State's Division of Mental Health place the population of persons with severe mental illnesses at approximately 236,831. A recent actuarial study estimates the target population for State services—that is, the poorest and least able to secure services—at 68,311.

Substance abuse. It is estimated that 0.43 percent of Indiana's population are substance abuse clients in specialty treatment units on any given day. Given the 2003 population of 6,195,643 people, this would result in a total of 26,641 substance abuse clients Statewide.

If the prevalence of mental illness and substance abuse were the same in nonentitlement areas as the State as a whole, they would be home to approximately 145,000 people with mental illness and 15,776 substance abuse clients.

Characteristics of the populations. Exhibit V-19 displays the number of people served by the Indiana Division of Mental Health and Addiction (DMHA) from July 1, 2002, to June 30, 2003. The clients identified are all adults (18 years and older) who received services through community mental health centers and/or managed providers funded by the Indiana DMHA and Addiction Hoosier Assurance Plan (HAP), the primary funding source for mental health and additional services in Indiana. Included clients met specific income and diagnostic criteria. The number of individuals displayed represents an unduplicated count of persons. Individuals are entered only once into the DHMA database per fiscal year, and may only be categorized in one "agreement type," (i.e., seriously mentally ill or chronically addicted/substance abuse).

[30] Persons with mental illness are also often referred to as "persons with psychiatric disabilities." This report uses the term "persons with mental illness," which is currently used by HUD.

Exhibit V-19.
Number of People Served by the Indiana DMHA,
July 2002 to June 2003

Population	Homeless	Not Homeless	Not Applicable	Total
Seriously Mentally Ill	1,427	43,172	3,419	48,018
Chronically Addicted	1,804	18,211	4,280	24,295
Compulsive Gambling Addiction	13	116	24	153
Total Population	***3,244***	***61,499***	***7,723***	***72,466***

Source: Family & Social Services Administration, Indiana Division of Mental Health and Addiction, 11/30/04.

As shown above, two-thirds of the people served had severe mental illnesses; the remainder had addictions. About 4.5 percent were homeless at the time they were served.

Exhibit V-20 displays the total number of persons served by the Indiana DMHA by location and type of need.

Exhibit V-20.
Number of People Served by the Indiana DMHA by Location,
July 2002 to June 2003

Population	Rural	Urban	Total
Seriously Mentally Ill	11,999	36,019	48,018
Chronically Addicted	5,380	18,915	24,295
Compulsive Gambling Addiction	22	131	153
Total Population	***17,401***	***55,065***	***72,466***

Source: Family & Social Services Administration, Indiana Division of Mental Health and Addiction, 11/30/04.

As shown above, most persons served lived in the State's urban areas; one quarter lived in rural areas.

During FY 2004, the Division of Mental Health served 21,523 people through the Substance Abuse Prevention Treatment (SAPT) block grant. The SAPT block grant is administered by the federal Department of Health and Human Services Center for Substance Abuse Services, Substance Abuse and Mental Health Services Administration (SAMHSA). To receive these funds, an annual application with public review is necessary. Two of the requirements are that 20 percent of the award must be spent for alcohol and drug abuse prevention services and that treatment services for pregnant women and women with dependent children must be funded. Sixty-nine percent of service recipients in FY 2004 were men, 78 percent White and 18 percent African American. After treatment, 1.2 percent of persons who had been homeless did not return to homelessness, 11 percent of persons abstained from alcohol use and 13 percent abstained from other drug use.

The Division of Mental Health and Addiction's *Biennial Report SFY 2002-2003* released May 2004 estimated the number of Hoosiers in certain populations with incomes at or below 200 percent of the poverty level. The Division focused on prevalence data for the population with incomes at or below

200 percent of the poverty level—this is the population targeted by the Hoosier Assurance Plan (HAP). From July 2002 to June 2003, 77,295 persons with mental illness and/or co-occurring disorder, 28,855 children with a serious emotional disturbance and 87,946 Hoosiers with a chronic addiction were eligible for HAP services.

The National Institute on Mental Health (NIMH) has a department specifically dedicated to rural mental health. A fact sheet from September 2000 states that the prevalence of mental illness, substance abuse and disability in rural areas is equal to and often greater than in urban areas. There are unique barriers in rural areas such as access and availability of services, poverty, geographic isolations and cultural differences. People who do seek help, often only have the option of seeing a primary care physician who may lack the appropriate training and resources. In addition, cost of services is a major barrier to care. Only 25 percent of people in rural areas qualify for Medicaid, compared to 43 percent in urban areas. People living in rural areas have comparable insurance to those in urban areas; however, the coverage is less comprehensive and may not include psychotherapy. Geographic location often requires that SMI people seek treatment in a hospital or facility far from their friends and family—if they do seek help in a facility close to home, they are often in a general medical facility without psychiatric specialists.[31]

According to the *AIDS Housing of Washington Spring 2003 Fact Sheet*, among the population with a mental illness, HIV prevalence rates range from 4 percent to 18 percent, compared to a 1 percent prevalence rate among the general population. A 2001 study concluded that nearly half of the population receiving care for HIV also had a psychiatric disorder. People who are mentally ill and abuse substances are at an even higher risk for HIV infection and homelessness. In fact, a study conducted by the American Journal of Addiction in 1998 found that persons with co-occurring disorders have a 19 percent rate of HIV infection—cocaine users were 4.5 times more likely to be HIV positive than non-users.[32]

Housing. Of persons with a mental illness, co-occurring disorders or a gambling addiction served by FSSA in 2003, 76 percent lived in a private residence; 2 percent lived in a foster home; 7 percent lived in residential care; 3 percent in an institutional setting; less than 1 percent in jail/correctional facility; 2 percent were homeless; 2 percent lived in other setting; and 7 percent did not provide data.

It is estimated that there are 97.5 beds available for substance abuse treatment per 100,000 people in the United States. Given this estimate, Indiana would have 5,662 total beds targeted to persons with substance abuse on any given day.

The number of persons being served in state hospitals and the length of stay has steadily declined over the past several years. The number of people served in state psychiatric institutions from SFY 1999 to 2003 has decreased by approximately 500 persons. Additionally, the percentage of patients in state hospitals staying less than one year has increased from 37 percent in SFY 2000 to 45 percent in SFY 2003. This shift in persons served and length of time in state hospitals is attributable to the "increase in community capacity and the efforts to serve consumer in the least restrictive setting that is appropriate for each consumer [Olmstead Act]."[33]

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[31] Department of Health and Human Services, Public Health Service, National Institute of Health, *Rural Mental Health Research Fact Sheet.*

[32] AHW Fact Sheet, Spring 2003, *Living with HIV/AIDS and a Major Mental Illness*.

[33] Indiana Family and Social Services Administration, Division of Mental Health and Addiction, *Biennial Report SFY 2002-2003*.

In 2001, the Indiana division of the National Alliance for the Mentally Ill (NAMI) conducted a residential survey of CMHCs throughout the State. Approximately 30 CMHCs responded to the survey and reported nearly 1,900 beds or units available for people with mental illness. The survey identified units that were owned by CMHCs, in addition to subsidized units or residences for clients they served. Types of units included group homes, HUD apartment complexes, cluster homes, assisted living, emergency housing and home-based services, among other types of living arrangements. Exhibit V-21 below displays the CMHCs who completed the survey and the number of beds or units they had available.

Exhibit V-21.
2001 NAMI Indiana Survey of Community Health Mental Centers

Resource	*Area Served*	*Units/Beds*
The Center for Mental Health	Anderson	70
Center for Behavioral Health	Bloomington/South Central Indiana	N/A
BehaviorCorp	Marion, Boon, Hamilton Counties	50
Quinco Behavioral Health Systems	Columbus, North Vernon, Seymour	44
Cummins Mental Health Center, Inc.	Greencastle, Brownsburg	13
Tri-City Community Mental Health Center	Hammond, Munster, Whiting, East Chicago	40
Oaklawn Psychiatric Center	Elkhart	33
Southwestern Indiana Mental Health Center, Inc.	Evansville	40
Park Center	Fort Wayne	140
Edgewater Systems Residential Services	Gary	72
Adult & Child Mental Health Center	Indianapolis	N/A
Gallahue Mental Health Center	Indianapolis	57
Midtown Community Mental Health Center	Indianapolis - Center, Wayne Townships	96
Southern Hills Counseling Center, Inc.	Jasper	10
LifeSpring Mental Health Services	Jeffersonville	377
Northeastern Center, Inc.	Kendallville	20
Howard Community Hospital	Kokomo	40
Community Mental Health Center	Lawrenceburg	N/A
Four County Counseling Center	Logansport, Cass County	41
Grant-Blackford Mental Health, Inc.	Marion, Grant County	130
Southlake Center for Mental Health	Merrillville, Schereville, Lake County	85
Swanson Center	LaPorte County, Michigan City	28
Comprehensive Mental Health Services, Inc.	Muncie	91
Dunn Center	Richmond	98
Madison Center and Hospital	South Bend	83
Hamilton Center, Inc.	Terre Haute and Marion	55
Porter-Starke Services, Inc.	Valparaiso	15
Samaritan Center	Vicennes	55
Bowen Center	Warsaw	79
Wabash Valley Hospital	West Lafayette	N/A
Entitlement areas		***887***
Nonentitlement areas		***975***
Total		***1,862***

Note: It is likely that this estimate is slightly lower or higher as the survey was conducted in 2001.
Source: Indiana National Alliance for the Mentally Ill, 2001.

Outstanding need. Provision of housing to persons who are mentally ill or abuse substances in rural areas is difficult due to two factors. First, rental properties, particularly apartments, are less common outside of large cities. Additionally, HUD's scoring system for Section 811 grants use minority participation as a significant factor in evaluations. Given the small number of minorities in the State's nonentitlement areas, this requirement puts applications from such areas at a disadvantage from the outset. Due to these factors, and the fact that all of the State's Mental Health Services for Homeless Persons with Mental Illness (PATH) programs are located in large cities, it seems likely that there is an outstanding need for housing for the mentally ill and for individuals with substance abuse problems in nonentitlement areas in Indiana.

The Division of Mental Health and Addiction's *Biennial Report* tabulated the number of Hoosiers who qualified for HAP during SFY 2003. Exhibit V-22 displays HAP eligible Hoosiers by disability and funding status.

Exhibit V-22.
HAP Eligible Hoosiers by Disability and Funding Status

	Received DMHA funds for hospital services	Received DMHA funds for community services	Total served with DMHA funds	Received community services without DMHA funds	Unmet need - did not seek treatment or DMHA funds	Total
Adults w/SMI and co-occurring disorder	1,537	24,220	25,757	23,817	27,721	***103,052***
Hoosiers w/chronic addiction	283	18,882	19,165	6,789	61,992	***107,111***
Children w/SED	171	9,974	10,145	13,038	6,672	***40,000***
Total	***1,991***	***53,076***	***55,067***	***43,644***	***96,385***	***250,163***

Source: Indiana and Social Services Administration, Division of Mental Health and Addiction, Biennial Report SFY 2002-2003.

Exhibit V-22 above highlights over 96,000 HAP eligible Hoosiers with unmet needs (persons needing treatment and DMHA funds) in SFY 2003. Additionally, HAP requires that providers serve all eligible people seeking treatment. However, the Division is not able to fund all persons eligible for services. Almost 44,000 persons received unfunded treatment in SFY 2003.

The FSSA completed their third annual *State Operated Facilities (SOF) Community Readiness Report*. The study, also known as the *State Hospital Client Readiness Assessment*, is part of the DHMA mandate to develop plans for the State operated psychiatric facilities. This mandate, which comes from both State and federal resources, requires that the plan be based on individual client assessments relative to the clients' readiness for community-based care. Community Mental Health Centers (CMHC) and State Hospitals evaluated 650 consumers in State operated facilities in August 2002. Consumers with a serious mental illness constituted 510 (or 78 percent) of those evaluated. Consumers were evaluated based on the expected date at which they would be ready to leave the hospital and the availability of the kind of setting that they would need. Exhibit V-23 displays the results of the evaluation.

Exhibit V-23.
Community Setting Availability, 2002

All Populations (SMI, MICA and SED)	Setting Exists	Setting Being Developed	Setting Full with Waiting List	Setting Exists Out of Home Area	Setting Does Not Exist	Total
Ready for discharge	***8%***	1.2%	3%	1%	***1%***	14%
1 month to 6 months	***20%***	3%	6%	1%	***0.5%***	31%
6 to 12 months	***12%***	2%	4%	0%	***1%***	18%
1 to 2 years	***8%***	0.5%	2%	1%	***2%***	13%
2 years or more	***5%***	0.2%	0%	1%	***6%***	12%
May never be ready	***4%***	0%	0.5%	1.1%	***6%***	12%
Total	***56%***	***7%***	***15%***	***5%***	***16%***	***100%***

Note: SMI = Serious Mental Illness, MICA = Chemically Addicted, and SED = Serious Emotional Disturbance.
Source: State Operated Facilities Community Readiness Report. SFY 2003.

As shown in the table above, 14 percent of the total 650 consumers were determined to be ready for discharge at the time of the assessment. This 14 percent was evenly distributed throughout the State. Overall, 202 or 31 percent of seriously mentally ill (SMI), mentally ill and chemically addicted (MICA) and serious emotional disturbance (SED, includes only children and adolescents) populations were evaluated to be placement-ready within one to six months.

The study found that 56 percent of all consumers assessed had an existing setting available, or would have a setting available at the time of discharge. The majority of the balance of consumers, regardless of their discharge status, were categorized under facilities that were full with a waiting list (15 percent) and/or did not have facilities that would suit their needs (16 percent).

In terms of placement needs, supervised group living (SGL) settings were determined most appropriate for 220, or 43 percent, of the SMI population. Ten percent were determined to need placement within a medical or nursing facility for extended care. A total of 58 MICA consumers were assessed; 26 percent were evaluated to need specialized residential treatment services for substance abusers, and 48 percent were divided equally indicating discharge to their family/personal home or a need for supervised group living. For SED consumers, it was anticipated that 65 percent of these children and adolescents would need to return to a family setting.

The New Freedom Commission on Mental Health Study. President Bush announced the creation of the New Freedom Commission on Mental Health (Commission) on April 29, 2002. The Commission's goal was to study the current mental health service delivery system to identify problems and make recommendations that would enable adults and children to participate fully in their communities. Before the Commission concluded its research, the President identified three obstacles that prevented Americans from receiving quality mental health care—the "stigma that surrounds mental illness, unfair treatment limitations and financial requirements placed on mental health benefits in private health insurance, and the fragmented mental health service delivery system."

The Commission recognized many barriers and unmet needs in its July 2003 report such as the current fragmentation of the system that creates gaps for children and adults seeking care, high rates of unemployment among persons with mental illnesses, lack of care for older adults with mental illnesses, and the lack of national focus on mental health and suicide prevention.

The Commission identified six goals to transform the mental health system:

Goal 1: Create more awareness among Americans that mental health is essential to overall health.

Goal 2: Develop a system where mental health care is consumer and family driven.

Goal 3: Eliminate disparities in mental health services.

Goal 4: Ensure that early mental health screening, assessment and referrals are common practice.

Goal 5: Provide excellent mental health care and accelerate research.

Goal 6: Improve technology to access mental health care and information.

In developing the above goals, the Commission gathered research that produced the following information pertinent to this report.

Mental illness is the leading cause of disability as identified in a study conducted by The World Health Organization (WHO) in 2000. Almost 25 percent of all disabilities in major industrialized countries are mental illness related. Yet, among the primary mental health service organizations, services and funding are fragmented. Each individual program is an essential part of the mental health system, however, as a whole, the financing approach is complex, fragmented and driven by bureaucratic boundaries that create overwhelmed and bewildered consumers. The Commission recommended that agencies create individualized plans of care that will help overcome the fragmented and uncoordinated service system.

Services for people with co-occurring disorders need to be expanded. Research validates this point, suggesting that half of the adults with a diagnosed mental disorder will also have a substance abuse problem in their lifetime. However, the Commission found that few providers treat both disorders—19 percent of the population with co-occurring disorders are treated for both problems and 29 percent are not treated for either disorder.

Employment needs. According to the New Freedom Commission's report, persons with mental illnesses have a high rate of unemployment *and* underemployment. In fact, persons with mental illness have the lowest levels of employment among all disability types. Only 1 in 3 persons with mental illness are employed, even though surveys show that these adults desire to work and have the capabilities to do so. Seventy percent of persons who have a serious mental illness and have a college degree earn less than $10 an hour.

Of persons on SSI, 35 percent are individuals with serious mental illnesses, representing the largest diagnostic group. Likewise, 28 percent of all SSDI recipients have a serious mental illness. Many of the individuals with mental illness live below the poverty level. Ironically, SSI recipients returning to work often find they become even poorer, since employment results in loss of Medicaid coverage that is essential for medication coverage and treatment. Therefore, there is a financial disincentive for persons to return to full employment.

According to the DMHA's *Biennial Report,* the two most important factors in successful recovery for persons with mental illness and/or substance abuse are adequate living arrangements and employment. During SFY 2002, 38 percent of adult HAP consumers were unemployed and looking for work. This compares to only 27 percent of adult HAP consumers who had either a part time or full time job.

Housing needs. The New Freedom Commission reported that one of the most significant barriers for persons with mental illnesses is finding decent, safe and affordable housing with supportive services. In fact, people who rely solely on SSI benefits have incomes equal to 18 percent of the median income and are not able to afford decent housing in any one of the 2,703 housing market areas, as defined by HUD. As a result, people often cycle between the jails, institutions and shelter systems. Among the population experiencing homelessness, persons with mental illness are overrepresented; 46 percent reported having a mental health problem within the previous year.

In addition, affordable housing programs are extremely competitive and federal policies often inhibit individuals with substance abuse problems, poor credit and criminal records from qualifying for Section 8 vouchers or public housing units. If individuals are able to qualify for Section 8 vouchers, they are often unable to use the vouchers for various reasons (cost of units may exceed voucher guidelines, units do not meet Federal Housing Quality Standards, landlords refuse to accept vouchers, and housing search assistance is unavailable). Another problem is the lack of available units.

Many units have been converted to "elderly only" housing, leaving few units for persons with disabilities. Since 1992, 75,000 HUD units nationwide have been converted to elderly housing.

Consumers tend to be more accepting of treatment if they have a suitable place to live. In order to retain consumers in a home setting, supportive services are vital. A University of Pennsylvania study concluded that persons with mental illness who receive supportive housing services cost the public $16,282 less per person per year when compared to the costs of mental health, corrections, Medicaid, public institutions and shelters that the same individual would need without supportive housing services.

Resources and solutions. The following section describes the resources and solutions available to persons with mental illness and/or substance addictions.

Hoosier Assurance Plan. Through the Hoosier Assurance Plan, the State's Division of Mental Health contracts with managed care providers to provide services to individuals requiring mental illness or substance abuse treatment and who have annual incomes falling beneath 200 percent of federal poverty guidelines. The Division has statutory authority for 44 managed care providers Statewide. Each provider is reimbursed on a per consumer basis from the State. Since Indiana is consciously trying to downsize its State hospitals and de-institutionalize its mental health system, Community Mental Health Centers (CMHC) are also allowed to "cash in" allocated State hospital beds for additional resources. CMHCs provide the following mandated services: inpatient services, partial hospitalization/psychosocial rehabilitation, residential services, outpatient services, consultation, education and community support. Priority populations are adults with chronic mental illness and children and adolescents who are seriously emotionally disturbed. During SFY 2002, the Hoosier Assurance Plan served almost 26,000 persons with mental illness.

PATH and Community Mental Health Centers. The Division of Mental Health supports eight Mental Health Services for Homeless Persons with Mental Illness (PATH) teams and four Community Mental Health Centers (CMHC) with Shelter Plus Care programs. These provide housing, job training, case management, medical services and referrals. In addition, most CMHCs also serve persons experiencing homelessness through referrals from other agencies. It should be noted that the PATH teams are all located in Indiana's six largest cities, meaning that few of these housing services are available in nonentitlement areas. A PATH-like team has recently been funded at the Center for Mental Health in Anderson using Mental Health Block Grant funds.

Substance Abuse Prevention Treatment. The Substance Abuse Prevention Treatment (SAPT) block grant is administered by the federal Department of Health and Human Services Center for Substance Abuse Services, Substance Abuse and Mental Health Services Administration (SAMHSA) and awards organization funds on an annual basis. To receive these funds, an annual application with public review is necessary. Two of the requirements are that 20 percent of the award must be spent for alcohol and drug abuse prevention services and that treatment services for pregnant women and women with dependent children must be funded.

Other services. In addition to State-provided services, Indiana's statutes require employers who provide mental health coverage to provide it in full parity with physical health coverage. Furthermore, the State's Children's Health Insurance Program provides full parity for mental illness.

Homeless Task Force goals. As noted earlier, the State's Continuum of Care recently addressed the needs of people with mental illness who are also homeless. In regard to this population, the Homeless Task Force's 2003-2004 goals aim to:

- Improve working relationships between mental health centers and homeless providers to ensure better access to services by mentally ill homeless persons (ongoing);
- Survey mental health centers by December 2002 (completed);
- Develop model service agreements (ongoing);
- Establish service agreements between at least 75 percent of the mental health centers with homeless service providers by May 2003 (ongoing—DMHA reports that many of the mental health centers have good verbal agreements in place with homeless service providers. DMHA is reviewing how those agreements are working out.); and
- Highlight mental health centers that have established strong relationships with homeless service providers at the March 2003 training sessions (ongoing—Did not do in 2003. Task Force included with 2004 CoC trainings).

Migrant Agricultural Workers

Total population. By definition, the number of migrant agricultural workers in Indiana fluctuates and, consequently, is difficult to measure. The most recent count identified a total of 3,552 migrant workers employed by 130 employers throughout the State. However, this count does not include seasonal workers, which are very difficult to measure due to their transient nature. Thus, the total of migrant and seasonal workers is much higher than this identified count. A study conducted by the Indiana Commission on Hispanic/Latino Affairs identified approximately 8,000 migrant and seasonal farmworkers in Indiana. The 8,000 workers were largely employed in St. Joseph, Howard, Grant and Madison counties.

A Housing Study in Marion County, Indiana, prepared by the Institute for Social and Economic Development (ISED) in 1994, focused on persons living in Marion County and performing farm labor in either Marion, Hendricks, Morgan, Johnson, Shelby or Hancock counties.[34] Fifty-eight percent of the growers in the study area expected the future demand for seasonal workers to increase. Although the study is dated, to the extent that the growers' expectations of future demand for labor hold true, meeting the needs of the migrant population could be increasingly important as the population grows in response to demand.

Characteristics of migrant farmworkers. The Indiana Commission on Hispanic/Latino Affairs report entitled *Latinos in Indiana: Characteristics, Challenges and Recommendations for Action*, reported the following characteristics of migrant farmworkers in Indiana:

- The typical migrant farmworker family consists of 2 adults and 3 children.
- The average family has three full-time workers.
- The median family income is $4,400.
- 98 percent are Hispanic/Latino.
- 49 percent travel from Texas.
- 10 percent travel from Florida.
- 97 percent of the families live below the poverty line.
- 51 percent speak only Spanish or limited English.
- 80 percent are not enrolled in Medicaid or Medicare.

[34] Because a major portion of the study area is urban, including Indianapolis, the study findings may not be applicable to rural areas.

As part of this year's Consolidated Planning process, surveys were sent to organizations that work with migrant farmworkers. The following are characteristics of farmworkers identified by survey recipients:

- Farmworkers are from Florida and southern Texas and come to Indiana from June to October to help in the fields and harvest operations.
- Farmworkers are generally under the age of 40.
- Farmworkers leave families in Florida and Texas and send a portion of their earnings back home.

Outstanding need. There are few recent studies of the needs of migrant farm workers in Indiana. State level studies supplemented with national studies offer insight into this population's needs in the State.

Housing. The study conducted by ISED in Marion County found that most grower-provided housing consisted of dormitories, single-family detached and attached structures, and mobile homes. Individuals and families not living in grower-provided housing resided in single-family detached structures, former single amily structures converted into multi family units, multi family units located in complexes, and mobile homes. A 2001 Housing Assistance Council survey indicated that 45 percent of migrant agricultural workers live in either single or multi family housing. Employers owned 25 percent of all units, and 57 percent of employer-owned units were provided free of charge. According to the *Latinos in Indiana* study, grower provided housing is often provided in lieu of higher wages.

The 2001 nationwide survey of the migrant worker population by the Housing Assistance Council found that the median monthly income for migrant worker respondents was $860, and the median monthly housing cost was $345. Excluding units where no rent was charged, the median housing cost was $380. Three in five units were occupied by households with incomes at 80 percent or less of Area Median Income (AMI). Thirty-eight percent of migrant worker households surveyed had incomes of 50 percent or less of the AMI, and 17 percent had incomes 30 percent or less of the AMI.

Serious structural problems, including sagging roofs, house frames or porches, were evident in 22 percent of the units surveyed and 15 percent had holes or large sections of shingles missing from their roofs. Foundation damage was evident in 10 percent of all units and windows with broken glass or screens were found in 36 percent of the units. Unsanitary conditions, such as rodent or insect infestation, were evident in 19 percent of the units surveyed and 9 percent had frayed wiring or other electrical problems present. More than 10 percent of units lacked a working stove, 8 percent lacked a working bath or shower, and more than 9 percent lacked a working toilet.

The 2001 Housing Assistance Council survey found that crowding was extremely prevalent among migrant worker housing units. Excluding dormitories and barracks (structures designed for high occupancy), almost 52 percent of all units were crowded (defined as having a mean of more than one person per room, excluding bathrooms). Among crowded units, 74 percent had children present. Many farm workers face a multitude of housing problems. Twenty percent of substandard units were also overcrowded; 11 percent of all units were substandard *and* the workers were cost burdened; and 6 percent of all units (19 percent of all substandard units) were substandard, cost burdened and overcrowded. Applying these percentages to the 8,000 migrant and seasonal farmworkers in Indiana, 1,760 would live in substandard housing; 4,160 in a crowded environment; and 480 in a substandard, cost burdened and crowded conditions.

The goal of the Marion County study was to determine the feasibility of building a permanent farm labor housing complex within Marion County. As such, in order to qualify there were household residency and income requirements. Of the 78 households surveyed, 61 qualified for this potential housing complex. It is important to note that the needs of these 61 households represent permanent farmworkers and not necessarily the migrant population. Of the 61 households, the most widely needed unit size was a 1-bedroom unit followed by a 2-bedroom residence. The majority of qualifying households were satisfied with one bathroom. The same households indicated that childcare, laundry facilities, playground equipment and a community room were all necessities.

Exhibit V-24 displays market rents by unit sizes reported by the ISED study in Marion County in 1994. The rent levels identified were what a household might expect to pay in 1994 for a "good" quality housing unit.

Exhibit V-24.
Market Rents by Unit Size for Marion County, 1994

Source:
A Housing Study in Marion County, Indiana, Institute for Social and Economic Development.

Unit Size	***Average Monthly Rents***
Multi-unit Attached Structure	
Efficiencies	$275 to $415
1-Bedroom	$300 to $500
2-Bedrooms	$340 to $650
3-Bedrooms	$500 to $750
Single-unit Detached Structure	
Varies by structure	$300 to $1,500

In order to afford a $400 per month 1-bedroom unit—the largest need in Marion County as indicated above—an *individual* would need to earn at least $16,000 a year. However, 77 percent of ISED surveyed *households* in 1994 earned less than $11,000 per year—mean household income was $9,535 and median household income was $8,000. Of the surveyed households, only 8 percent could afford a $400 per month 1-bedroom unit.

The Marion County study reported that in recent years, the State has begun to enforce housing regulations in labor camps throughout the State. The standards are increasing housing costs for growers and, ironically, forcing many growers to stop providing housing altogether. Without grower provided housing, an increasing number of farmworkers are searching for housing units in a competitive housing market. Thus, the affordable housing market has seen increasing pressure and decreased housing availability.

The survey results indicated that if farmworker households spent no more than 30 percent of their income on housing (above which would designate a cost burdened household) affordable housing units available to them would be limited to only 12 percent of the rental market in Marion County.

Employment and working conditions. Few of Indiana's permanent residents seek out seasonal farm work due to the low wages and arduous tasks. Seasonal farm labor usually entails working in the fields and packing plants, generally requiring 6-day workweeks. The NAWS survey found that 2 percent of workers reported not having access to drinking water at their worksite. Sixteen percent reported not having water with which to wash, and 13 percent reported that toilets were not available at work.

The majority of workers surveyed in 1997-1998 by the U.S. Department of Labor's National Agricultural Workers Survey (NAWS) were paid by the hour, although this varied by type of work. About one-third of workers performing "harvest tasks" were paid piece rates (e.g., paid by amount of

units harvested). The average wage earned by a worker in 1997-1998 was $5.94 per hour, and about 12 percent of all workers earned less than the minimum wage. The survey compared wages over time and found that the purchasing power of agricultural worker wages has been declining. Workers' wages have dropped (in real terms) since 1989 from $6.89 to $6.18 per hour. On an annual basis, about half of all workers surveyed reported earning less than $7,500 per year.

The Marion County study cited numbers from the 1987 U.S. Census of Agriculture, the most recent available data when the study was completed. On average, seasonal farmworkers made $4.55 an hour in the Lake region and averaged 36.2 hours a week for approximately 13 weeks of the year.

According to the NAWS survey, most workers did not receive benefits as part of their employment. Only 41 percent were covered by unemployment insurance and just 33 percent were covered by workers compensation insurance. The *Latinos in Indiana* study paints a bleaker reality stating that more often than not, workers did not have health insurance and/or workers compensation benefits.

In 1991, a taskforce appointed by the Governor recommended that agricultural workers who are not a member of the grower's family receive workers compensation benefits. The bill passed the House Labor Committee but failed to receive full support in the House of Representatives. The constitutionality of excluding farmworkers from workers compensation has not been challenged nor has anyone worked to install these benefits since.

Health and community needs. Due to the nature of farm labor, migrant farmworkers often suffer disproportionately from illnesses like upper respiratory infections, injuries, dermatitis, eye infection, dehydration, muscle strain, diabetes and hypertension. For example, spraying insecticides on the fields while workers are present creates severe health problems.

Because migrant workers live and work in remote areas, they are often unable to access the public services that they need and qualify for. Contributing factors include lack of transportation, lack of sick/vacation time, working hours and language barriers.[35]

Community input. The following is a summary of the issues and needs of migrant farmworkers identified by 2005 survey respondents.

Migrant farmworkers living conditions:

- Rental housing: Overcrowded, substandard older homes and apartments. Unsafe and unsanitary living conditions (may be infested with rodents or other animals), units do not meet code and are overpriced.

- Grower-provided housing: Overcrowded mobile homes and manufactured homes.

Home maintenance:

- Owner-occupied units: Those who own their homes, which are very few, often do not have the money to make needed repairs. If repairs are made, it is often a temporary fix.

[35] *Latinos in Indiana: Characteristics, Challenges, and Recommendations for Action*, Indiana Commission on Hispanic/Latino Affairs, 2002.

- Renter-occupied units: Repairs are not kept up and units remain substandard. Language barrier may prevent households from communicating needed repairs. Households are fearful of landlords and eviction and may not voice needs.

Most needed housing:

- Seasonal housing for workers during the growing season with amenities so workers can cook and sustain normal living conditions.
- Permanent and affordable housing.
- Family housing so workers can bring families with them during growing season.

Desired local and State policy changes:

- Tighter regulation of housing.
- Raise Department of Health standards for housing development approval.
- Streamline grant application process for building housing.

Types of discrimination:

- Unreasonable length of lease.
- Charging higher prices to farmworkers than to the general public.
- Assuming migrant worker is illegal.
- Assuming migrant will leave the unit in terrible condition.
- Assuming farmworkers will overcrowd unit.

Priorities given an unlimited amount of money to dedicate to migrant farmworker issues:

- Educate locals on Hispanic/Latino culture.
- Educate Hispanic/Latino culture about banking and other service agencies in the area.
- English literacy training.
- Invest in GED classes, worker training programs and computer operation classes.
- Youth education.
- Build more affordable housing.
- Life skills training to give people the skills to succeed and buy a home.

Other issues:

- Most migrant farmworkers lack an understanding of how the government and other service programs can be beneficial.
- Migrant farmworkers lack an understanding of the importance of the banking system and retirement savings plans. Most refuse to set up checking accounts and establish bank relationships. Many workers end up spending a tremendous amount of money cashing payroll checks simply in order to avoid being entered into any system where they might be tracked.
- Workers need more knowledge of health care and clinic locations.
- Need for specialized education in schools for migrant workers.
- Sex education for adults and children.
- Wage increases.
- Enforcement for crew leaders to submit wage information.
- Safe working conditions.

Resources. The following section identifies housing and outreach services available to migrant farmworkers in Indiana.

Housing. Historically, growers have provided housing for migrant workers in Indiana. These housing facilities are licensed by the Indiana State Department of Health and are held to minimum standards, including windows and a source of heat. Indoor faucets or plumbing are not required under the standards, and most camps have common showers, restrooms and facilities for washing clothes. It should be noted that structures built before the adoption of these standards are acceptable under a grandfather clause, meaning that some families live in cabins as small as 10 by 12 feet in dimension. According to service providers, grower provided housing is more common in central and northern Indiana, while workers in the southern part of the State typically find housing independently.

As of September 2003, there were 52 State-licensed migrant labor camps in Indiana. The camps are provided by the growers of the agriculture produce, and the migrant workers often pay rent. Anywhere from 50 to 350 live in grower-provided camps. These camps are inspected at least once a month during the growing season by the Department of Health.[36]

Aside from grower provided housing, migrant workers are left to find housing for themselves in surrounding areas. The funding sources available for the development of migrant worker housing are those used by all developers of affordable housing seeking subsidies and can be very competitive.

Several migrant farmworker housing developments have been built recently using CDBG funding. The following exhibit shows the migrant farmworker housing projects from 1998 to the present.

[36] *Indiana Health Centers Serves Migrant Workers,* Indiana State Department of Health – Express, September 24, 2003.

Exhibit V-25.
Migrant Farmworker Housing Projects, Indiana

Grantee	Current Award	Date Board Awarded	Status
Town of Geneva	$500,000	November 2004	Pending
Town of Orestes	$500,000	November 2004	Pending
Town of Orestes	$388,900	January 2003	Open
City of Elwood	$499,000	January 2003	Open
The Board of Commissioners of the County of Knox	$400,000	September 2002	Open
The Board of Commissioners of the County of Fountain	$427,600	August 2001	Closed
Knox County	$444,500	July 1999	Closed
Elkhart County Government	$299,998	November 1998	Closed

Source: Indiana Housing Finance Agency, email from Erika Scott 12/7/04.

In December 2003, USDA Rural Housing Service (RHS) announced a $250,000 low interest Farm Labor Housing Loan to a farm corporation to build housing in Pulaski County. This is the first time that funding for farm labor housing has been made available by USDA Rural Development in Indiana. The farm labor housing, known as Gollier City Migrant Housing Facility, consists of eight units providing housing for 48 workers. The Farm Labor Housing Loan and Grant 9 (Section 514/516) program provides financing for the development of housing for farm laborers. Loans are granted to a variety of entities including farmers, associations of farmers, Indian tribes, nonprofits, public agencies, associations of farmworkers, etc. Funds can be used to purchase a site or a leasehold interest in a site; to construct housing, day care facilities, or community rooms; to pay fees to purchase durable household furnishings; and to pay construction loan interest. Loans are 33 years at 1 percent interest. Grants can cover up to 90 percent of development costs. RHS grants can be used as a subsidy so tenants pay only 30 percent of their income. The Housing Assistance Council noted that demand for these loans far exceeds the available dollars.[37]

Outreach. In addition, special outreach services are provided to reach migrant worker populations through the Comprando Casa program, a homeownership education program run by Rural Opportunities, Inc. (ROI), designed specifically for the Hispanic/Latino population. In 2002, ROI received an American Express Foundation grant for *Hablemos de Dinero*, a Spanish language based financial literacy program for migrant workers throughout the State. The program also focuses on building basic money management skills. This ROI initiative is designed to help the Hispanic/Latino migrant worker population become familiar with the American banking system, decrease predatory lending, address credit issues and create a stepping stone to homeownership training. While the program provides aid to all migrant/seasonal farmworkers, it specifically targets farmworkers who are settling in Indiana for their homeownership training program. Additionally, ROI offers technical assistance, i.e., information and referral services to promote improvement of farmworker housing, to growers.

A Migrant Task Force has also been formed to provide information sharing and coordination of migrant worker services throughout Indiana. The task force meets monthly and includes the following members:

[37] *USDA Awards Funding for Farm Labor Housing in Pulaski County,* USDA Rural Development, December 15, 2003 and http://www.ruralhome.org/infoSheets.php?id=192

- Consolidated Outreach Project (provides migrant health services, referrals and follow-up for other needs);
- Transition Resources (migrant employment and training services);
- Indiana Department of Education;
- Texas Migrant Council;
- Indiana Department of Labor;
- Indiana Legal Services; and
- Indiana Department of Workforce Development.

The Task Force has begun meeting and is discussing the following:

- A description of the role of the committee;
- How often the committee will meet;
- Specific targeted goals;
- Measurable outcomes; and
- Goals the committee plans to achieve.

Implications

The many needs of the populations discussed in this section, combined with the difficulties in estimating the extent of such needs, can be overwhelming. Furthermore, the dollars available to serve special needs populations are limited, and these groups often require multiple services. Exhibit V-26 on the following page attempts to identify the greatest needs of each special needs population and shows the primary resources available to meet these needs. As discussed in the text, these needs are often more pronounced in rural areas due to the lack of services.

Exhibit V-26.
Summary of Special Needs and Available Resources

Population	Housing Need	Community Need	Primary Resource Available
Youth	Affordable housing Transitional housing with supportive services Rental vouchers with supportive services	Job training Transitional living programs Budgeting	HUD's FUP Medicaid Transitional Living Program Chafee Foster Care Independence Program IHFA Education and Training Voucher Program
Elderly	Rehabilitation/repair assistance Modifications for physically disabled Affordable housing (that provides some level of care) State-run reverse mortgage program Minimum maintenance affordable townhomes	Public transportation Senior centers Improvements to infrastructure	CDBG CHOICE HOME/IHFA Home Equity Conversion Mortgage Program Medicaid Public Housing Section 202 Section 8 USDA Rural Housing Services
Homeless	Beds at shelters for individuals Transitional housing/beds for homeless families with children Affordable housing for those at-risk of homelessness	Programs for HIV positive homeless Programs for homeless with substance abuse problems Programs for homeless who are mentally ill Service organization participation in HMIS	ESG CDBG HOME/IHFA HOPWA IDOC ISDH County Step Ahead Councils County Welfare Planning Councils Local Continuum of Care Task Forces Municipal governments Regional Planning Commissions State Continuum of Care Subcommittee

Source: BBC Research & Consulting, 2004.

Exhibit V-26. (continued)
Summary of Special Needs and Available Resources

Population	Housing Need	Community Need	Primary Resource Available
Developmentally Disabled	Semi-independent living programs Group homes	Smaller, flexible service provisions Community settings for developmentally disabled Service providers for semi-independent Integrated employment programs	CDBG CHOICE HCBS HOME/IHFA SSI Medicaid Section 811 Olmstead Initiative Grant DDARS BDDS Supported Living Supported Group Living
HIV/AIDS	Affordable housing for homeless people with HIV/AIDS Housing units with medical support services Smaller apartment complexes Housing for HIV positive people in rural areas Rental Assistance for people with HIV/AIDS Short-term rental assistance for people with HIV/AIDS	Support services for AIDS patients with mental illness or substance abuse problems Medical service providers Public transportation Increase number of HIV Care Coordination sites	HOME/IHFA HOPWA Section 8 ISDH
Physically Disabled	Housing for physically disabled in rural areas Apartment complexes with accessible units Affordable housing for homeless physically disabled	Public transportation Medical service providers Integrated employment programs Home and community-based services	CDBG CHOICE HOME/IHFA SSI Medicaid Section 811

Source: BBC Research & Consulting, 2004.

Exhibit V-26. (continued)
Summary of Special Needs and Available Resources

Population	Housing Need	Community Need	Primary Resource Available
Mental Illness and Substance Abuse	Community mental health centers Beds for substance abuse treatment Supportive services slots Housing for mentally ill in rural areas	Substance abuse treatment Education Psychosocial rehabilitation services Job training Medical service providers HAP funding Services in rural areas Follow-up services after discharge	CDBG HOME CHIP Division of Mental Health Section 811 Hoosier Assurance Plan Olmstead Initiative Grant
Migrant Agricultural Workers	Grower-provided housing improvements Affordable housing Seasonal housing Family housing Raise standards for housing development approval	Family programs Public transportation Homeownership education Employment benefits Workers compensation Improved working conditions, including worker safety Literacy training Life skills training	CDBG Rural Opportunities, Inc. Comprando Casa Program USDA Rural Development 514 & 516 Programs

Source: BBC Research & Consulting, 2004.

Data Sources

A number of data sources were relied upon in the preparation of this section, including key person interviews with government and non-profit service providers and advocates, and multiple primary and secondary documents. The following documents were used in the preparation of this section:

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Persons Contacted

In addition to the aforementioned data sources, a number of people with specific knowledge of various special needs populations furnished information either electronically or by telephone that were used in preparation of this section. We thank these individuals for their very helpful assistance.

- Paula Barrickman, Indiana Division of Mental Health and Addiction;
- Rosemary Carney, Family and Social Services Administration;
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- Lisa Coffman, Indiana Housing Finance Authority;
- Judy Hall, Family and Social Services Administration;
- Deborah McCarty, Indiana University, Indiana Institute on Disability and Community;
- N. Ellen McClimans, Family and Social Services Administration;

- Molly Miller, Ball State University, Independent Living Program, Social Science Research Center;
- Annette Phillips, Rural Opportunities, Inc.;
- Dr. Patricia Rogan, Indiana University, Bloomington, IN, Institute for the Study of Developmental Disabilities;
- Marge Slauter, Family and Social Services Administration;
- Philip Stafford, PhD, Indiana University, Indiana Institute on Disability and Community;
- Patrick Taylor, Indiana Coalition on Housing and Homelessness Issues;
- Michael Connor, Family and Social Services Administration, Division of Mental Health;
- Erika Scott, Indiana Housing Finance Authority; and
- Mary Lou Terrell, Knox County Housing Authority.

SECTION VI.
Analysis of Impediments to Fair Housing Choice

SECTION VI.
Analysis of Impediments to Fair Housing Choice

This section contains an updated Analysis of Impediments to Fair Housing Choice (AI) for the State of Indiana. The AI was conducted using a similar methodology as the Five-Year Consolidated Plan and includes data from two citizen surveys; a key person/organization survey; a public housing authority survey; a public forum; key person interviews; and reviews and analyses of data on fair housing complaints, legal cases, and mortgage lending and foreclosure data, as well as State barriers to affordable housing.

Citizen Surveys

A citizen telephone survey was conducted in October 2004 of 300 residents living within nonentitlement areas in the State of Indiana. The households selected for the survey were chosen through a random digit dial process. Davis Research, a telephone survey firm in California, fielded the survey. The survey included enough households to ensure statistical significance—that is, the survey was representative of the experiences and opinions of the State's households overall who live in nonentitlement areas.

A second, almost identical, survey was conducted by mail. The survey was sent to targeted housing and social service organizations in the State, including public housing authorities. The organizations were asked to have five of their clients complete the surveys. The survey respondents could complete the surveys on a hard copy or through an Internet web page; all elected to complete the hard copy. The reason for this survey was to receive input from people who are low income, may have special needs and who are typically underrepresented in public outreach efforts.

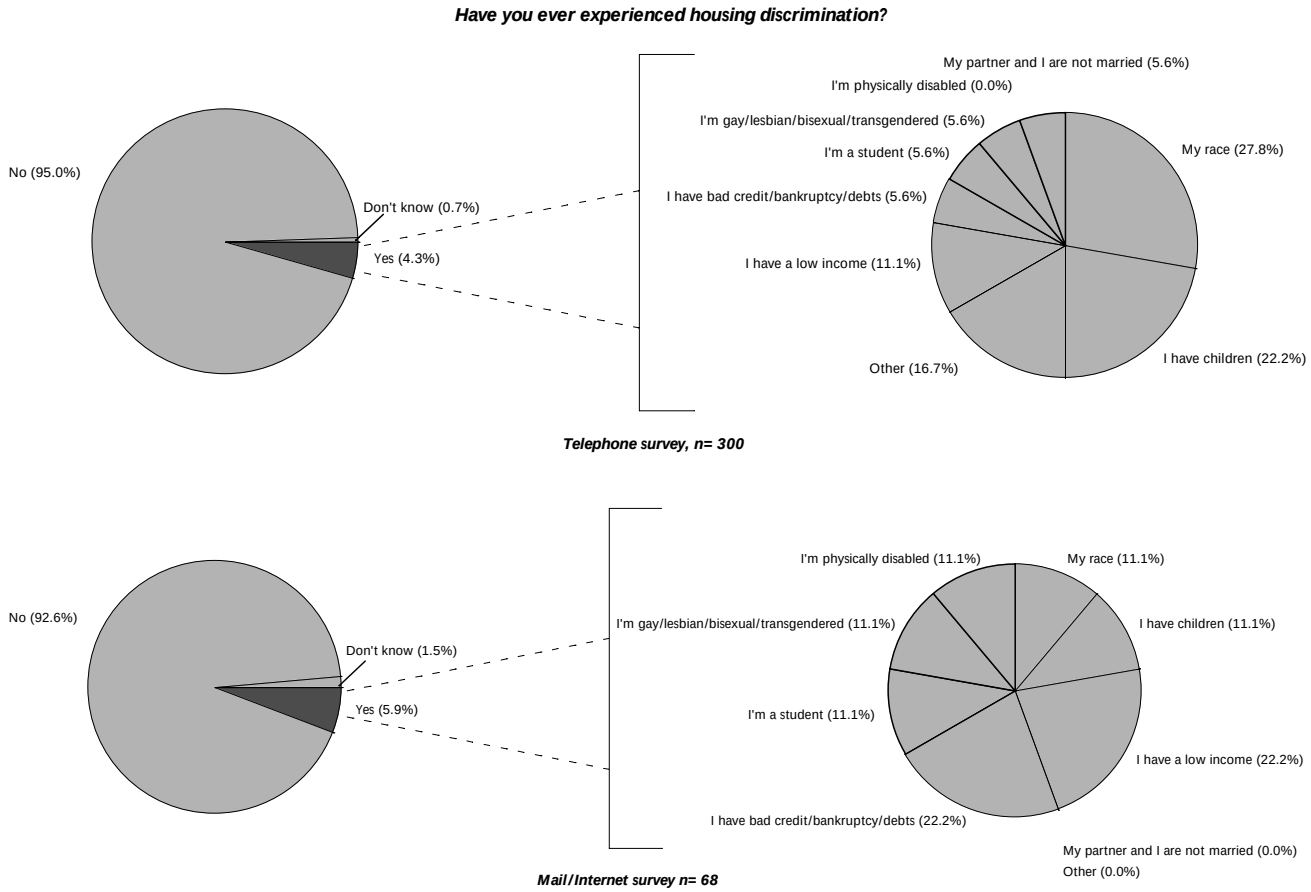
The surveys included questions about residents' current housing situation, the needs of their neighborhoods, if they had ever been homeless and if they had experienced housing discrimination. Telephone surveys were completed with approximately 190 cities/towns or counties throughout the State of Indiana and mail/Internet surveys were completed in 29 different cities/towns.

Experience with housing discrimination. The telephone and mail surveys conducted for the 2005 Consolidated Plan and AI asked respondents a number of questions about their experience with housing discrimination. 4.3 percent (13 respondents) of the telephone survey respondents and 5.9 percent (4 respondents) of the mail/Internet survey respondents said they had experienced housing discrimination. It is interesting that, despite different sampling methods, these percentages are so close.

The survey respondents who had experienced discrimination were asked about the reasons why they believed they were discriminated against. The most common reason for the telephone respondents was discrimination based on race, followed by discrimination based on familial status. The mail/Internet survey population said they were discriminated against for different reasons – because they had low incomes and they had bad credit/bankruptcy/debts. (It should be noted that, in the absence of other factors, discrimination based on income or credit/bankruptcy is legal).

Exhibit VI-1 below shows the results of why survey respondents believe they were discriminated against.

Exhibit VI-1.
Survey Respondents' Experience with Housing Discrimination



Note: "Have you ever experienced housing discrimination?" Telephone survey, n=300 and mail/Internet survey, n=68.
"What was the reason you were discriminated against?" Telephone survey, n=13 and mail/Internet survey, n=4
Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet.

A demographic review of the 13 telephone respondents who said they had experienced housing discrimination showed the following:

- Four said it was because they have children. Three of these households are made up of four people and one respondent had seven people in their household.
- Tenure (renter/owner status) was not correlated with having experienced housing discrimination.
- There was not a significant correlation between experiencing housing discrimination and having a disability.

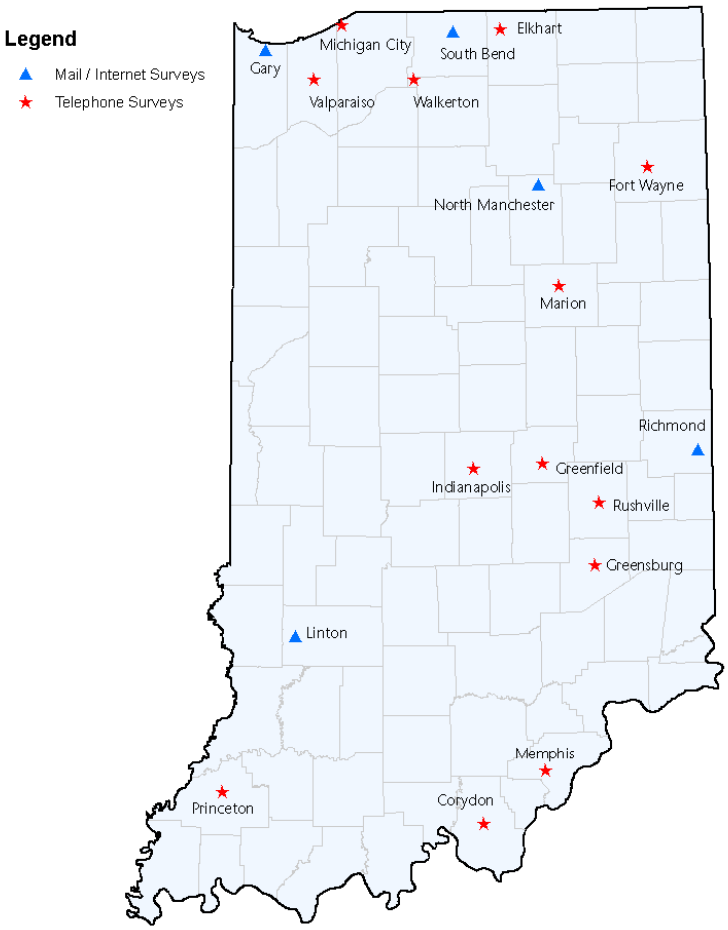
- Persons earning less than $50,000 were more likely to say they had experienced housing discrimination than persons earning $50,000 or more.
- The breakdown of race/ethnicity of those respondents who said they had experienced racial discrimination included: White – 40 percent or two respondents, Multi-racial – 40 percent or two respondents and Hispanic/Latino – 20 percent or one respondent.

A demographic review of the four mail/Internet respondents who said they had experienced housing discrimination showed the following:

- Three persons earning less than $35,000 said they had experienced housing discrimination due to having low incomes. These same 3 respondents also said they were discriminated against because they had either bad credit, bankruptcy and/or debts
- Tenure (renter/owner status) was not correlated with having experienced housing discrimination.
- Two respondents said they have a disability and one of these responded they were discriminated against because of their disability.

Exhibit VI-2, on the following page, shows the cities where the telephone and mail/Internet survey respondents said they experienced housing discrimination.

Exhibit VI-2.
Places Where Housing Discrimination is Believed to Have Occurred

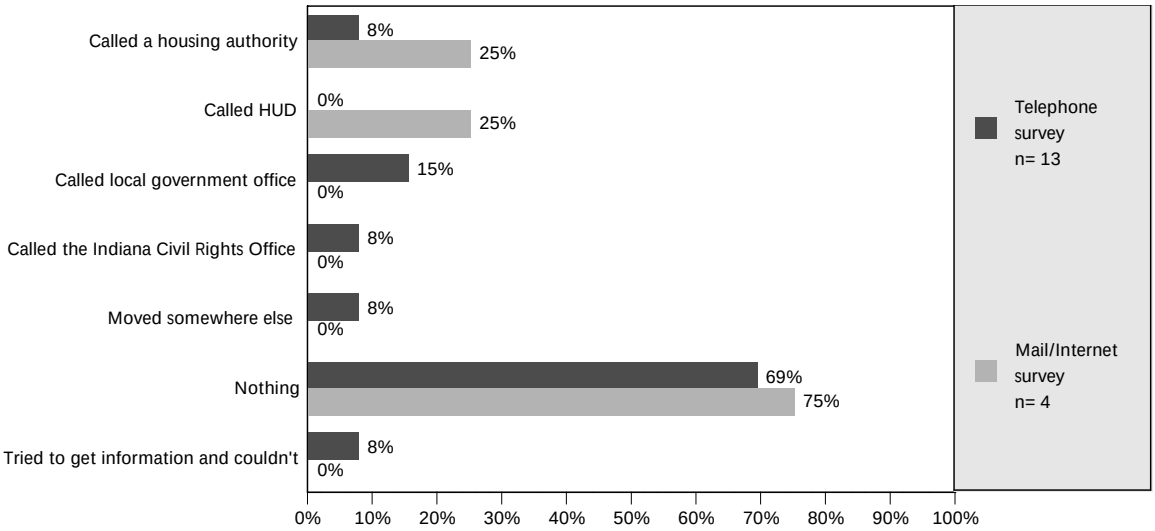


Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

Response to discrimination. Survey respondents were asked a series of questions to identify how they would respond if they encountered housing discrimination.

None of the telephone and mail/Internet survey respondents who experienced housing discrimination filed a complaint. In fact, most did nothing in response to being discriminated against, as shown in Exhibit VI-3.

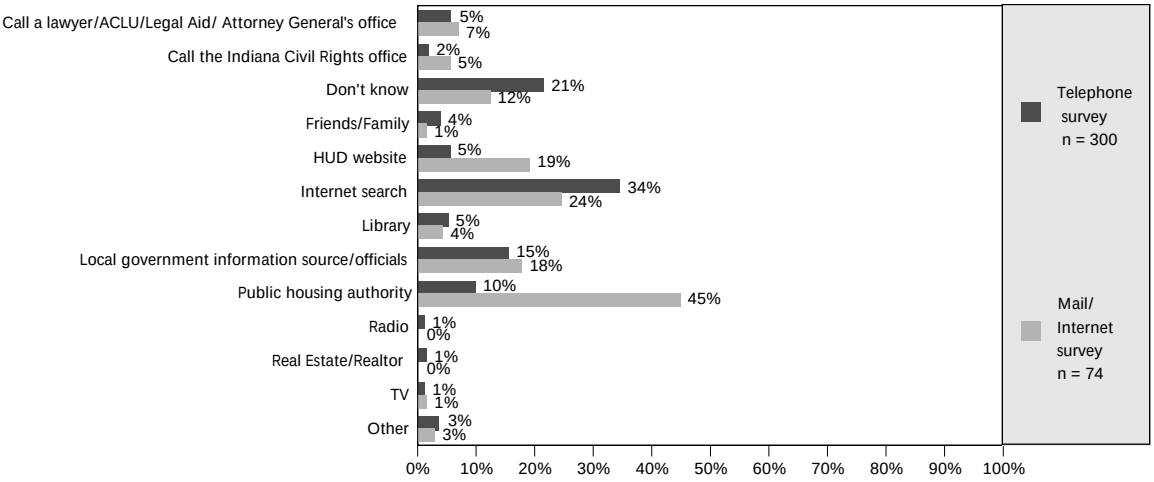
Exhibit VI-3.
What Did You Do About the Discrimination?



Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

Respondents were also asked how they would get information about their fair housing rights. The top responses for telephone respondents were to do an Internet search or that they did not know where to go. Mail/Internet survey respondent's top responses were to contact the local public housing authority and to do an Internet search. These responses are shown in Exhibit VI-4.

Exhibit VI-4.
How Would You Get Information To Know More About Your Fair Housing Rights?



Source: 2005 Indiana Consolidated Plan Citizen Survey, telephone and mail/Internet,

Responses in the "other" category on how they would get information about fair housing included the following:

- "Better Business Bureau."
- "Call around to see who I could get in touch with."
- "Generations, which is a local agency, either out of Washington, Indiana or Vincennes, Indiana."
- "Other housing agencies La Casa, Elkhart Housing Partnership."
- "I work in a bank, so I could ask there and they could help me."
- "I'd write to Pueblo."
- "Look in the Yellow Pages."
- "Phone the Council on Aging."
- "Write my Congressman."
- "Family."
- "Call ATTIC."

A demographic review of the telephone respondents who answered the question about how to learn more about fair housing rights are as follows.

- Persons with higher incomes were more likely to consult the Internet to find information to this question; persons with the lowest incomes were more likely not to know where to get information.
- Respondents who had attended trade/vocational school or had some college and above were more likely to search the Internet and contact local government information sources/officials; they were also less likely to answer, "I don't know" to this question.
- Persons who were White were more likely to conduct an Internet search. Persons of Hispanic descent were likely to do an Internet search, contact the local government or go to the library to get their information.

A demographic review of the mail/Internet survey respondents who answered the question about how to learn more about fair housing rights are as follows.

- Persons with lower incomes were more likely to consult the local public housing authority to find information to this question.
- Persons who were White were more likely to consult with the local public housing authority, to do an Internet search, or look at the HUD website. Persons who were African American were likely to contact a housing authority, look on the HUD website, or to call the Indiana Civil Rights office.

Key Person Survey

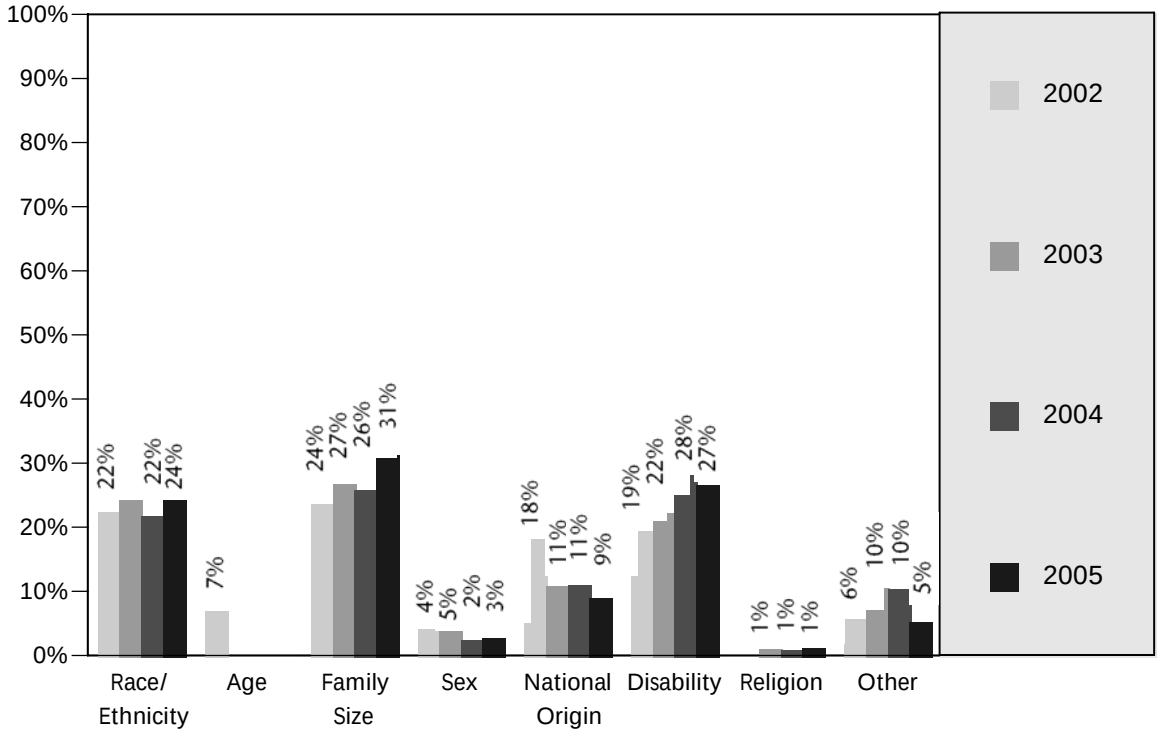
In October 2004, approximately 1,600 surveys were distributed to local government officials, community leaders, housing providers, economic development professionals, social service organizations and others. The surveys asked respondents a number of questions about housing and community development needs, including fair housing, in their communities. A total of 214 surveys were returned, for a response rate of 14 percent.[1]

Discrimination occurring in communities. The fair housing questions included on the survey asked respondents about the prevalence of discrimination in their communities and the existing barriers to fair housing.

Compared to 2002, 2003, 2004 and 2005, a larger percentage of respondents in 2005 identified discrimination based on family sizes as occurring in their communities. Discrimination based on family size became the number one concern in 2005 at 31 percent, up from 26 percent in 2004. All other categories either remained at the same rate or decreased or increased minimally. Discrimination based on disability and race/ethnicity followed as the second and third most common response for 2005.

Exhibit VI-5 compares the survey results for this question from 2002 through 2005.

Exhibit VI-5.
Comparison of Types of Housing Discrimination, 2002, 2003, 2004 and 2005



Note: Zero percent indicates that the category was not given as an option.
Source: Community Surveys, Indiana Consolidated Plan, 2001-2005.

[1] This rate accounts for surveys that were returned due to bad addresses.

In addition, respondents were asked whether certain groups in the community could obtain desirable housing. Forty-two percent of the 2005 respondents felt that persons with disabilities could not obtain desirable housing. The disagreement rates were similar for the other groups at 40 percent for large families, 27 percent for the elderly, and 30 percent for minorities. In 2004 the disagreement rates were slightly lower or the same for all of the groups. In 2003, the survey combined all the groups into one question. Twenty-six percent of respondents felt that minorities, large families, the elderly, and persons with disabilities could not obtain the housing they desire in their communities.

Barriers to housing choice. Respondents were also asked about the types of barriers to housing choice that exist in their communities. Respondents said that the cost of housing was the largest barrier to housing choice, followed by public transportation and distance to employment. Exhibit VI-6 shows the perceived barriers to housing choice for 2001, 2002, 2003, 2004 and 2005. The 2004 and 2005 surveys added two additional barrier categories. Even with the addition of these categories, the top barriers were similar across the five years.

Exhibit VI-6.
Barriers to Housing Choice

	2001	2002	2003	2004	2005
Cost of housing	34%	34%	37%	28%	28%
Public transportation	24%	19%	23%	21%	20%
Distance to employment	21%	19%	19%	13%	15%
Lack of knowledge among residents	NA	NA	NA	9%	11%
Lack of knowledge among landlords	NA	NA	NA	10%	10%
Lack of accessibility requirement	14%	14%	10%	11%	9%
Housing discrimination	7%	7%	6%	4%	4%
Age restricted housing	NA	7%	5%	4%	4%

Source: Community Survey, Indiana Consolidated Plan, 2001-2005.

Lending issues. In addition to the above barriers, respondents were asked about the ability of people in their community to access mortgages and refinance their homes at competitive interest rates. Fifteen percent of respondents believed that people are *not* able to refinance their homes at competitive interest rates in 2004 and in 2005. This was a 27 percentage point decrease from 2003, where 42 percent of respondents disagreed with the statement. In 2002, 38 percent of respondents agreed with this statement. The significant decrease in disagreement rate in 2004 is most likely related to a rephrasing of the question. The question in the 2002 and 2003 survey specifically asked about low-income families, whereas the 2004 and 2005 survey question asked about the community as a whole. The decrease may also be related to increasingly low interest rates.

The 2004 survey added a question about problematic lending activities in the community. Exhibit VI-7 summarizes the findings. Respondents indicated that the primary concern was lenders charging high rates followed closely by a concern for lenders charging high transaction fees.

Exhibit VI-7
Are the following lending activities a problem in your community?

Source: Community Survey, Indiana Consolidated Plant, 2005.

Percent Agreeing	*2004*	*2005*
Lenders charging high rates	28%	28%
Lenders charging high transaction fees	30%	27%
Lenders linking unncessary products	16%	17%
Lenders selling sub-prime products to prime borrowers	14%	15%
Lenders charging prepayment penalties	12%	14%
Total	100%	100%

Zoning/land use issues. Respondents were also asked about the zoning ordinances and housing policies that prohibit fair housing choice. In 2005, 9 percent of respondents agreed that there are zoning or land use laws in their communities that create barriers to fair housing choice and encourage fair housing segregation. In 2004, 11 percent of the respondents agreed and in 2002 and 2003, 10 percent of the respondents agreed with this statement.

In 2005, 59 percent of respondents felt that members of their community are aware that discrimination is prohibited in housing mortgage lending and advertising, compared with 61 percent in 2003. Twenty-four percent of survey respondents, which was the same in 2004, indicated that people in their community know whom to contact to report housing discrimination. Finally, only 23 percent of respondents agreed that the housing enforcement agency in their community has sufficient resources to handle the amount of discrimination that may occur; this compares with 23 percent in 2004 and 22 percent in 2003.

Fair housing policies. In the 2005 survey, respondents were asked a number of questions specifically about their community's fair housing policies. In 2003 and 2004, approximately half of the respondents indicated that their community has joined forces with another organization to promote fair housing, while the percent responding positively to this questions dropped to 43 percent in 2005.

Seventy-five percent of survey respondents—about the same percentage as in 2004 and 2003—said that their community has access to a civil rights commission/office. Exhibit VI-8 shows which counties in the State have civil rights offices, as reported by survey respondents.

Exhibit VI-8.
Access to a Civil Rights Office, by County, 2005

County	Yes	No
Adams	✓	✓
Allen	✓	
Bartholomew	✓	
Benton	✓	
Boone	✓	
Brown		✓
Carroll		✓
DeKalb	✓	
Daviess		✓
Dearborn	✓	
Decatur	✓	
Delaware	✓	
Dubois	✓	
Elkhart	✓	
Floyd	✓	
Fountain	✓	
Fulton		✓
Gibson		✓
Grant	✓	
Greene		✓
Hamilton	✓	✓
Hancock	✓	
Harrison	✓	
Hendricks	✓	
Henry		✓

County	Yes	No
Howard	✓	
Huntington		✓
Jackson	✓	
Jasper		✓
Jefferson		✓
Johnson	✓	✓
Knox	✓	✓
Kosciusko	✓	
LaGrange	✓	
LaPorte	✓	
Lake	✓	
Lawrence	✓	✓
Madison	✓	
Marion	✓	
Miami	✓	✓
Monroe	✓	✓
Monroe	✓	
Montgomery	✓	
Morgan	✓	✓
Noble		✓
Owen	✓	✓
Parke	✓	
Perry		✓
Porter	✓	✓
Pulaski	✓	

County	Yes	No
Putnam	✓	
Ripley		✓
Rush	✓	
Shelby	✓	
Spencer	✓	✓
St. Joseph	✓	
Starke	✓	
Sullivan	✓	✓
Vanderburgh	✓	✓
Vermillion	✓	
Warren	✓	
Washington		✓
Wayne	✓	
Wells		✓
White		✓
Whitley		✓
Wornick	✓	

Note: Where both boxes are checked the surveys indicated different responses.
Source: Community Survey, Indiana Consolidated Plan, 2005.

Five percent of respondents indicated that there had been housing complaints filed against their organization in the past five years. Of the nine respondents who explained the complaints filed, four of the claims were either thrown out, dismissed or resolved, one dealt with mental illness, another concerned race and familial status and another complaint addressed the lack of vouchers and available homes.

The survey also inquired about various fair housing policy ordinances. Seventy-two percent of respondents said that their community has a fair housing resolution/ordinance, and 65 percent indicated they have an affirmative action plan. Seventy-five percent of respondents said they had an equal opportunity ordinance. Sixty-four percent of respondents indicated that their community's resolution/ordinance had been approved by the State.

PHA Survey

A mail survey of Public Housing Authorities (PHAs) in nonentitlement areas in the State was conducted as part of the 2005 Consolidated Plan process. The survey collected information on Section 8 Housing Choice voucher usage between January and September 2004 and included two questions pertaining to fair housing issues, by individual PHA. Forty-three surveys were mailed, and 28 responses were received, for a response rate of 65 percent.

Of the 15 PHAs who responded to the question asking if they permit applicants to reject public housing and remain on the waiting lists, 80 percent do permit applicants to reject public housing units and remain on the waiting lists and 20 percent said they do not.

Five of the 19 respondents to the questions asking if they have a policy of evicting tenants the first time they violate resident rules responded they did have such a policy.

PHAs were also asked if it is difficult for individuals or households with certain characteristics to find a unit that accepts vouchers. Seven respondents said it was difficult for large families (typically 4 person households) to find units and 3 responded it was difficult for persons who are disabled to find an accessible unit.

Complaint Data and Legal Analysis

Residents of Indiana who believe they have experienced discrimination may report their complaints to HUD's Office of Fair Housing and Opportunity (FHEO), the Indiana Civil Rights Commission (ICRC), and to a local organization depending on local ordinances. There are six local/regional fair housing enforcement agencies located throughout Indiana. Complaints reported to FHEO are sent to ICRC for investigation. ICRC is the state agency that enforces Civil Rights Law and the Fair Housing Act.

ICRC also houses the state's Fair Housing Task Force, which provides education and outreach activities related to fair housing choice to communities and citizens statewide. After being inactive for a short period of time, the Task Force is in the process of being reinstituted.

As part of the AI, the ICRC was contacted and requested to provide summary information about cases that had been filed by or against organizations in Indiana. Data was received and is summarized as follows.

Housing discrimination complaints. Any person who feels they have been discriminated against under the Fair Housing Act and/or the Indiana Fair Housing Act may file a complaint within one year after the discriminatory act has occurred with ICRC. ICRC is equipped to take complaints in person at their office in Indianapolis. Complaints may also be filed by either personal delivery, mail, e-mail, telephone, fax, or online (www.in.gov/icrc/pubs/onlinecomplaint.html). The complaints must be in writing. ICRC staff can provide assistance to those who need assistance in drafting and filing their complaints. After complaints are filed, they are investigated by ICRC on both the part of the complainant and the respondent.

A complaint may be resolved in a number of ways. The ICRC Alternative Dispute Resolution (ADR) Team can attempt to resolve the dispute through mediation at any time during the investigation, if all parties agree. If mediation is not agreed upon or a resolution cannot be found, the complaint proceeds through the investigative process (where a *test* may be performed during the investigation) and is then reviewed by the director of the ICRC. The director makes the final determination of probable cause that an illegal act of discrimination occurred. (If no probable cause is found, the complainant may ask for reconsideration of the complaint within 15 days). If probable cause is found, the complaint proceeds through the resolution process. A complaint may be resolved through a settlement between the parties. If a settlement cannot be reached, a public hearing takes place with

an Administrative Law Judge (ALJ). In a trial, the complainant may be represented by an ICRC staff attorney. After the trial, the ALJ issues proposed findings, which are submitted to ICRC. The complainant and respondent have 15 days to file objections to the recommended findings.

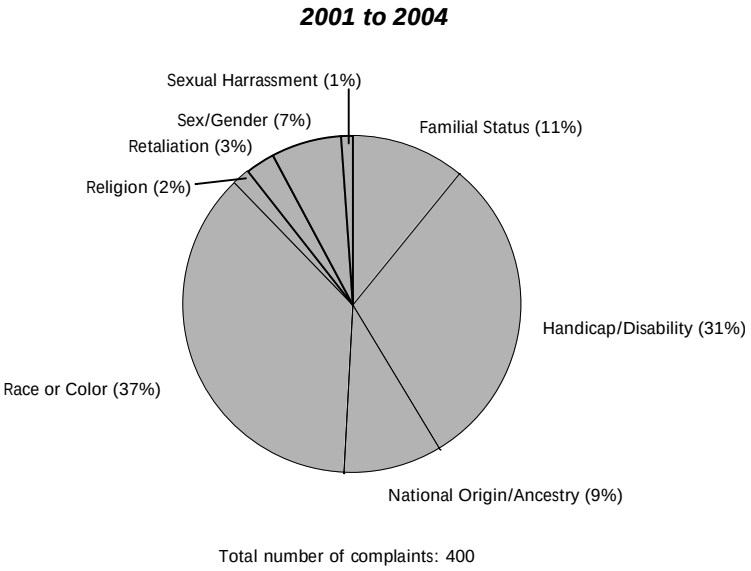
If, during the investigative, review, and legal process, ICRC finds that discrimination has occurred, the agency may issue an order to stop the discrimination and eliminate further discrimination.

As of November 2004, the ICRC database contained 400 records of housing discrimination complaints filed since 2001. Exhibit VI-9 summarizes the cases filed during this period. The most common reason for discrimination identified in ICRC records was race or color; 37 percent of the filed cases were filed based on racial discrimination. The second most common reason for discrimination was handicap/disability (31 percent of cases), followed by familial status (11 percent).

Exhibit VI-9.
Basis of Housing Discrimination Complaints Filed with ICRC, 2001 through 2004

Note:
The reported complaints are from all agencies in the ICRC's Fair Housing Database from 01/01/01 to 11/12/04.

Source:
Indiana Civil Rights Commission.



The following exhibit shows the type of complaints filed by year, from 2001 to 2004, by basis of complaint. The highest number of complaints were filed in 2004 (126 complaints) and the lowest number (36 complaints) were filed in 2001.

Exhibit VI-10.
Basis of Housing Discrimination Complaints Filed with ICRC, 2001 through 2004

	2001		2002		2003		2004		Total	
Familial Status	5	14%	15	15%	9	9%	11	9%	40	11%
Handicap/Disability	6	17%	33	33%	35	35%	46	37%	120	33%
National Origin/Ancestry	5	14%	5	5%	9	9%	14	11%	33	9%
Race or Color	17	47%	31	31%	35	35%	46	37%	129	36%
Religion	0	0%	3	3%	1	1%	2	2%	6	2%
Retaliation	1	3%	4	4%	4	4%	2	2%	11	3%
Sex/Gender	2	6%	9	9%	5	5%	4	3%	20	6%
Sexual Harassment	0	0%	0	0%	3	3%	1	1%	4	1%
Total number of complaints	***36***	***100%***	***100***	***100%***	***101***	***100%***	***126***	***100%***	***363***	***100%***

Note: The complaints were files from 01/01/01 to 11/12/04.
Source: Indiana Civil Rights Commission.

The above data are consistent with national data compiled by the National Fair Housing Alliance, which have shown that complaint volumes are highest among African Americans (the largest minority population in Indiana), persons with disabilities, and families with children.

A report on fair housing trends by the National Fair Housing Alliance suggests that only one percent of housing discrimination experienced in the U.S. is reported. There were 126 complaints received by ICRC in 2004. If these complaints represent only one percent of the incidences of housing discrimination experienced, then an estimated 12,600 cases of discrimination occur annually in Indiana.

The citizen surveys conducted for the Five-Year Consolidated Plan estimate that between 4 and 6 percent of Hoosiers believe they have experienced housing discrimination at some point in time. This equates to between 250,000 and 370,000 people, based 2003 population estimates for the State.

Exhibit VI-11 shows the status of the complaints in 2002 and 2003. Over two-thirds of the complaints closed in both 2002 and 2003, 71 percent and 72 percent respectively, as they were found to have no probable cause.

Exhibit VI-11.
Case Status Summary for Cases Closed in 2002 and 2003

Source:
Indiana Civil Rights Commission.

	2002		2003	
Complaint Withdrawn	1	4%	8	4%
Reasonable Cause/State Court	0	0%	2	1%
No Probable Cause	20	71%	138	72%
Complaint Withdrawn/Settlement	4	14%	17	9%
Failure to Cooperate	0	0%	10	5%
Failure to Locate	0	0%	2	1%
Lack of Jurisdiction	3	11%	3	2%
Mediation Agreement	0	0%	4	2%
Consent Agreement	0	0%	4	2%
Final Order	0	0%	5	3%
Total number of cases closed	***28***	***100%***	***193***	***100%***

Fair housing testing. The ICRC investigator may also request that a *test* be performed during an investigation to identify cases of housing discrimination. Testing is a controlled method to determine differential treatment in the quality, and content, of information and/or services given in order to discover discriminatory practices. Testing programs "match" persons in protected classes with white individuals having the same characteristics (e.g., income levels, credit histories, rental records). These individuals independently engage in identical transactions—applying for a mortgage loan, refinancing a current loan, previewing an apartment and completing an application—and report the results of the transaction. The transactions are then compared to identify evidence of disparate treatment. ICRC does not yet have data on the housing discrimination component of the testing program.

Recent Legal Cases. As part of the fair housing analysis, recent legal cases were reviewed to determine significant fair housing issues and trends in Indiana. Searches of the Department of Justice case databases found three cases involving the Fair Housing Act in Indiana. This section summarizes the issues in these cases. A search was also completed of the National Fair Housing Advocate case database, which found five recent cases in Indiana from the Indiana Supreme Court and the U.S. District Court for Southern Indiana. These cases are described below.

United States of America v. Lake County Board of Commissioners, et al. In October 2004, a complaint was filed against the Lake County Board of Commissioners and Lake County Redevelopment Commission for violating the Fair Housing Act by interfering with and retaliating against two employees of the County's Development Department. The United States alleges that the defendants terminated the employees for supporting a new housing development in which African-Americans would likely purchase homes and for assisting the Division in fair housing litigation against the City of Lake Station.

The case was referred to the Division after the Department of Housing and Urban Development (HUD) received a complaint, conducted an investigation, and issued a charge of discrimination.

United States of America v. Edward Rose & Sons, Inc, et al. In February 2003, the Court issued an order granting the United States a preliminary injunction to enjoin the defendants from occupying or further constructing 19 apartment buildings at Westlake Apartments in Belleville, Michigan and Lake Pointe Apartments in Batavia, Ohio, until they could be redesigned or retrofitted to be brought into compliance with the Fair Housing Act.

The two complaints filled allege Edward Rose & Sons, several affiliate companies, as well as individual architects and architectural firms, have engaged in a pattern or practice of discrimination against persons with disabilities. They have failed to include accessible features required by the Fair Housing Act and the Americans with Disabilities Act in a number of apartment complexes it developed in Indiana, Michigan, Ohio, Wisconsin, Illinois and Virginia.

The United States alleges that approximately 4,050 ground floor units in 42 apartment complexes do not have accessible entrances, kitchens and bathrooms, along with other building features. Edward Rose & Sons is one of the largest multifamily developers in the nation. Fifteen of the 42 apartment complexes sited in this case are located in Indiana.

On August 25, 2004, the Sixth Circuit Court of Appeals affirmed the decision of the district court granting the United States' motion for a preliminary injunction. The Circuit affirmed that the Fair Housing Act requires the common landing area between two covered dwellings to be accessible to persons with disabilities. The defendants' split-level design only provides access by way of a half-flight of stairs.

United States of America v. City of Lake Station. In December 1998, the United States filed a complaint claiming the City of Lake Station, Indiana violated the Fair Housing Act by refusing to permit the development of a subdivision of affordable, owner-occupied, single-family tract homes. The U.S. contends that the refusal to authorize the construction was based on fears that the residents of the subdivision would come from neighboring Gary, whose population is overwhelmingly African American. Despite Lake Station's proximity to Gary, only 0.2 percent of Lake Station's population is African American.

The consent ordered the City to permit the construction of the subdivision, called Timbercreek. Under the agreement, the City will also:

- Amend its ordinances to ensure that all Timbercreek homes qualify for a significant, six-year, phased-out property tax abatement;
- Waive standard building permit fees, occupancy permit fees and inspection fees for Timbercreek homes;
- Waive water meter installation fees on the first four homes;
- Pay LCEDC $10,000 to market Timbercreek throughout Northwest Indiana;
- Enter into a $5,000 per year services contract with Northwest Indiana Open Housing Center for the next five years; and
- Send City officials to fair housing training.

Deborah Walton v. Claybridge Homeowners Association, et al. In January 2004, the United States District Court for the Southern District of Indiana, Indianapolis Division issued an opinion of the matter brought before the court on the Defendants' (including the Claybridge Homeowners Association's along with other noted individuals also referred to as the HOA) Motion to Dismiss and/or Motion for Summary Judgment, on the claims of the Plaintiff, Deborah Walton. Walton brought this housing discrimination pursuant to the Civil Rights Act and the Fair Housing Act. Walton, an African American, asserts that the HOA, through actions of its individual officers and representative, discriminated against her based on her race.

In January 2000,Walton purchased a home in Hamilton County and allegedly immediately began to have problems with the HOA and its officers and representatives. Walton filed a complaint with the Indiana Civil Rights Commission (ICRC) in 2002 and the ICRC issued a no probable cause finding and dismissed the complaint. Walton filed a request for reconsideration, and the ICRC affirmed the no probable cause finding. However, as noted by the Court's response, a no probable cause finding by the ICRC does not bar a plaintiff from filing a subsequent federal lawsuit. The Court denied the HOAs motion to dismiss this case.

Sara Simpson and Anne Kavelman v. Flagstar Bank FSB. In September 2003 the U.S. District Court for the Southern District of Indiana, Indianapolis Division provided an opinion of the magistrate judge's Report and Recommendation of the class action lawsuit against Flagstar Bank as well as the Defendants' objections. This class action lawsuit arises from Flagstar Bank FSB's loan policy capping the loan officer's revenue per loan (RPL) at 3 percent for minority borrowers and 4 percent for non-minority borrowers. The policy was discontinued on January 31, 2002.

On September 25, 2001, the Plaintiff Sara Simpson, a non-minority, closed a loan with Flagstar where the loan officer earned 3.23 percent loan officer RPL, more than the 3 percent cap for minority borrowers. On August 6, 2001, Plaintiff Anne Kavelman, a non-minority, closed a loan where the loan officer earned 1.5 percent loan officer RPL. The Plaintiffs sued under the Fair Housing Act and sought to certify two subclasses: one, with Simpson as class representative, consisting of a non-minority borrowers who were charged over the 3 percent cap for minorities; and the second, with Kavelman as class representative, who closed loans within the policy period but were not charged over 3 percent.

The court denied certification of the Kavelman subclass: granted summary judgment against Kavelman in favor of Flagstar Bank FSB; and grated certification of Simpson subclass, specified as follows: non-minority borrowers nationwide who were subject to Loan Officer Policy 01-07 when they initiated mortgage loans in any amount from May 2, 2001 to October 1, 2001 or in any amount equal to or in excess of $50,000 from October 1, 2001 to January 31, 2002, and were changed over 3 percent loan officer RPL.

Gus F. Bryant and Teresa K. Bryant v. Kevin Polston and Brenda Polston. In November 2002, the U.S. District Court for the Southern District of Indiana, Indianapolis Division provided an entry on Defendants' (Polston and Polston) motion to dismiss for failure to state a claim and move for sanctions for the filing of allegedly frivolous claims; and Plaintiffs (Bryant and Bryant) request for sanctions against Defendants for filing a frivolous motion for sanctions. The Plaintiffs brought this action against the Defendant under the Civil Rights Act, the Fair Housing Act and Indiana common law. The complaint alleges the Polstons discriminated against the Bryants because of their association

with persons of African American descent, and that the discrimination consisted of a continuous pattern of racially derogatory remarks, acts of intimidation and gestures of violence or bodily harm with a gun.

The court ruled the complaint's allegations sufficiently state claims under the Fair Housing Act and that these claims are not frivolous but have support in the law. The Defendants' motion to dismiss was denied and the Defendants' motion for sanctions was denied. The plaintiff's request for sanctions also was denied.

State of Indiana Civil Rights Commission v. County Line Park, Inc., Paul Fox and Carolyn Fox. In November 2000, the Supreme Court of Indiana reversed the judgment of the trial court and the case has been remanded for further proceedings. In December 1996, the Cain family purchased a three-bedroom mobile home located in a mobile home park owned and operated by County Line Park, Inc. The application indicated that in addition to the Cains their four children (all under 18 years) would also live in the home. The application was denied because of County Line's long-standing policy of not renting mobile home lots to families with more than two children.

The Cains filed an administrative complaint with the Indiana Civil Rights Commission (ICRC) and the U.S. Department of Housing and Urban Development (HUD). ICRC conducted an investigation and concluded there was reasonable cause to believe discrimination based on familial status had occurred in violation of the Indiana Fair Housing Act (Act) and the Federal Fair Housing Act (FHA). The ICRC then filed a complaint in Grant Superior Court alleging County Line Park had violated the Act. In response, the landowners filed a motion to dismiss contending that although the Act prohibits discrimination against families in general, it does not provide protection to "large families" such as the Cains. The landowners also contended that the Foxes, as corporate officers and shareholders of County Line, could not be sued in their individual capacities. The trial court agreed and granted the motion to dismiss and awarded attorney's fees to the landowners. The ICRC appealed. The Court of Appeal affirmed the judgment and remanded the case to the trial court for a determination of appellate attorney's fees. Transfer of the case was granted to Indiana Supreme Court and the judgment of the trial court was reversed.

The judgment included the following summary of the discussion. The Indiana Fair Housing Act (Ind. Code 22-9.5-1-2) states, "a discriminatory act based on familial status is committed if the person who is the subject of the discrimination is:

1. pregnant;
2. domiciled with *an individual* younger that eighteen years of age in regard to whom the person:
    a. is parent or legal custodian; or
    b. has the written permission of the parent or legal custodian for domicile with that persons; or
3. in the process of obtaining legal custody of an individual younger than 18 years of age.

The Act borrows heavily from the FHA. The FHA provided: "Familial status means *one or more individuals* (who have not attained the age of 18 years)…." Seizing on the "an individual" language of the Act in contrast to the "one or more individual" language of the FHA and relying on the principals of the statutory construction, the Court of Appeals reasoned that the Act should be read more narrowly than its federal counterpart. The Indiana Supreme Court disagreed, stating that the legislature is presumed to have intended the language used in the statute to be applied logically and not to bring about an unjust or absurd result. Applying these principals to the Act, they concluded that limiting protection to families living with only "an individual" under 18 years would produce a result they do not believe the legislature could have intended. Thus, despite the differences in wording, the Act should not be interpreted more narrowly than the FHA. Therefore, the Act entitles families living with one or more individuals under the age of eighteen protection from familial status discrimination.

The Indiana Supreme Court also ruled upon the question of whether the landowners could be sued in their individual capacities. The court concluded the allegation in the ICRC's complaint entitle it to relief against all defendants for discrimination in housing based on familial status as defined in the Act.

Indiana Civil Rights Commission v. Clyde Alder and Barbara Alder, d/b/a Stoney Pike Mobile Home Park. In July 1999, the Indiana Supreme Court ruled on an appeal to a ruling of the Court of Appeals, which was a ruling on the case from Cass Superior Court, from which the Alder's were seeking judicial review from a ruling from the ICRC.

In 1985, Jodie Jackson, her husband and her two children moved into a mobile home owned by her parents in Stoney Pike Mobile Home Park, which is owned by the Alders. The Alders and the Jacksons are white. Jackson and her husband divorced, but continued to live in the home for nine months after the divorce was final. In 1989, Jackson met Larry Stovall, an African American, and he began visiting Jackson at her mobile home and occasionally staying overnight. Alder filed an eviction action against Jackson siting the "one family per mobile home" rule of the park. Jackson prevailed in the suit but was warned by the trial court that if she continued to violate the one family rule the court would find Alders in favor the next time they sought eviction. After being served another eviction notice, Jackson moved from the mobile home park.

Jackson and Stovall filed a complaint against the Alders with the Indiana Civil Rights Commission (ICRC) alleging housing discrimination based on race. The ICRC found the Alders' explanation the Jackson violated the "one family per home" rule to be pretextual, noting that other unmarried couples, including Jackson and her former husband, had lived in one home in the park without being evicted. The Alders were also ordered to pay Jackson and Stovall damages and moving expenses.

The case was later transferred to the Indiana Supreme Court. The court concluded the Civil Rights Law gives the ICRC authority to compensate a person aggrieved by discrimination for both economic and emotional losses. To the extent that previous decisions of the Court of Appeals hold to the contrary, they are disapproved. However, the stature does not give ICRC authority to award punitive damages.

Fair Housing Forum and Key Person Interviews

Fair housing forum. On Wednesday, February 9, 2005, the Indiana Civil Rights Commission hosted a Fair Housing Open Forum. The purpose of the forum was to assess impediments to Fair Housing in Indiana, and develop strategies to ensure that *all* Hoosiers are afforded Fair Housing choice. IHFA assisted in identifying groups and individuals who were targeted as potential contributors so that they might also receive an invitation. Altogether, 100 people pre-registered to attend with a total of 89 in attendance. The attendees included individuals representing 60 agencies and organizations and six interested citizens, as shown in the following exhibit:

Exhibit VI-12. Fair Housing Forum ***Agency/ Organization Representatives***

Source:
Fair Housing Forum, February 2005.

Adult & Children Mental Health Center	Indiana Protection /Advocacy Services
Affordable Housing Corporation	Indianapolis Division EEOC
Bloomington Housing Authority	Indianapolis Resource Center for Independent Living
BOSMA Industries	IRL Development Corporation
Brothers Uplifting Brothers	Knox County Housing Authority
Carpenter Realtors	Manchester Village Apartments
Community Action Program	Marion County Center for Housing Opportunity
Crawford Manor Apartments	Mayor's Advisory Council for People with Disabilities
Crawfordsville Housing Authority	Mexican Civic Association
Custom Mortgage	National City Corporation
Division of Family Resources Housing/Community Services	New Albany Community Housing
Edward Rose Properties	Norstar Mortgage Group
Family Services of Central Indiana	Northwest Indiana Aliveness Project
Fifth Freedom	NWI Open Housing Center
FSSA Consumer/Family Affairs	Park Regency Apartments
FSSA Division on Disability, Aging, Rehabilitative Services	Path Finder Services
FSSA Family/Children	Policy, Planning, Regional Services
Future Choices	Positive Link
Governor's Council for People With Disabilities	Project Renew
Great Lakes Capital Fund	Richmond Housing Authority
Homeless Initiative Program	Rural Housing Finance Corporation
Hope of Evansville	Rural Rental Housing
Indiana Association of Community and Economic Development	Salvation Army Harbor Light
Indiana Civil Rights Commission	South Bend Housing Authority
Indiana Coalition on Housing and Homeless Issues	Southern Indiana Center for Independent Living
Indiana Housing Finance Authority	St. Jude House
Indiana Institute on Disability and Community	Therapeutic Solutions
Indiana Legal Services	Unique Ministries Awareness
Indiana Manufactured Housing Association	Villas Apartments

Many of the attendees were directors and managers that had personal experience with clients who had been discriminated against. The position of those attending ranged from top executives to citizens who elected to attend because of their experience with some form of discrimination. As illustrated in the job titles below, it is evident that the forum included a wide range of individuals who were informed about fair housing issues.

Exhibit VI-13.
Job Titles
of Participants

Source:
Fair Housing Forum, February 2005.

Families Counselor	Finance and Grants Manager
Allocation Analyst	Housing Coordinator, Specialist and Counselor
Case Manager	Loan Officer
Clinical Services Director	Occupancy Director
Community Organizing Specialist	Outreach Specialist
Compliance Manager/Monitor	Program Director/Manager
Director Compliance/Homeless Initiative Program	Property Manager
Disability Advocate	Real Estate Attorney
Education/Training Director	Referral Specialist
Fair Housing Specialist	Resident Manager/Services Coordinator/ Initiatives Specialist
Family Self Sufficiency / Home Training Coordinator	Section 8 Specialist

Those attending also represented a range of cities and counties throughout the State; from as far north as South Bend and Crown Point and as far south as New Albany and Evansville. Cities represented included:

Exhibit VI-14.
Cities Represented by
Participants

Source:
Fair Housing Forum, February 2005.

Bedford	Greencastle
Bicknell	Huntington
Bloomington	Indianapolis
Columbus	Marion
Crawfordsville	Merrillville
Crown Point	Muncie
Evansville	New Albany
Ft. Wayne	Richmond
Gary	South Bend

The list of attendees provides evidence that the forum incorporated varying opinions and experiences from citizens located throughout the State—an indication that the results provide a comprehensive picture of the impediments to fair housing from the views of the stakeholders.

Forum process. The session began with brief introductions of those attending the forum from ICRC and IHFA and a summary of the meeting's purpose. The forum was facilitated by Dr. Linda Keys who provided an overview of the process and assisted the participant with the activities throughout the forum. During the session, participants were asked to form groups of 7 to 9 people and list the top ten impediments to fair housing. The group was asked to determine as a group the top ten impediments and to prioritize them.

The rules for the group process were to respect the opinions of all members and to make sure that the document submitted reflected all opinions of the group. To ensure that all were on task with this requirement, group members were asked to sign the exercise before submission. In addition, if a participant felt that the outcome did not reflect their opinion, they were instructed to tell the facilitator to provide them with an exercise or comment sheet for their own completion.

Forum results. Participants had little difficulty coming up with impediments to fair housing exhibited by the protective classes, although some groups did find it hard to condense the list down to ten and most group did not prioritize the list. The exhibit on the following page shows the barriers organized by the number of times a group listed the barrier, from most to least.

Exhibit Vi-15.
Top Ten Barriers to Fair Housing

Source:
Fair Housing Forum, February 2005.

Racial prejudice/stereotyping	***Identified the most***
Family size	↓
Disability/ Individuals (both Mental and Physical)	↓
Income (financial status)	↓
Financial literacy	↓
Regulatory barriers/zoning	↓
Lack of information about Fair Housing Rights and Regulations	↓
Limited Enforcement of Housing Compliance	↓
Conflict between Fair Housing Laws & HUD Regulations	↓
Lack of Affordable Housing/Affordability	↓
Age	↓
Lack of coordinated comprehensive planning	↓
Lack of public education and information about Fair Housing Regulations and Individual Rights	↓
Lack of Accessible Housing	↓
Credit history	↓
Language	↓
Transportation	↓
Sex/ gender	↓
Religion	↓
Ethnicity	↓
Predatory lending/Redlining	↓
Sur names/National origin	↓
Geography, location	↓
Nimbyism/Fear of Low Income Housing	↓
Losing Housing for Substance Abuse	↓
Homelessness	↓
Lack of Supportive Services	***Identified the least***

In addition, the most common remark recorded during the forum was that the Fair Housing Task Force was an important factor in the education of stakeholders and the reduction of barriers to fair housing throughout the State. Consequently, participants felt that funds should be allocated for an administrator to manage the Task Force, to support Task Force activities and to assist representatives with associated attendance costs.

Interviews. BBC and The Keys Group conducted interviews in person and by telephone with individuals who are knowledgeable about fair housing in Indiana. These individuals represented local government officials, housing and real estate professionals, social service providers, and representatives of community and professional organizations. Their comments are summarized below, by type of question asked in the interviews. A list of the key people interviewed appears in Appendix C of the Consolidated Plan report.

Types of fair housing and affordable housing activities interviewees are engaged in:

- Help with home ownership for people with low-incomes (13)
- Affordable repairs (9)
- Consumer education (8)
- Home ownership counseling (7)
- Helping persons with disabilities find housing to suit their needs (4)
- Investigations of complaints and discrimination (3)
- Helping families buy their first homes (2)
- Purchase of apartment buildings and creating affordable units (2)
- Helping people with fair housing claims (2)
- Providing affordable rental properties (1)
- Participation in Fair Housing Month (1)
- Affirmative marketing procedures (1)

Where do you refer people who believe they have been discriminated against?

- Local HUD office (12)
- In-house counselor or local counselor (6)
- Indiana Civil Rights Commission (3)
- Local branches of legal services (3)
- Office of the Attorney General (1)
- Provide fair-housing brochures (1)

- More than two thirds of the groups did recall receiving fair housing complaints (some many), but did not have record of data.

- Many groups had an in-house counselor who did not keep record of complaints.

Organizations' perception on discrimination - where it occurs, changes in affected populations, changes in type of discrimination:

- Most (all) discrimination occurs in the disabled, minority (primarily Latino), low-income, and elderly populations. (25)
- Discrimination against women with children is prevalent. (11)
- Discrimination against Latinos and elderly are growing the fastest. (7)

What are your biggest concerns about fair housing and fair lending, for your clients?

- Most Latinos do not have any credit at all (12)
- Low-income families and persons with disabilities are not taken seriously when they report discrimination (11)
- Rural areas have a lack of financial institutions (6)
- There is a major language barrier for those who speak Spanish (5)

Predatory lending has been an increasing problem throughout the country. Have you noticed borrowers taking on increasing amounts of debt? Is this a concern?

- About of half of interviewees stated that this was a not a problem.

- Lower income families and Spanish speaking populations are being solicited for loans they cannot afford

Is there any evidence of racial steering by Realtors or brokers in your area?

- All groups said they have not seen any evidence of racial steering.

Are there land use and/or zoning regulations that inadvertently restrict access to fair housing? That prevents development of affordable housing? If so, how should they be changed?

- Most stated there were no limitations directly that they were aware of that restricted fair housing, and that they were not aware of any policies to prevent the development of affordable housing units.

Are there public policies that inadvertently restrict access to fair housing? If so, how should they be changed?

- Most stated no to this question or that they were not knowledgeable of any issues.

What types of fair housing activities are most needed in your community (e.g., education/outreach, testing, and advertising)?

- The most consistent answer was outreach, followed by advertising (26)

Lending Analysis

The following section contains a review of two recent studies that examined predatory lending activity in Indiana, recent Indiana legislation addressing predatory lending activities and an analysis of HMDA data.

Predatory lending. A recent and growing concern in Indiana has been the increase in the State's foreclosure rate and, in particular, the role that predatory and subprime lending has played in the increase. Predatory lending can be connected with the Fair Housing Act because predatory lenders

often target persons that are less financially sophisticated or otherwise vulnerable, or believed to be vulnerable, or who have less access to mainstream lenders, such as the elderly and minorities, persons living in low or moderate-income areas. Subprime lending is often presented as a fair lending issue because of the disproportionate amount of such lending that occurs with minority populations. Recently, Indiana Legal Services and the Indiana Mortgage Bankers Association completed independent reviews of subprime lending activities and the State's foreclosure rate.

Legal Services analysis. The Indiana Legal Services report uses data from the Home Mortgage Disclosure Act (HMDA) to identify subprime lenders. The study focuses on subprime refinances as the strongest indicator that available from HMDA of possible predatory lending.

The Indiana Legal Services analysis estimated that predatory lending cost Indiana residents $148.4 million in 2000.[2] The report also estimated that in 2002, subprime lenders made $2 billion worth of loans in Indiana, up from $1.3 billion in 2001. According to the report, subprime loans accounted for 7.3 percent of mortgage loans in the State overall, an increase from 5.5 percent in 2001, and 8 percent of all mortgage refinances, an increase from 6.3 percent in 2001.

According to 2002 HMDA data for Indiana presented in the report, African American borrowers were almost four times more likely than whites to receive a subprime loan and Hispanics/Latinos were 1.5 times more likely than whites to receive a subprime loan. As for mortgage refinances, African Americans who refinanced were almost four time more likely than White to receive a subprime loans, and Hispanic/Latinos who refinanced were 1.6 times more likely than Whites to receive a subprime loan.[3]

A study by the Center for Community Change in Washington DC reported there are significant racial disparities in subprime lending and that disparities actually increase as income increases nationwide.[4] In their study, Indiana Legal Services found that upper income African Americans borrowers were more likely to receive a loan from a subprime lender (12 percent) than low income white borrowers (8 percent).

Exhibit VI-16.
Percent of Loans that were Subprime by Race and Income Level, Indiana, 2002

Race/Ethnicity	*Low Income Subprime*	*Moderate Income Subprime*	*Upper Income Subprime*	*Total Subprime*
African American	23%	18%	12%	18%
Latino	9%	7%	6%	8%
White	8%	5%	3%	5%
Total	***12%***	***8%***	***4%***	***7%***

Source: Bradley, Jeanette, ***What is Predatory Lending?*** Indiana Legal Services, Housing Law Center, December 2003.

[2] Bradley, Jeanette, *What is Predatory Lending?* Indiana Legal Services, Housing Law Center, December 2003.

[3] Bradley, Jeanette, *What is Predatory Lending?* Indiana Legal Services, Housing Law Center, December 2003.

[4] Bradford, Calvin, *Risk or Race? Racial Disparities and the Subprime Refinance Market,* a report for the Center for Community Change, May 2002.

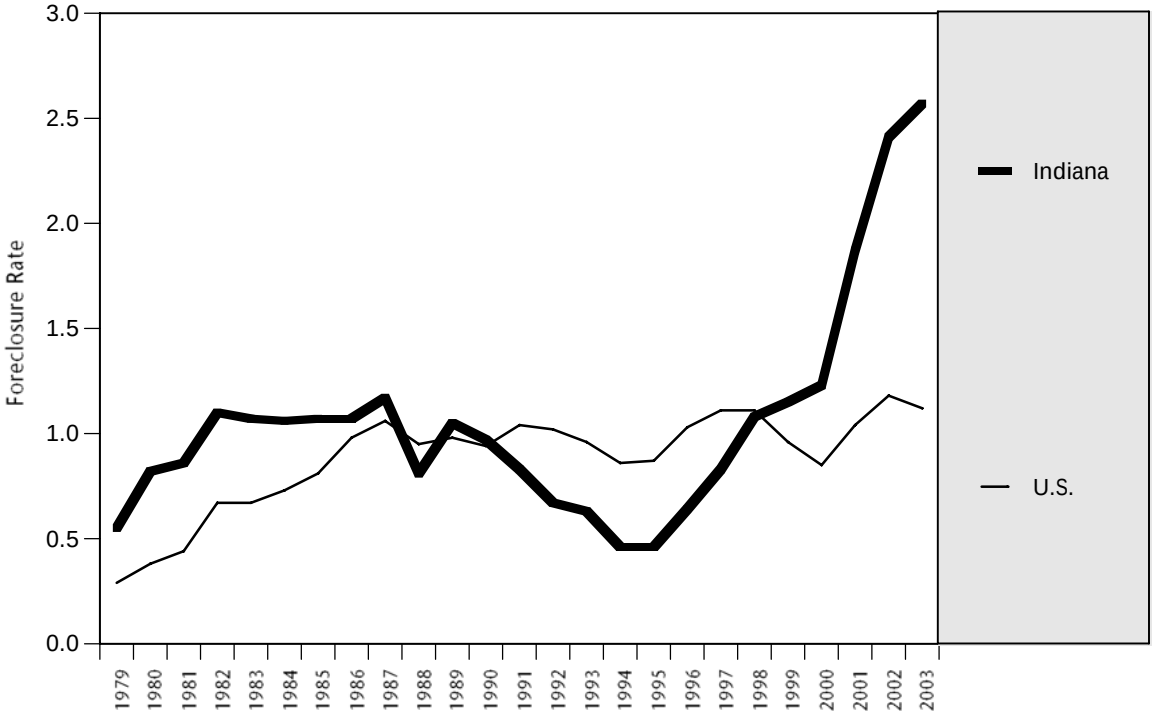
Indiana Legal Services also reported the Indiana counties in 2001 with the highest percentage of subprime mortgage loans and subprime refinances. According to the report, the highest percentage of loans made by subprime lenders occurred in Sullivan (19 percent), Union (18 percent), Switzerland (16 percent), Pike (16 percent) and Blackford (15 percent) Counties. The highest percentage of refinances made by subprime lenders occurred in Sullivan (23 percent), Union (21 percent), Pike (20 percent), Daviess (18 percent), Switzerland (18 percent), Blackford (18 percent), Henry (16 percent), and Greene (16 percent) Counties. (Interestingly, these are not counties in the State with the highest percentages of minority populations).

Indiana Mortgage Bankers Association. The Indiana Mortgage Bankers Association study examined the potential causes of the State's increase in foreclosure rate. The study was commissioned by five groups: the Metropolitan Indianapolis Board of REALTORS®, the Indiana Association of REALTORS®, the Indiana Builders Association, the Builders Association of Greater Indianapolis, and the Indianapolis Neighborhood Housing Partnership. It was conducted by the National Association of REALTORS® on behalf of all five groups and released in April 2003.[5] An update to the original study was released in March 2004.

According to Mortgage Banker's Association, Indiana's foreclosure rate was more than double the nation's at the end of the third quarter in 2003. The national foreclosure rate was 1.12 percent compared to Indiana's rate of 2.6 percent. Indiana had the second highest foreclosure rate in the country. Indiana has not historically been a state with high delinquency rate. The Indiana Mortgage Bankers Association (IMBA) reported Indiana had a lower foreclosure rate than the national average through the 1990s. As shown in Exhibit VI-17, the State's foreclosure rate has been on an upward trend since the mid-1990s, with a dramatic increase in 2001.

[5] *Rising Foreclosure Rates in Indiana: An Explanatory Analysis of Contributing Factors,* Study conducted by the National Association of REALTORS®, March 2003.

Exhibit VI-17.
Mortgage Foreclosure Rates for Indiana and the Nation, 1979 to 2003



Note: All loans in foreclosure are at the end of the 4th quarter for each year, except for 2003 was at the end of the 3rd quarter.
Source: Mortgage Bankers Association.

This study reported that the possible causes of foreclosures are related to the job market/economic conditions, first time homebuyers, government backed loans, high loan-to-value ratios, along with other factors. The study discounts the role of predatory lending in contributing to the State's increase in foreclosures, primarily because of the reportedly low proportion of total loans that are subprime. Instead, the study relates the foreclosures to the high proportion of homeowners in Indiana, the high percentage of government guaranteed loan products and high loan-to-values.

- ***First Time Home Buyers.*** According to the 2002 Census, 74.4 percent of Indiana residents were homeowners, which is much higher than the 68.3 percent of residents in the United States. This was one of the highest homeownership rates in the country. From 1990 to 2000, the national homeownership rate increased by 2.3 percent, while it increased by 4.4 percent in Indiana. Since Indiana outpaced the nation in homeownership, the report suggested that there may have been an excess of home buying. The report also suggested that anytime the homeownership rate is increased, it means there are new homeowners who had previously been closer to the margin of affordability. The lower mortgage rates allowed more people to be able to own homes.

- ***Government Backed Loans.*** From 1997 to 1999 Indiana's share of FHA loans were similar to national figures and in 2000, there was a noticeably higher number of FHA loans obtained in Indiana. In 2001, Indiana's share of FHA loans was 25 percent, which was higher than the national share (17 percent). In 2002, the national amount of FHA loans fell to 14 percent and to 21 percent in Indiana. The report concluded that more than half of the difference in foreclosure rates between Indiana and the U.S. could be attributed to the higher composition of higher risk loans, i.e., FHA loans. Furthermore, the sharp cut back in jobs was likely to have contributed greatly in changing the mix of FHA and conventional loans. According to the report, research has revealed that first-time homebuyers are more likely to default on mortgages than repeat homebuyers are. FHA loans have a higher concentration of first-time homebuyers who have a low down payment, and are in lower-income areas, compared to the conventional loan market. Mortgage Bankers data revealed that VA loans were more then three times as likely to foreclose than conventional loans and FHA loans were nearly five times as likely to foreclose than conventional loans.

- ***High Loan-to-Value ratios and slow appreciation.*** According to the Federal Housing Finance Board, the Indiana loan-to-value (LTV) ratio was 80.2 percent in 2003, which was higher than the national average of 73.6 percent. Almost one-third of the conventional loans in Indiana had an LTV greater than 90 percent, compared to only six states that had a higher percentage with LTVs greater than 90 percent. High LTVs may increase the likelihood of default because there is a greater chance the borrower will be in negative equity position early in the life of the loan. If home values appreciate quickly, LTV ratios are less of an issue when considering foreclosure. According to the fourth quarter 2003 price index created by the Office of Federal Housing Enterprise Oversight, Indiana ranked low in comparison to other states (45th) in one-year housing price growth and 49th in the previous year. Therefore, the continual low appreciation of home price in Indiana is one of the reasons for higher LTV loans and the resulting higher foreclosure rate.

UNC Study. A recent study by the Center for Community Capitalism at the University of North Carolina (UNC) at Chapel Hill linked predatory loan terms, specifically prepayment penalties and balloon payments, to increased mortgage foreclosures. The foreclosure rate in the subprime mortgage market was over 10 times higher than in the prime market. The study also provide supplemental tables that reported 31.2 percent of Indiana's subprime first-lien refinance mortgage loans had been in foreclosure at least once. This is the second highest rate of all states (South Dakota was the highest with 34.8 percent) and over 10 percentage points higher than the national rate of 20.7 percent.

Conclusions. A number of recent studies have analyzed the reasons for the increasing foreclosure rate in Indiana and subprime and predatory lending activities. Although a more comprehensive analysis of data over time is required to identify the particular causes of the State's foreclosures and the link to the subprime lending market, these studies point out a number of issues relevant to fair lending activities:

- Largely because of their loan terms, subprime loans have a higher probability of foreclosure than conventional loans.
- Subprime loans make a small, but growing proportion of mortgage lending in Indiana.
- Subprime lenders serve the State's minorities at disproportionate rates.
- Other factors – high homeownership rates, use of government guaranteed loans, high LTVs and low housing price appreciation – have likely contributed to the State's increase in foreclosures.

Indiana Legislation. On March 18, 2004, the Indiana Home Owner Protection Act (HB1229) and Property Tax Benefits and Study Commission (HB1005) were signed into law by Governor Kernan.

HB 1229: The Indiana Home Owner Protection Act. HB 1229 will protect homeowners from lenders who target homeowners with overpriced loans that strip away equity. It limits certain predatory practices, and provides penalties for lenders who violate the law. Specifically the act:

- Restricts certain lending acts and practices;
- Establishes the homeowner protection unit in the office of the attorney general;
- Provides enforcement procedures for deceptive mortgage acts;
- Establishes a $3 mortgage recording fee;
- Requires the Indiana housing finance authority to provide homeownership training programs;
- Provides that certain provisions do not apply to certain financial institutions;
- Makes changes to the definition of a high-cost home loan; and
- Prohibits certain lending practices.

The Coalition for Responsible Lending estimates that U.S. borrowers lose $9.1 billion annually to predatory lending, and that predatory lending practices cost Indiana residents $150 million a year. HB 1229 as passed is an approach negotiated by consumer groups including AARP and the Indiana Association for Community Economic Development, and industry groups including the Indiana Bankers Association, the Community Bankers Association, the Credit Union League, the Mortgage Bankers Association, the Consumer Finance Association, and the Indiana Mortgage Brokers.

The legislation identifies certain practices that are so inherently abusive that they are prohibited for all loans. In addition, the legislation limits certain additional practices when they are used in a "high-cost" home loan. This is because "high-cost" home loans with high fees or high interest rates have greater potential to be harmful to customers.

A high-cost home loan is defined in HB 1229 as a home mortgage loan that exceed either:

- The interest rate threshold established by federal law (8 points above the yield on Treasury bills with comparable term for first liens; 10 points above for subordinate liens); or

- Point and fees that exceed 5 percent of the total loans amount for loans $40,000 and above, and 6 percent of the total loan amount for smaller loans.

Under the Act, the following acts and practices are prohibited for all home loans:

- Financed single-premium credit life insurance and debt cancellation agreements;
- Recommendation of default;
- Flipping a below-market rate loan (such as a Habitat loan) into a high-cost loan;
- Debt acceleration at the sole discretion of the creditor;
- Charging the consumer a fee to receive a balance due statement;
- Deceptive acts; and
- Discrimination on the basis of race, color, religion, national origin, sex, marital status or age.

Under the Act, the following acts and practices are prohibited for high-cost loans:

- Financing of fees or charges;
- Excessive prepayment penalties;
- Financing of life or health insurance;
- Loan flipping;
- Balloon payments;
- Negative amortization;
- Increased interest rate after default;
- Advance payments made from loan proceeds;
- Lending without a referral for homeownership counseling;
- Lending without due regard to repayment ability;
- Certain predatory home-improvement contracts;
- Modification or deferral fees;
- Lending without full disclosure of the risks of high-cost loans;
- Mandatory arbitration.

HB 1229 is similar to the federal Home Ownership and Equity Protection Act (HOEPA). Like HB 1229, HOEPA creates special requirements applicable to high-cost loans. However, the HOPEA thresholds for high-cost loans are too high to reach the bulk of high-cost loans. According to the data from the Office of Thrift Supervision, only one percent of high-cost loans were covered by HOEPA before October 1, 2002. It is not known how many more loans will be covered under recent changes

to HOEPA, but estimates were an additional 4 to 5 percent. The simple fact is that the vast majority of predatory loans being made today are perfectly legal under HOEPA guidelines.

HB 1005: Property Tax Benefits and Study Commission. HB1005 contained various property tax matters. Among its provisions is a requirement that at the closing of mortgage the closing agent is required to give the homeowner a state-prepared statement of available property tax credits that may be filed for. The required disclosure form will be prepared by the state and made available to lenders and title companies.

Home Mortgage Disclosure Act (HMDA) Data analysis. The National Fair Housing Alliance reported that in 2003, mortgage lending discrimination was the second largest form of discrimination reported to private fair housing groups throughout the United States.[6] The best source of analysis of mortgage lending discrimination is HMDA data. HMDA data consist of information about mortgage loan applications for financial institutions, savings and loans, savings banks, credit unions and some mortgage companies.[7] The data contain information about the location, dollar amount, and types of loans made, as well as racial and ethnic information, income, and credit characteristics of all loan applicants. The data are available for home purchases, loan refinances, and home improvement loans.

HMDA data can provide a picture of how different applicant types fare in the mortgage lending process. These data can be used to identify areas of potential concern that may warrant further investigations. For example, by comparing loan approval rates of minority applicants with non-minorities that have similar income and credit characteristics, areas of potential discrimination may be detected.

The Federal Reserve is the primary regulator of compliance with fair lending regulations. When federal regulators examine financial institutions, they use HMDA data to determine if applicants of a certain gender, race or ethnicity are rejected at statistically significant higher rates than applicants with other characteristics. The Federal Reserve uses a combination of sophisticated statistical modeling and loan file sampling and review to detect lending discrimination.

The HMDA data tables in this section present summary HMDA data for six of Indiana's smaller Metropolitan Statistical Areas (MSA). (HMDA data are not available for small areas in the State). The areas included are: Bloomington MSA, Elkhart-Goshen MSA, Kokomo MSA, Lafayette MSA, Muncie MSA and Terre Haute MSA. It should be noted that discriminatory practices cannot be definitively identified from a review of aggregate HMDA data. Lending discrimination tests require detailed statistical analyses and comparative tests of individual loan files. However, examinations of denial rates and general applicant characteristics can suggest areas for further examination.

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[6] *2004 Fair Housing Trends Report,* National Fair Housing Alliance, April 7, 2004.

[7] Financial institutions are required to report HMDA data if they have assets of more than $32 million, have a branch office in a metropolitan area, and originated at least one home purchase or refinance loan in the reporting calendar year. Mortgage companies are required to report HMDA if they are for-profit institutions, had home purchase loan originations exceeding 10 percent of all loan obligations in the past year, are located in an MSA (or originated five or more home purchase loans in an MSA) and either had more than $10 million in assets or made at least 100 home purchase or refinance loans in the calendar year.

Loan applications and action taken. HMDA data available for the 2002 calendar year were used in this analysis. During 2002, there were 2,908 government guaranteed home mortgage loan applications made in the six MSAs and 13,588 conventional loan applications.

Eighty-one percent of the applications for government guaranteed loans were originated and 8 percent of these applications were denied. Conventional home purchase loans had an origination rate of 72 percent with 14 percent of the applications denied. (Higher origination rates for government guaranteed loans are typical, since these loans usually provide more flexible underwriting standards).

Approval rates by race and income. HMDA data are also available by race and income for the six small Indiana MSAs. Approval rates on government-backed and conventional mortgage loans are shown in Exhibits VI-18 and VI-19

As would be expected, approval rates tend to increase as incomes rise. Applicants who were Native American and where race was not available showed the lowest approval rates for low income categories and total applicants for conventional loans. Whites and Asians had the highest approval rates for conventional loans, and approval rates for African Americans and Hispanics tended to be lower than Whites across income categories. For government guaranteed loans, approval rates were similar for race and ethnic categories.

Exhibit VI-18

Government Guaranteed Home Mortgage Loan Origination Rates by Race/Ethnicity and Income, Indiana Small MSAs, 2002

Race/Ethnicity	Bloomington MSA		Elkhart-Goshen MSA		Kokomo MSA		Lafayette MSA		Muncie MSA		Terre Haute MSA		Total of Six MSAs	
	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received
Low Income Applicants (<80% of Median)														
American Indian/ Alaskan Native	N/A	0	100%	1	N/A	0	N/A	0	N/A	0	N/A	0	100%	1
Asian/Pacific Islander	50%	2	N/A	0	100%	1	100%	5	100%	1	N/A	0	89%	9
African American	0%	1	82%	11	89%	9	72%	18	75%	8	100%	3	78%	50
Hispanic	100%	4	82%	114	100%	8	77%	66	100%	2	N/A	0	82%	194
White	68%	132	75%	293	83%	269	81%	406	85%	189	87%	180	80%	1,469
Other	N/A	0	N/A	0	100%	4	100%	1	N/A	0	N/A	0	100%	5
Joint	0%	2	83%	6	100%	2	90%	10	100%	1	N/A	0	81%	21
Not Available	33%	3	65%	20	71%	21	68%	34	69%	13	60%	10	66%	101
Total	***67%***	***144***	***77%***	***445***	***83%***	***314***	***80%***	***540***	***84%***	***214***	***85%***	***193***	***80%***	***1,850***
Moderate, Middle and Upper Income Applicants (80% of Median or Greater)														
American Indian/ Alaskan Native	N/A	0	N/A	0	N/A	0	N/A	0	0%	1	100%	1	50%	2
Asian/Pacific Islander	N/A	0	100%	1	100%	1	75%	4	100%	2	N/A	0	88%	8
African American	67%	3	100%	1	80%	15	88%	8	78%	9	50%	4	78%	40
Hispanic	100%	2	100%	13	67%	3	88%	8	N/A	0	100%	2	93%	28
White	81%	113	83%	126	82%	136	84%	233	86%	144	89%	132	84%	884
Other	N/A	0	N/A	0	67%	3	50%	2	N/A	0	N/A	0	60%	5
Joint	100%	3	50%	4	100%	2	86%	7	50%	2	80%	5	78%	23
Not Available	82%	11	33%	9	67%	9	95%	21	38%	8	60%	10	69%	68
Total	***82%***	***132***	***81%***	***154***	***80%***	***169***	***84%***	***283***	***83%***	***166***	***86%***	***154***	83%	1,058
Total Applicants														
American Indian/ Alaskan Native	N/A	0	100%	1	N/A	0	N/A	0	0%	1	100%	1	67%	3
Asian/Pacific Islander	50%	2	100%	1	100%	2	89%	9	100%	3	N/A	0	88%	17
African American	50%	4	83%	12	83%	24	77%	26	76%	17	71%	7	78%	90
Hispanic	100%	6	84%	127	91%	11	78%	74	100%	2	100%	2	83%	222
White	74%	245	78%	419	83%	405	82%	639	86%	333	88%	312	82%	2,353
Other	N/A	0	N/A	0	86%	7	67%	3	N/A	0	N/A	0	80%	10
Joint	60%	5	70%	10	100%	4	88%	17	67%	3	80%	5	80%	44
Not Available	71%	14	55%	29	70%	30	78%	55	57%	21	60%	20	67%	169
Total	***74%***	***276***	***78%***	***599***	***82%***	***483***	***81%***	***823***	***83%***	***380***	***86%***	***347***	***81%***	***2,908***

Note: N/A means no applications were received.

Median household income refers to the MSA's median household income.

Source: FFIEC HMDA Aggregate Reports, 2002, and BBC Research & Consulting.

Exhibit VI-19

Conventional Home Mortgage Loan Origination Rates by Race/Ethnicity and Income, Indiana Small MSAs, 2002

Race/Ethnicity	Bloomington MSA		Elkhart-Goshen MSA		Kokomo MSA		Lafayette MSA		Muncie MSA		Terre Haute MSA		Total of Six MSAs	
	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received
Low Income Applicants (<80% of Median)														
American Indian/ Alaskan Native	0%	1	50%	2	50%	2	0%	4	20%	5	N/A	0	21%	14
Asian/Pacific Islander	56%	9	62%	21	0%	1	67%	9	50%	4	67%	6	60%	50
African American	67%	6	50%	26	45%	11	56%	9	43%	23	42%	19	48%	94
Hispanic	57%	7	61%	123	100%	4	59%	68	71%	7	67%	3	61%	212
White	68%	583	70%	1,177	69%	661	76%	837	70%	562	64%	791	70%	4,611
Other	71%	7	25%	4	40%	5	40%	5	75%	4	80%	5	57%	30
Joint	50%	2	50%	10	71%	7	60%	15	75%	4	50%	4	60%	42
Not Available	26%	96	25%	208	33%	89	25%	134	30%	97	27%	122	27%	746
Total	***62%***	***711***	***63%***	***1,571***	***65%***	***780***	***68%***	***1,081***	***63%***	***706***	***59%***	***950***	63%	5,799
Moderate, Middle and Upper Income Applicants (80% of Median or Greater)														
American Indian/ Alaskan Native	100%	2	100%	1	N/A	0	100%	2	100%	1	0%	2	75%	8
Asian/Pacific Islander	80%	25	86%	14	100%	10	91%	35	88%	8	100%	9	89%	101
African American	56%	16	60%	25	82%	28	50%	10	73%	30	64%	22	67%	131
Hispanic	100%	4	66%	44	75%	4	59%	22	100%	1	50%	6	65%	81
White	77%	1,048	84%	1,262	83%	824	85%	1,356	80%	926	76%	1,150	81%	6,566
Other	82%	11	71%	7	50%	4	85%	13	71%	7	82%	11	77%	53
Joint	91%	34	94%	34	80%	5	79%	34	57%	14	86%	14	84%	135
Not Available	65%	111	46%	105	58%	93	63%	150	47%	92	44%	133	54%	684
Total	***77%***	***1,251***	***80%***	***1,492***	***80%***	***968***	***82%***	***1,622***	***77%***	***1,079***	***73%***	***1,347***	78%	7,759
Total Applicants														
American Indian/ Alaskan Native	67%	3	67%	3	50%	2	33%	6	33%	6	0%	2	41%	22
Asian/Pacific Islander	74%	34	71%	35	91%	11	86%	44	75%	12	87%	15	79%	151
African American	59%	22	55%	51	72%	39	53%	19	60%	53	54%	41	59%	225
Hispanic	73%	11	62%	167	88%	8	59%	90	75%	8	56%	9	62%	293
White	74%	1,631	77%	2,439	77%	1,485	81%	2,193	76%	1,488	71%	1,941	76%	11,177
Other	78%	18	55%	11	44%	9	72%	18	73%	11	81%	16	70%	83
Joint	89%	36	84%	44	75%	12	73%	49	61%	18	78%	18	79%	177
Not Available	47%	207	32%	313	46%	182	45%	284	38%	189	36%	255	40%	1,430
Total	***71%***	***1,962***	***71%***	***3,063***	***73%***	***1,748***	***76%***	***2,703***	***71%***	***1,785***	***67%***	***2,297***	***72%***	***13,558***

Note: N/A means no applications were received.

Median household income refers to the MSA's median household income.

Source: FFIEC HMDA Aggregate Reports, 2002, and BBC Research & Consulting.

Denial rates by race and income. Exhibits VI-20 and VI-21 on the following pages present *denial* rates by race and ethnicity, categorized by income level and loan type for the six MSAs. It is important to note that the number of loan applications were relatively small for the following groups: American Indian/Alaskan Native, Asian/Pacific Islander, the "Other" category and the "Joint" category. As such, caution should be used in interpreting data about these racial and ethnic groups.

For government guaranteed home purchase loans, as shown in Exhibit VI-20, applicants where race was not available, applicants of joint race and African Americans had the highest denial rates of 12 to 15 percent. Among low-income applicants, applicants where race was not available had the highest denial rates (18 percent), followed by applicants with joint race (14 percent). African American applicants had the highest denial rate among higher income applicants (18 percent).

Exhibit VI-20.
Government Guaranteed Home Mortgage Loan Denial Rates by Race/Ethnicity and Income, Indiana Small MSAs, 2002

Race/Ethnicity	Bloomington MSA		Elkhart-Goshen MSA		Kokomo MSA		Lafayette MSA		Muncie MSA		Terre Haute MSA		Total of Six MSAs	
	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received
Low Income Applicants (<80% of Median)														
American Indian/ Alaskan Native	N/A	0	0%	1	N/A	0	N/A	0	N/A	0	N/A	0	0%	1
Asian/Pacific Islander	50%	2	N/A	0	0%	1	0%	5	0%	1	N/A	0	11%	9
African American	100%	1	9%	11	0%	9	11%	18	0%	8	0%	3	8%	50
Hispanic	0%	4	10%	114	0%	8	14%	66	0%	2	N/A	0	10%	194
White	13%	132	8%	293	10%	269	11%	406	3%	189	7%	180	9%	1,469
Other	N/A	0	N/A	0	0%	4	0%	1	N/A	0	N/A	0	0%	5
Joint	100%	2	0%	6	0%	2	10%	10	0%	1	N/A	0	14%	21
Not Available	0%	3	20%	20	19%	21	24%	34	15%	13	0%	10	18%	101
Total	***15%***	***144***	***9%***	***445***	***10%***	***314***	***12%***	***540***	***4%***	***214***	***6%***	***193***	***9%***	***1,850***
Moderate, Middle and Upper Income Applicants (80% of Median or Greater)														
American Indian/ Alaskan Native	N/A	0	N/A	0	N/A	0	N/A	0	0%	1	0%	1	0%	2
Asian/Pacific Islander	N/A	0	0%	1	0%	1	0%	4	0%	2	N/A	0	0%	8
African American	33%	3	0%	1	20%	15	13%	8	11%	9	25%	4	18%	40
Hispanic	0%	2	0%	13	33%	3	13%	8	N/A	0	0%	2	7%	28
White	5%	113	6%	126	7%	136	9%	233	5%	144	2%	132	6%	884
Other	N/A	0	N/A	0	0%	3	0%	2	N/A	0	N/A	0	0%	5
Joint	0%	3	25%	4	0%	2	0%	7	50%	2	20%	5	13%	23
Not Available	9%	11	33%	9	22%	9	0%	21	13%	8	10%	10	12%	68
Total	***6%***	***132***	***7%***	***154***	***9%***	***169***	***8%***	***283***	***6%***	***166***	***3%***	***154***	***7%***	***1,058***
Total Applicants														
American Indian/ Alaskan Native	N/A	0	0%	1	N/A	0	N/A	0	0%	1	0%	1	0%	3
Asian/Pacific Islander	50%	2	0%	1	0%	2	0%	9	0%	3	N/A	0	6%	17
African American	50%	4	8%	12	13%	24	12%	26	6%	17	14%	7	12%	90
Hispanic	0%	6	9%	127	9%	11	14%	74	0%	2	0%	2	10%	222
White	9%	245	7%	419	9%	405	10%	639	4%	333	4%	312	8%	2,353
Other	N/A	0	N/A	0	0%	7	0%	3	N/A	0	N/A	0	0%	10
Joint	40%	5	10%	10	0%	4	6%	17	33%	3	20%	5	14%	44
Not Available	7%	14	24%	29	20%	30	15%	55	14%	21	5%	20	15%	169
Total	***11%***	***276***	***8%***	***599***	***10%***	***483***	***10%***	***823***	***5%***	***380***	***5%***	***347***	***8%***	***2,908***

Note: N/A means there were no applications received.
Median household income refers to the MSA's median household income.

Source: FFIEC HMDA Aggregate Reports, 2002, and BBC Research & Consulting.

Exhibit VI-21 shows conventional loan denial rates during 2002 for the six MSAs and perhaps portrays more accurate denial rates, as there are more applications for most racial and ethnic groups. Among low-income applicants for conventional loans, American Indians/Alaska Natives had high denial rates of 64 percent and applicants where race was not available had a 47 percent denial rate. Slightly lower denial rates were found for African Americans (38 percent) and Hispanic (27 percent) applicants. Among higher income applicants, Hispanic applicants and applicants where race was not available had the highest denial rates of 20 percent each followed by African Americans (15 percent).

Exhibit VI-21.
Conventional Home Mortgage Loan Denial Rates by Race/Ethnicity and Income, Indiana Small MSAs, 2002

Race/Ethnicity	Bloomington MSA		Elkhart-Goshen MSA		Kokomo MSA		Lafayette MSA		Muncie MSA		Terre Haute MSA		Total of Six MSAs	
	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received	% Loans Originated	Apps Received
Low Income Applicants (<80% of Median)														
American Indian/ Alaskan Native	100%	1	50%	2	50%	2	100%	4	40%	5	N/A	0	64%	14
Asian/Pacific Islander	33%	9	14%	21	100%	1	11%	9	25%	4	17%	6	20%	50
African American	17%	6	35%	26	36%	11	44%	9	48%	23	37%	19	38%	94
Hispanic	0%	7	29%	123	0%	4	31%	68	14%	7	0%	3	27%	212
White	18%	583	16%	1,177	14%	661	14%	837	16%	562	20%	791	16%	4,611
Other	0%	7	50%	4	40%	5	0%	5	0%	4	0%	5	13%	30
Joint	50%	2	20%	10	29%	7	13%	15	0%	4	25%	4	19%	42
Not Available	46%	96	52%	208	42%	89	53%	134	43%	97	42%	122	47%	746
Total	***22%***	***711***	***22%***	***1,571***	***18%***	***780***	***20%***	***1,081***	***21%***	***706***	***23%***	***950***	***21%***	***5,799***
Moderate, Middle and Upper Income Applicants (80% of Median or Greater)														
American Indian/ Alaskan Native	0%	2	0%	1	N/A	0	0%	2	0%	1	0%	2	0%	8
Asian/Pacific Islander	0%	25	0%	14	0%	10	0%	35	0%	8	0%	9	0%	101
African American	6%	16	36%	25	11%	28	10%	10	13%	30	9%	22	15%	131
Hispanic	0%	4	23%	44	25%	4	14%	22	0%	1	33%	6	20%	81
White	6%	1,048	6%	1,262	6%	824	5%	1,356	7%	926	9%	1,150	7%	6,566
Other	9%	11	14%	7	0%	4	8%	13	14%	7	18%	11	11%	53
Joint	0%	34	0%	34	20%	5	3%	34	21%	14	7%	14	4%	135
Not Available	9%	111	35%	105	14%	93	16%	150	22%	92	25%	133	20%	684
Total	***6%***	***1,251***	***9%***	***1,492***	***7%***	***968***	***6%***	***1,622***	***9%***	***1,079***	***11%***	***1,347***	***8%***	***7,759***
Total Applicants														
American Indian/ Alaskan Native	33%	3	33%	3	50%	2	67%	6	33%	6	0%	2	41%	22
Asian/Pacific Islander	9%	34	9%	35	9%	11	2%	44	8%	12	7%	15	7%	151
African American	9%	22	35%	51	18%	39	26%	19	28%	53	22%	41	25%	225
Hispanic	0%	11	28%	167	13%	8	27%	90	13%	8	22%	9	25%	293
White	11%	1,631	11%	2,439	10%	1,485	8%	2,193	11%	1,488	14%	1,941	11%	11,177
Other	6%	18	27%	11	22%	9	6%	18	9%	11	13%	16	12%	83
Joint	3%	36	5%	44	25%	12	6%	49	17%	18	11%	18	8%	177
Not Available	26%	207	46%	313	27%	182	33%	284	33%	189	33%	255	34%	1,430
Total	***12%***	***1,962***	***16%***	***3,063***	***12%***	***1,748***	***12%***	***2,703***	***14%***	***1,785***	***16%***	***2,297***	14%	13,558

Note: N/A means there were no applications received.
Median household income refers to the MSA's median household income.

Source: FFIEC HMDA Aggregate Reports, 2002, and BBC Research & Consulting.

Reasons for denial. HMDA data also contain summary information on the reasons for denial by type of loan and applicant characteristics, which can help explain some of the variation in approval rates among applicants. Exhibits VI-22 and VI-23 show the reasons for denials of 2002 loan applications for government insured and conventional home purchase loans. The numbers in boldface type represent the most common reason for denial for each group of applicants.

Exhibit VI-22.
Government Guaranteed Loans Reasons for Denial, Indiana Small MSAs, 2002

MSA	Bloomington MSA	Elkhart-Goshen MSA	Kokomo MSA	Lafayette MSA	Muncie MSA	Terre Haute MSA
Debt-to-Income Ratio	***13%***	***27%***	***26%***	***20%***	***24%***	***24%***
Employment History	4%	4%	3%	3%	0%	12%
Credit History	***40%***	***32%***	***47%***	***45%***	***52%***	***36%***
Collateral	4%	4%	1%	2%	0%	12%
Insufficient Cash	7%	0%	9%	6%	8%	8%
Unverifiable Information	2%	5%	1%	1%	4%	0%
Credit Application Incomplete	13%	7%	7%	13%	8%	0%
Mortgage Insurance Denied	0%	0%	0%	0%	0%	0%
Other	16%	21%	6%	9%	4%	8%
Total [(1)]	***45***	***56***	***70***	***95***	***25***	***25***

Note: [(1)] Institutions are not required to report reasons for loan denials. "Total" includes cases where multiple reasons were reported.
Source: FFIEC HMDA Aggregate Reports, 2002, and BBC Research & Consulting.

Exhibit VI-23.
Conventional Loans Reasons for Denial, Indiana Small MSAs, 2002

MSA	Bloomington MSA	Elkhart-Goshen MSA	Kokomo MSA	Lafayette MSA	Muncie MSA	Terre Haute MSA
Debt-to-Income Ratio	***25%***	***22%***	***27%***	***20%***	***24%***	***19%***
Employment History	4%	4%	4%	4%	4%	4%
Credit History	***31%***	***37%***	***31%***	***31%***	***31%***	***40%***
Collateral	7%	5%	4%	8%	8%	11%
Insufficient Cash	3%	5%	4%	6%	11%	4%
Unverifiable Information	4%	3%	1%	4%	2%	3%
Credit Application Incomplete	4%	4%	10%	9%	2%	1%
Mortgage Insurance Denied	0%	0%	0%	0%	1%	0%
Other	***21%***	***19%***	***19%***	***18%***	***18%***	***18%***
Total [(1)]	***204***	***450***	***191***	***263***	***225***	***314***

Note: [(1)] Institutions are not required to report reasons for loan denials. "Total" includes cases where multiple reasons were reported.
Source: FFIEC HMDA Aggregate Reports, 2002, and BBC Research & Consulting.

As demonstrated in the exhibits, poor credit history is the major reason for application denials across the six MSAs. High debt-to-income ratios are another primary factor for government guaranteed loans and for conventional home purchase loans.

What do the data suggest? There are many reasons that loan approval rates may vary for applicants in the same income brackets – credit ratings, net worth, and income to debt ratios play a large role in the decision to deny or approve a loan. Without individual data about the applications analyzed previously, it is difficult to assess the presence of discrimination by race, ethnicity, or gender. Disparities in approval rates between racial and ethnic groups or genders are not definitive proof of housing discrimination; rather, the presence of disparities suggests the need for further inquiry. The data are also useful in determining what government sponsored programs might be needed to fill the gaps between what the private market is willing to provide and what is needed.

The HMDA data highlight areas where county and city governments can work to improve access to credit for citizens. As shown in Exhibits VI-22 and VI-23, high debt-to-income ratios and poor credit histories are the top reasons that credit is denied to citizens in the six MSAs. The data also show that most minority populations have higher denial rates than Whites for conventional loans. The denial rates for government guaranteed loans are more similar. Assuming the statistics for citizens in nonentitlement areas are similar (data are not available at this geographic level), the State should invest in credit and homebuyer counseling programs to improve citizens' understanding of how to manage personal debt. The State should also work to ensure that minority populations are aware of government-guaranteed loan programs, which appear to better serve these populations than conventional loan programs.

Barriers to Affordable Housing

The State of Indiana traditionally has followed the philosophy that local leaders should have control over local issues. As such, most of the laws affecting housing and zoning have been created at the urging of local jurisdictions and implemented at local discretion. Indiana is a "home rule" State, meaning that local jurisdictions may enact ordinances that are not expressly prohibited by or reserved to the State.

Tax policies. In Indiana, property taxes are based on a formula that assesses replacement value of the structure within its use classification. Single family homes are assessed as residential; multi family property is assessed as commercial. Condition, depreciation and neighborhood are factored in to the tax assessment. Commercial rates are higher than residential rates; however, real estate taxes are a deductible business expense.

The state government also collects a very small part of the property tax, at a rate of one cent per $100 assessed value. The property tax is administered on the state level by the Indiana Department of Local Government Finance, and on the local level by the county and township assessors, the county auditor and the county treasurer.

In response to the belief that property taxes have a negative impact on lower income homeowners, Indiana has the Indiana Code Chapter 12: Assessed Value Deductions and Deductions Procedures and the Homestead Credit contained in Chapter 20.9 in 2002. These provide a number of

exemptions from property taxes including benefits for the elderly, veterans, and spouses. The State also provides benefits to owners who rehabilitate property. Most of these benefits are income targeted and have other limitations as well.

Zoning ordinances and land use controls. There is no State level land use planning in Indiana. State enabling legislation allows jurisdictions to control land use on a local level. Cities or counties must first establish a planning commission and adopt a comprehensive plan before enacting a zoning ordinance. A recent study completed by the Indiana Chapter of the American Planning Association identified that roughly 200 cities and counties have planning commissions in place.

In 1999, the Indiana Land Resources Council was established to provide information, advice and education and technical assistance to governmental units concerning land use strategies and issues. In March 2001, Governor O'Bannon established the Indiana Land Use Forum to develop recommendations on how state government works together with local government and the private sector to develop a coordinated and balanced land use policy. The Council also reports on their website that within Indiana there are 40 advisory plan commissions, which serve cities, towns and counties; 35 area plan commissions, which are a cooperative effort between county governments and at least one municipality within the county; and 2 metropolitan plan commission, which serve counties and at least the largest municipality within their boundaries. Fifteen counties in Indiana do not have any planning or zoning commissions or ordinances. In January 2005, the newly elected administration suspended the Indiana Land Resources Council.

In addition to local land use controls, certain federal and State environmental mandates exist. For instance, residential units may not be constructed in a designated flood plain. The Indiana Department of Environmental Management directs most of the Environmental Protection Agency regulations for the State.

Certain neighborhoods have been designated historic districts by local communities. In these areas, exterior appearance is usually controlled by a board of review, which is largely made up of area residents. As with zoning, there is an appeals process for review of adverse decisions. These types of land use controls should not preclude development of low income housing; they simply regulate the development so that it does not adversely affect the existing neighborhood.

Some developments impose their own site design controls. Such controls are limited to a specific geographic area, enforced through deed covenants, and designed to maintain property value and quality of life. For example, apartment complexes may be required to provide sufficient "green space" to allow for children's play areas.

Many local zoning codes require an exception or variance for the placement of manufactured housing. This could make it more difficult to utilize manufactured housing as an affordable housing alternative.

The Indiana Code (IC 36-7-4-1326) provides local governments the ability to remove a possible barrier to affordable housing. The code states that an impact fee ordinance may provide for a reduction in an impact fee for housing development that provides sale or rental housing, or both, at a price that is affordable to an individual earning less than 80 percent of the median income for the county in which the housing development is located.

Subdivision standards. The State of Indiana authorizes jurisdictions to develop local subdivision control ordinances. Legislation describes the types of features local governments can regulate and provides a framework for local subdivision review and approval. Subdivision ordinances can drive up the costs of housing depending on the subdivision regulations. For example, large lot development, extensive infrastructure improvements such as sidewalks or tree lawns can add to development costs and force up housing prices. The State encourages local communities to review local subdivision requirements to be sure they do not impede the development of affordable housing.

Building codes. The State has adopted a Statewide uniform building code based on a recognized national code. These minimum building construction standards are designed solely to protect the health and welfare of the community and the occupants. Planners point out that it is not uncommon for builders to exceed the minimum building code.

The recently updated State building code includes a provision aimed at ensuring compliance with the accessibility standards established under the federal Americans with Disabilities Act (ADA).

Permits and fees. Local building permits, filing and recording fees, fees for debris removal, and fees for weed removal are the most common fees and charges applicable to housing development. All appear to be nominal amounts and not sufficient to deter construction or rehabilitation of low- and moderate-income housing. Some exceptions may apply to the provision of manufactured housing.

Growth limits. Few communities within Indiana are facing insurmountable growth pressures. Some communities have been forced to slow growth so that municipal services and infrastructure can be expanded to support new growth areas. However, these measures address temporary gaps in service and do not reflect long-term policies.

Excessive exclusionary, discriminatory or duplicative policies. In developing this housing strategy, the State has not been able to identify any excessive exclusionary, discriminatory or duplicative local policies that are permitted by State laws and policies.

Ameliorating negative effects of policies, rules or regulations. Over the next five years, Indiana expects to see further consolidation of housing programs at the State level and concurrently, maturation of the associated programs and policies, as well as further decentralization of service provision. Interviews and survey results did not surface many concerns regarding State and local policies as deterrent to the production of affordable housing.

Conclusions from Fair Housing Analysis

This section has examined fair housing impediments to residents in the State of Indiana, focusing on the State's nonentitlement areas. The section examined data from a variety of sources including two citizen surveys; a key person/organization survey; a public housing authority survey; a public forum; key person interviews; and reviews and analyses of data on fair housing complaints, legal cases, and mortgage lending and foreclosure data, as well as State barriers to affordable housing.

The following barriers to fair housing were identified through this research:

- Between 4 and 6 percent of residents in Indiana believe they have experienced some type of discrimination related to housing. According to a citizen survey and ICRC complaint data, the most common types of housing discrimination in the State are based on race/national origin, disability and familial status.

- The majority of Indiana residents who believe they have been victims of discrimination did not do anything about the incidence. About one-fifth of Hoosiers are unsure of how they would obtain information about their fair housing rights. Some complaints are apparently received by housing and social service organizations, but these organizations do not have the authority to investigate them and do not track complaints.

- Lending issues – predatory lending, appropriate use of subprime loans and lack of credit/poor credit histories – appear to be the fastest growing fair housing issues in the State. There are little data about how prevalent predatory lending practices are or how significant they are in creating fair housing barriers, although most studies suggest that elderly and minorities are disproportionately likely to be victims.

SECTION VII.
Strategies and Actions

SECTION VII.
Strategies and Actions

Pursuant to Section 91.315 of the Consolidated Plan regulations, this section contains the following:

- A reiteration of the State's philosophy of addressing housing and community development issues;
- A discussion of the general obstacles the State faces in housing and community development;
- How the State intends to address the identified housing and community development needs;
- How the State determined priority needs and fund allocations; and
- The State's Strategic Plan for FY2005-2009 and the FY2005 One Year Action Plan.

This section also partially fulfills the requirements of Section 91.320 of the Consolidated Plan regulations. The bulk of the requirements of Section 91.320—a discussion of funding activities and allocation plans, geographic distribution of assistance, and program specific requirements—are found in Appendix F, 2005 Allocation Plans. Required State certifications are located in Appendix A.

Approach and Methodology

Needs identification workshop. The Consolidated Plan Coordinating Committee met in February 2005 to review the research conducted for the State's Five-Year Consolidated Plan, and to discuss and determine the State's current housing and community development needs, including needs related to fair housing. During this meeting, the Committee developed a list of needs for four broad categories: Affordable Housing, Special Needs Populations, Fair Housing, and Community and Economic Development.

Exhibit VII-1 summarizes the top needs identified in this workshop.

Exhibit VII-1.
Top Needs Identified by Consolidated Plan Coordinating Committee, 2005 Consolidated Planning Process

Affordable and Fair Housing	***Special Needs***	***Community and Economic Development***
Visitability standards in new construction and rehabilitation	Operating support for shelters and supportive services for permanent housing	Fire/safety equipment
High rental assistance needs for very low income households and cost burdened households	Transitional housing for youth aging out of foster care, reduction of NIMBYism	Public infrastructure
Economic support for operations/supportive services of supportive housing and housing for special needs populations	Migrant farmworkers housing: ■ Education about housing options, fair housing rights ■ Better information about actual needs of farmworkers (e.g., market study and/or survey) and NIMBYism reduction	Communities are lacking resources to fulfill EPA Regulations
Rental rehabilitation needs of affordable units, private properties in disrepair	Persons with mental illness and homeless: ■ Lack of housing for people who are discharged from State institutions ■ Independent housing, housing choice ■ Lack of knowledge of fair housing rights, reasonable accommodations law ■ State plan to end chronic homelessness actively implemented	Water, wastewater, sewer and drainage problems: ■ Public health concerns ■ Sewage backup ■ Flooding ■ Bringing homes onto public systems
Property tax relief for homeowners who are cost burdened	Set aside program for home modifications, accessibility improvements	A strong link between job creation and economic development
Counseling and homeowner education, reduction in foreclosures, improved financial literacy	Home Choice downpayment assistance (up to $15,000) applied to other downpayment assistance programs	Downtown revitalization
Affordable housing searchable database on the Internet with an indicator for accessible units	Incentives for multifamily developers, property owners to provide more than federal guidelines of housing units with accessibility features	Greater diversification of activities funded by CDBG

Source: BBC Research & Consulting.

Planning principles. The State determined and followed the following guiding principles during its FY2005-2009 strategic planning process:

- Focus on the findings from citizen participation efforts (key person interviews, consultation with housing and social service providers, community surveys, public comments);
- Allocate program dollars to their best use, with the recognition that nonprofits and communities vary in their capacities and that some organizations will require more assistance and resources;
- Recognize that the private market is a viable resource to assist the State in achieving its housing and community development goals;
- Emphasize flexibility in funding allocations, and de-emphasizing geographic targeting;
- Maintain local decision making and allow communities to tailor programs to best fit their needs;
- Leverage and recycle resources, wherever possible; and,
- Understand the broader context within which housing and community development actions are taken, particularly in deciding where to make housing and community development investments.

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

Specific information on the geographic allocation of funds for each of the four HUD programs is located in the program allocation plans in Appendix F.

2005 funding levels. Exhibit VII-2 provides the estimated 2005 program year funding levels for each of the four HUD programs. These resources will be allocated to address the identified housing and community development strategies and actions. Please see Appendix F for methods of distribution for each program.

Exhibit VII-2.
2005 Consolidated Plan Funding, by Program and State Agency

Agency	*Allocation*
American Dream Downpayment Initiative (ADDI)	$634,491
Indiana Office of Rural Affairs (CDBG)	$34,933,351
Indiana Housing Finance Authority (HOME)	$16,320,149
Indiana Housing Finance Authority (HOPWA)	$806,000
Indiana Family and Social Services Administration (ESG)	$1,890,425
Total	***$54,584,416***

Source: State of Indiana and HUD, 2005.

Five Year Strategic Goals

Four goals were established to guide funding during the FY2005-2009 Consolidate Planning period:

- Goal 1. Expand and preserve affordable housing opportunities throughout the housing continuum.
- Goal 2. Reduce homelessness and increase housing stability for special needs populations.
- Goal 3. Promote livable communities and community revitalization through addressing unmet community development needs.
- Goal 4. Promote activities that enhance local economic development efforts.

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

The following section outlines the FY2005-2009 Strategic Plan and FY2005 Action Plan in detail.

Strategic Plan and Action Plan

Strategic Goal 1. Expand and preserve affordable housing opportunities throughout the housing continuum.

HOME and ADDI Program Activities

HOME funds will be allocated by IHFA via the following funding programs:

- Housing from Shelters to Homeownership
- HOME portion of the Qualified Allocation Plan
- HOME Owner-Occupied Rehabilitation
- CHDO Works
- Foundations

ADDI funds are allocated via IHFA's First HOME program.

To achieve the desired outcomes related to Goal 1, these programs make available funding for the following activities for applicants utilizing HOME funds:

- Transitional Housing - Rehabilitation/New Construction/Refinance
- Permanent Supportive Housing - Rehabilitation/New Construction/Refinance
- Rental Housing - Rehabilitation/New Construction/Refinance
- Homebuyer - Rehabilitation/New Construction
- Owner-Occupied Rehabilitation
- CHDO Operating Support
- CHDO Predevelopment Loans
- CHDO Seed Money Loans

Down payment assistance is another activity that is used to achieve Goal 1; however, IHFA uses both ADDI and HOME funding via the First Home program to fund this initiative.

A detailed description of each of the programs, and how funding may be obtained for each of these eligible activities, is located in Appendix F, 2005 Allocation Plan.

HOME and ADDI 2005 Expected Accomplishments

IHFA will use the indicators listed below to determine their ability to achieve the desired outcomes associated with Goal 1.

Indicators:	***Indicators:***
Via the Housing from Shelters to Homeownership, HOME portion of the Qualified Allocation Plan, and HOME Owner-Occupied Rehabilitation Programs ▪ Match ▪ Number of units ▪ Income level of units by AMI ▪ Number of assisted counties assisted (primary development county) ▪ Current racial/ethnic and special needs categories	Via the First Home Program ▪ Match ▪ Number of units ▪ Income level of units by AMI ▪ Number of assisted counties assisted ▪ Current racial/ethnic and special needs categories

Using these indicators, a numeric goal has been determined associated with the FY2005 HOME and ADDI allocations. Exhibit VII-3 identifies the numeric indicators associated with HOME for the Housing from Shelters to Homeownership, HOME portion of the Qualified Allocation Plan, and the HOME Owner-Occupied Rehabilitation programs. Exhibit VII-4 represents HOME and ADDI via the First Home program.

Exhibit .VII-3.
HOME and ADDI 2005 Goals for Shelters, QAP, HOME, OOR Indicators

Source:
Indiana Housing Finance Authority.

	FY 2005 Goal
Anticipated Match	$3,000,000
Anticipated Number of Units	370
Anticipated Number Units by AMI:	
Below 30% AMI	65
30.1 - 40% AMI	50
40.1 - 50% AMI	100
50.1 - 60% AMI	70
60.1 - 80% AMI	85
Anticipated Number of Counties Assisted	24
Anticipated Number Assisted by Race/Ethnicity:	
White	340
Black/African American	25
Asian	0
American Indian/Alaskan Native	0
Native Hawaiian/Other Pacific Islander	0
American Indian/Alaskan Native and White	0
Asian and White	0
Black/African American & White	0
American Indian/Alaskan Native & Black/African American	0
Other Multi-Racial	5
Anticipated Number Assisted by Special Needs Category:	
Disabled	335
Elderly	100
Female-Headed Household	100

Exhibit .VII-4.
HOME and ADDI 2005 Goals for First Home Indicators

Source:
Indiana Housing Finance Authority.

	FY 2005 Goal
Anticipated Match	$417,000
Anticipated Number of Units	500
Anticipated Number Units by AMI:	
Below 30% AMI	10
30.1 - 50% AMI	140
50.1 - 60% AMI	115
60.1 - 80% AMI	235
Anticipated Number of Counties Assisted	65
Anticipated Number Assisted by Race/Ethnicity:	
White	430
Black/African American	45
Asian	10
American Indian/Alaskan Native	0
Native Hawaiian/Other Pacific Islander	0
American Indian/Alaskan Native and White	0
Asian and White	0
Black/African American & White	0
American Indian/Alaskan Native & Black/African American	0
Other Multi-Racial	15
Anticipated Number Assisted by Special Needs Category:	
Elderly	2

CDBG Program Activities (Housing)

CDBG funds allocated by both IHFA and the Office of Rural Affairs may be used to work to achieve Goal 1. IHFA allocates CDBG funds via the following programs:

- Housing from Shelters to Homeownership
- Foundations

To achieve the desired outcomes related to Goal 1, the following activities will be available to applicants using CDBG funds from IHFA's programs:

- Emergency Shelter - Rehabilitation/New Construction
- Youth Shelter - Rehabilitation/New Construction
- Migrant/Seasonal Farm Worker - Rehabilitation/New Construction
- Transitional Housing - Rehabilitation
- Permanent Supportive Housing - Rehabilitation
- Rental Housing – Rehabilitation
- Owner-Occupied Rehabilitation
- Voluntary Acquisition Demolition

CDBG (Housing) 2005 Expected Accomplishments

IHFA will use the indicators to determine their ability to achieve the desired outcomes associated with Goal 1, as shown in the table to the right:

Indicators:
IHFA ▪ Leverage ▪ Number of units ▪ Income level of units by AMI ▪ Number of assisted counties assisted (primary development county) ▪ Current racial/ethnic and special needs categories

Using these indicators, a numeric goal has been determined associated with the FY2005 CDBG allocation for housing activities.

Exhibit VII-5.
CDBG (Housing)
2005 Goals

Source:

Indiana Housing Finance Authority.

	FY 2005 Goal
Anticipated Leverage	$100,000
Anticipated Number of Units	235
Anticipated Number Units by AMI:	
Below 30% AMI	145
30.1 - 40% AMI	35
40.1 - 50% AMI	20
50.1 - 60% AMI	15
60.1 - 80% AMI	20
Anticipated Number of Counties Assisted	20
Anticipated Number Assisted by Race/Ethnicity:	
White	210
Black/African American	0
Anticipated Number Assisted by Special Needs Category:	
Disabled - 20	
Elderly - 70	
Female Headed Household - 35	

Other Activities

- Work to reduce the environmental hazards in housing, including lead based paint risks. Also, participate in meetings of the Lead-Safe Indiana Task Force, which convenes stakeholders quarterly to discuss current issues.

- Promote homeownership to the State's minority populations, specifically African American and Hispanic homebuyers, those living in manufactured housing and residents of public housing.

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

HOME Program Activities

Via the HOME funds allocated by IHFA through the Housing from Shelters to Homeownership and HOME portion of the Qualified Allocation Plan programs, IHFA is able to provide funding for activities that assist those that are at risk of being homeless or who would otherwise be homeless.

These activities include:

- Transitional Housing – rehabilitation/new construction/refinance
- Permanent Supportive Housing - rehabilitation/new construction/refinance

With special needs populations these beneficiaries have activities available to them via the Housing from Shelters to Homeownership, HOME portion of the Qualified Allocation Plan, First Home and the HOME OOR programs for the following types of activities:

- Transitional Housing – rehabilitation/new construction/refinance
- Permanent Supportive Housing – rehabilitation/new construction /refinance
- Rental Housing – rehabilitation/new construction/refinance
- Homebuyer – rehabilitation/new construction
- Down Payment Assistance
- Owner-Occupied Rehabilitation

For both the homeless population and those with special needs, IHFA's programs often gives preference or requires applicants to target these type of beneficiaries.

CDBG Program Activities (Housing)

Via the CDBG funds allocated by IHFA through the Housing from Shelters to Homeownership, IHFA is able to provide funding for activities that assist those that are at risk of being homeless or who would otherwise be homeless.

These activities include:

- Emergency Shelter – rehabilitation/new construction
- Youth Shelter – rehabilitation/new construction
- Migrant/Seasonal Farm Worker – rehabilitation/new construction
- Transitional Housing – rehabilitation
- Permanent Supportive Housing - rehabilitation

With special needs populations these beneficiaries have activities available to them via the Housing from Shelters to Homeownership, program for the following types of activities:

- Emergency Shelter – rehabilitation/new construction
- Youth Shelter – rehabilitation/new construction
- Migrant/Seasonal Farm Worker – rehabilitation/new construction
- Transitional Housing – rehabilitation
- Permanent Supportive Housing – rehabilitation
- Rental Housing – rehabilitation
- Owner-Occupied Rehabilitation
- Voluntary Acquisition/Demolition

For both the homeless population and those with special needs, IHFA's programs often gives preference or requires applicants to target these type of beneficiaries.

CDBG Program Activities and 2005 Expected Accomplishments (Community Focus Fund)

Through the Community Focus Fund, provide funds for the development of health care facilities, public social service organizations that work with special needs populations, and shelter workshop facilities, in addition to modifications to make facilities accessible to persons with disabilities.

- Goals for types of activities: Construction of four new facilities (Projected Allocation: $1,750,000)
- Anticipated match: $350,000

ESG Activities and 2005 Expected Accomplishments

Through the ESG program, provide operating support to shelters, homeless prevention activities and case management to persons who are homeless and at-risk of homelessness.

Goals for activities:

- Operating support – 92 shelters receiving support, $1,417,819 allocated in 2005
- Homeless prevention activities – 37 shelters provided with homeless prevention activity funding, $283,564 allocated in 2005
- Essential services – 59 shelters provided with funding for essential services, $94,521 allocated in 2005
- Administrative funding – $20,000 to be allocated to assist shelters with HMIS start up fees
- Anticipated match: Shelters match 100 percent of their rewards
- Anticipated number of counties assisted: 91
- Anticipated number of clients served: 34,250 (unduplicated count)

Overall ESG outcomes: Increase the availability and access to services, mainstream resources, case management and financial assistance, employment assistance, counseling for drug/alcohol abuse, mental illness, domestic violence, veterans and youth pregnancy. By utilizing these activities, individuals will increase their ability to access permanent housing and decrease the likelihood of repeated homelessness.

Outcomes are measured through indicators that grant recipients/shelters choose. These performance indicators are organized around Essential Services/Case Management, Operations and Homeless Prevention Activities. It is anticipated that the shelters will achieve 80 percent of the goals (under each of these three activities) that they establish for their grant performance periods. The performance indicators the shelters use appear in Appendix F.

HOPWA Activities

Through the HOPWA program, IHFA provides recipients that assist persons with HIV/AIDS with funding for rental assistance, housing information and resource identification, short-term rental, mortgage and utility assistance and supportive services.

HOPWA funds are used to support Goals 1 and 2 via the following activities:

- Housing Information
- Operating Costs
- Rental Assistance
- Resource Identification
- Short-Term Rent, Mortgage and Utility Assistance
- Supportive Services

A detailed description of each of the program, and how funding may be obtained, is located in Appendix F.

IHFA uses the following indicators to determine their ability to achieve the desired outcomes

Indicators:
Via the HOPWA Program Application ▪ Rental Assistance Households/Units ▪ Short-term Rent, Mortgage and Utility Assistance Households/Units ▪ Supportive Services Households ▪ Housing Information Households ▪ Operating Cost - number of units

Using these indicators, a numeric goal has been determined associated with the FY2005 HOPWA allocation. The exhibit below identifies the numeric indicators.

Exhibit VII-6.
HOPWA 2005 Goals

Source:
Indiana Housing Finance Authority.

	FY 2005 Goal
Rental Assistance Households/Units	142
Short-term Rent, Mortgage and Utility Assistance Households/Units	464
Supportive Services Households	264
Housing Information Households	32
Operating Cost - number of units	5

Other Activities

- Encourage the use of the Homeless Management Information System (HMIS). This will be accomplished by funding only entities that agree to participate in HMIS with emergency shelter, youth shelter, transitional housing, and permanent supportive housing activities.
- Implement a fully connected Homeless Management Information System.
- Provide Indiana Civil Rights Commission contact information to concerned beneficiaries.
- Continue to submit an annual SuperNOFA application to fund continuum of care activities. The State will be responsible for ensuring that the State Continuum of Care application is submitted to HUD annually.
- Maintain regional continuum of care consortia to coordinate continuum of care activities and provide guidance on specific needs.

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

CDBG Program Activities (Community Focus Fund)

Continue funding the Office of Rural Affair's Community Focus Fund (CFF), which uses CDBG dollars for community development projects ranging from environmental infrastructure improvements to development of community and senior centers.

2005 Expected Accomplishments, Community Focus Fund

- ***Downtown/neighborhood revitalization, two projects.*** Projected allocation: $750,000
- ***Construction of four fire stations.*** Projected allocation: $1,750,000
- ***Purchase of six new fire trucks.*** Projected allocation: $800,000
- ***Historic preservation, two projects.*** Projected allocation: $850,000
- ***Construction/rehabilitation of fifteen wastewater collection and treatment systems.*** Projected allocation: $6,750,000

- ***Construction/rehabilitation of seven water distribution and treatment systems.*** Projected allocation: $2,650,000

- ***Construction of four stormwater collection systems.*** Projected allocation: $1,750,000

- ***Sixteen other miscellaneous community development projects (e.g. libraries, community centers, social service facilities, youth centers, etc.).*** Projected allocation: $7,105,350

- Anticipated match, above activities: $4,347,963

Continue the use of the planning and community development components that are part of the Planning Grants and Foundations programs funded by CDBG and HOME dollars. These programs provide planning grants to units of local governments and CHDOs to conduct market feasibility studies and needs assessments, as well as (for CHDOs only) predevelopment loan funding.

2005 Expected Accomplishments, Planning Grants and Foundations Program

Planning grants:

- Thirty-six planning grants
- Projected allocation: $1,600,000
- Anticipated match: $160,000

Foundations grants:

- Projected allocation: $500,000

Goal 4. Promote activities that enhance local economic development efforts

Continue the use of the Office of Rural Affairs' Community Economic Development Fund (CEDF), which funds job training and infrastructure improvements in support of job creation for low- to moderate-income persons.

Priority Needs

The Consolidated Plan identifies the areas of greatest need for the State (and nonentitlement areas) in general, and this information is used to guide the funding priorities for each program year. However, the Plan is unable to quantify specific needs on the local level. For local needs, the State relies on the information presented in the funding applications. Exhibits VII-7 and VII-8 show the prioritization of housing and community development activities for FY2005.

Exhibit VII-7. Community Development Needs, Priorities for FY2005

Source:
Indiana Office of Rural Affairs.

Priority Community Development Needs	*Need Level*
Public Facility Needs	
Neighborhood Facilities	Medium
Parks and/or Recreation Facilities	Medium
Health Facilities	Medium
Parking Facilities	Low
Solid Waste Disposal Improvements	Medium
Asbestos Removal	Medium
Non-Residential Historic Preservation	Low
Other	Medium
Infrastructure	
Water/Sewer Improvements	High
Street Improvements	Medium
Sidewalks	High
Sewer Improvements	High
Flood Drain Improvements	High
Other Infrastructure Needs	Medium
Public Service Needs	
Handicapped Services	High
Transportation Services	Medium
Substance Abuse Services	Low
Employment Training	High
Health Services	Medium
Other Public Service Needs	Medium
Anti-Crime Programs	
Crime Awareness	Low
Other Anti-Crime Programs	Low
Youth Programs	
Youth Centers	Medium
Child Care Centers	Medium
Youth Services	Low
Child Care Services	Low
Other Youth Programs	Medium
Senior Programs	
Senior Centers	High
Senior Services	Medium
Other Senior Programs	Medium
Economic Development	
Rehab of Publicly or Privately-Owned Commercial/Industrial	Medium
CI Infrastructure Development	High
Other Commercial/Industrial Improvements	Medium
Micro-Enterprise Assistance	Low
ED Technical Assistance	High
Other Economic Development	Medium
Planning	
Planning	High

Exhibit VII-8.
Housing Needs,
Priorities for FY2005

Source:
Indiana Housing Finance Authority.

	Priority Need Level	
Priority Housing Needs	**Percentage**	**Need Level**
Renter		
Small and Large Related	0-30%	High
	31-50%	High
	51-80%	Medium
Elderly	0-30%	High
	31-50%	High
	51-80%	Medium
All Other	0-30%	High
	31-50%	High
	51-80%	Medium
Owner		
Owner Occupied	0-30%	High
	31-50%	High
	51-80%	Medium
Homebuyer	0-30%	Low
	31-50%	Medium
	51-80%	High
Special Populations	0-80%	High

During the program planning period (FY2005-2009), the State will monitor housing conditions and, through its scoring criteria used to evaluation award applications, adjust funding allocations as appropriate to address changes in housing market conditions.

ADDI Funds

IHFA will implement the following activities in conjunction with administration of the ADDI grant.

Targeted outreach. IHFA will make the Indiana Manufactured Housing Association and the Indiana State National Association of Housing and Redevelopment Officials (NAHRO) aware of the ADDI program and how members of their respective organizations can obtain additional information to educate their clients on IHFA programs and how to join the IHFA List-Serve.

In addition, IHFA will require recipients of homeownership counseling funds to conduct targeted outreach to residents and tenants of public and manufactured housing and other families assisted by public housing agencies. As part of their agreement with IHFA, recipients must agree to complete these marketing initiatives. To ensure compliance with this requirement, IHFA will include this activity in compliance monitoring.

Homeownership stability. To ensure that families receiving ADDI funds are suitable to undertake and maintain homeownership, clients receiving ADDI funding will be required to successfully complete a homeownership training program. It is strongly recommended that clients participated in a face to face or classroom course given by a HUD approved counselor.

PHA Assistance

If a PHA in an area covered by the State HOME grant is designated as "troubled" by HUD, IHFA will immediately contact the PHA describing the agency's programs and introduce them to the Allocation Analyst that covers their region. IHFA will also contact them to set up a site visit. The Allocation Analysts will visit the PHAs to discuss the programs available that may provide some assistance.

At the time this report was created, the PHAs designated as "troubled" by HUD that fall into the jurisdiction of the State of Indiana include:

- Greensburg
- Portland
- Franklin County
- Sellersburg

Institutional Structure and Coordination

Many firms, individuals, agencies and other organizations are involved in the provision of housing and community development in the State. Some of the key organizations within the public, private and not-for-profit sector are discussed below.

Public sector. Federal, state and local governments are all active in housing policy. At the federal level, two primary agencies exist in Indiana to provide housing: the U.S. Department of Housing and Urban Development (HUD) and Rural Economic Community Development (RECD) through the Department of Agriculture. HUD provides funds statewide for a variety of housing programs. RECD operates mostly in non-metropolitan areas and provides a variety of direct and guaranteed loan and grant programs for housing and community development purposes.

In addition to these entities, other federal agencies with human service components also help assist with housing, although housing delivery may not be their primary purpose. For example, both the Department of Health and Human Services and the Department of Energy provide funds for the weatherization of homes. Components of the McKinney program for homeless assistance are administered by agencies other than HUD.

At the State level, the Indiana Housing Finance Authority (IHFA) is the lead agency for housing in the State. It coordinates the Mortgage Revenue Bond (MRB) and the Mortgage Credit Certificates (MCC) first time homebuyer programs through its First Home program, administers the State's allocation of Rental Housing Tax Credits and is responsible for the non-entitlement CDBG dollars dedicated to housing, the Indiana Low Income Housing Trust Fund, and non participating jurisdiction HOME monies. IHFA is also the grant administrator for HOPWA. Finally, IHFA is currently a HUD designated Participating Administrative Entity for expiring use contracts and an approved contract administrator of certain project-based Section 8 contracts.

The Indiana Family and Social Services Administration (FSSA) administers the ESG program and coordinates the State's tenant-based Section 8 program through a contract with community action agencies. It also administers the Medicaid CHOICE program, the child care voucher program, and other social service initiatives, and is the lead agency overseeing State institutions and other licensed residential facilities. FSSA is the focal point for polices that integrate housing with the provision of social services.

The newly created Indiana Office of Rural Affairs will be the State's main agency involved in community and economic development and related programs. It administers the State's CDBG program, a portion of which has been designated for affordable housing purposes since 1989.

The Indiana Department of Health (IDOH) coordinates many of the State's programs relating to persons living with HIV/AIDS and also administers the State's blood screening program for lead levels in children.

Communities throughout Indiana are involved in housing to greater or lesser degrees. Entitlement cities and participating jurisdictions are generally among the most active as they have direct resources and oversight of for housing and community development.

Private sector. A number of private sector organizations are involved in housing policy. On an association level, the Indiana Realtors Association, Indiana Homebuilders Association, Indiana Mortgage Bankers Association and other organizations provide input into housing and lending policies. Private lending institutions are primarily involved in providing mortgage lending and other real estate financing to the housing industry. Several banks are also active participants in IHFA's First Home program.

Fannie Mae funds programs such as HomeChoice, which provides flexible underwriting criteria on conventional mortgages to persons with disabilities. The Federal Home Loan Bank (FHLB) and its member banks in Indiana provide mortgage lending as well as participate in FHLB's Affordable Housing Program.

The private sector is largely able to satisfy the demands for market rate housing throughout the State.

Not-for-profit sector. Many not-for-profit organizations or quasi-governmental agencies are putting together affordable housing developments and gaining valuable experience in addressing housing needs on a local level. The State now has 50 organizations certified as Community Housing Development Organization (CHDOs). Community action agencies administer the Section 8 program under contract to FSSA. There are currently 24 community action agencies in the State administering weatherization and energy assistance programs; 22 agencies administer Section 8.

The State has an active network of community development corporations, many of which have become increasingly focused on housing issues. These organizations are engaged in a variety of projects to meet their communities' needs, from small scale rehabilitation programs to main street revitalization. The projects undertaken by community development corporations are often riskier and more challenging than traditional development projects.

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. The Indiana Association for Community Economic Development (IACED) is a membership organization for the State's housing and community development nonprofits and provides top level policy coordination, as well as training and technical assistance. The Indiana Coalition on Housing and Homeless Issues(ICHHI) is instrumental in development and implementation of the State's policies for persons who are homeless. Rural Opportunities, Incorporated (ROI) is an advocacy organization that focuses on the housing and social service issues of the State's migrant farmworker population.

Many not-for-profit organizations have become more actively engaged in delivering social services. Community mental health centers, religious and fraternal organizations and others provide support in the form of counseling, food pantries, clothing, emergency assistance, and other activities. The State's 16 Area Agencies on Aging have also become more involved in housing issues for seniors.

Overcoming gaps in delivery systems. Several gaps exist in the above housing and community development delivery system, especially for meeting the need for affordable housing. The primary gaps include:

- ***Lack of coordination and communication.*** Many social service providers, local business leaders and citizens continually express frustration about not knowing what programs were available and how to access those programs. Without full knowledge of available programs, it is difficult for some communities to know where to start to address their housing needs. The State continues to address this gap through distribution of information about resources through regional agency networks and at public events.

- ***Lack of capacity for not-for-profits to accomplish community needs.*** In many communities, the nonprofits are the primary institutions responsible the delivery of housing and community development programs. These organizations function with limited resources, and seldom receive funding designated for administrative activities. The State continues to include planning and capacity building grants as eligible activities for CDBG and HOME.

Barriers to affordable housing. See the Housing Market Analysis section of the report for a discussion of barriers to affordable housing.

Lead-based paint hazards. See the Housing Market Analysis section of the report for a discussion of lead based paint hazards and related programs and policies.

Anti-Poverty Strategy

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

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

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

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

Obstacles to Meeting Needs

The State faces a number of obstacles in meeting the needs outlined in the FY2005–2009 Consolidated Plan:

- The housing and community needs are difficult to measure and quantify on a statewide level. The Consolidated Plan uses both qualitative and quantitative data to assess statewide needs. However, it is difficult to reach all areas of the State in one year, and the most recent data measures in some cases are a few years old. Although the State makes a concerted effort to receive as much input and retrieve the best data as possible, it is difficult to quantify needs on the local level. Therefore, the State must also rely on the number and types of applications as a measure of housing and community needs.

- The ability of certain program dollars to reach citizens is limited by the requirement that applications for funding must come from units of local government or nonprofit entities. Thus, if these entities do not perceive a significant need in their communities they may not apply for funding.

- Finally, limitations on financial resources and internal capacities at all levels can make it difficult for the State to fulfill the housing and community development needs of its communities.

Action Plan Matrices

A matrix that outlines the Consolidated Plan Strategies and Action Items for the FY2005 program year follows.

Exhibit VII-9.
Strategies and Action Matrix, FY2005 Five Year Plan, 2005 Action Plan

Goals	*Funds*	*Activities*	*Funding Goals*	*Assistance Goals*
1. Expand and preserve affordable housing opportunities throughout the housing continuum.	HOME and ADDI	Transitional Housing - Rehabilitation and New Construction Permanent Supportive Housing - Rehabilitation and New Construction Rental Housing - Rehabilitation and New Construction Homebuyer - Rehabilitation and New Construction	$6,969,820	For Housing from Shelters to Homeownership, QAP, HOME OOR = 370 units. For First Home = 500 units
		Owner-Occupied Rehabilitation	$5,000,000	
		CHDO Operating Support	$652,806	
		CHDO Predevelopment and Seed Money Loans	$400,000	
		Downpayment Assistance (First Home)	$1,665,509	
	CDBG	Emergency shelters Youth shelters Transitional housing Migrant/seasonal farmworker housing Permanent supportive housing Rental housing Owner-occupied units Voluntary acquisition/demolition Housing needs assessments Site-specific feasibility studies	$5,000,000	For all CDBG (Housing) = 235 units
2. Reduce homelessness and increase housing stability for special needs populations.	HOME	See special needs housing activities in Goal 1.		
	CDBG	See special needs housing activities in Goal 1.		
	ESG	Operating support	$1,417,819	92 shelters
		Homeless prevention	$283,564	37 shelters
		Essential services	$94,521	59 shelters
		HMIS start-up	$20,000	
				For all activities = 34,250 unduplicated clients served
	HOPWA	Rental assistance	$403,549	142 households/units
		Short-term rent, mortgage, utility assistance	$214,653	464 households/units
		Supportive services	$120,206	264 households
		Housing information	$34,345	32 households
		Project sponsor information	$53,621	
		Resource identification	$242	
		Operating costs	$7,818	5 units

Source: Indiana Office of Rural Affairs, Indiana Housing Finance Authority, Indiana Family and Social Services Administration.

Exhibit VII-9. (continued)
Strategies and Action Matrix, FY2005 Five Year Plan, 2005 Action Plan

Goals	*Funds*	*Activities*	*Funding Goals*	*Assistance Goals*
3. Promote livable communities and community revitalization through addressing unmet community development needs.	CDBG, Community Focus Fund	Downtown/neighborhood revitalization	$750,000	2 projects
		Construction of fire stations	$1,750,000	4 fire stations
		Fire truck purchases	$800,000	6 fire trucks
		Historic preservation	$850,000	2 projects
		Construction/rehabilitation of wastewater collection and treatment systems	$6,750,000	15 systems
		Construction/rehabilitation of water distribution and treatment systems	$2,650,000	7 systems
		Construction of stormwater collection systems	$1,750,000	4 systems
		Community development projects	$7,105,350	16 facilities/projects
4. Promote activities that enhance local economic development efforts.	CDBG	See community and economic development activities in Goal 3.		

Source: Indiana Office of Rural Affairs, Indiana Housing Finance Authority, Indiana Family and Social Services Administration.

APPENDIX A.
Consolidated Plan Certifications

APPENDIX A.
Consolidated Plan Certifications

This appendix contains the Consolidated Plan certifications and the Form SF-424, Application for Federal Assistance. Each certification and form has been signed by a representative of the agency responsible for administering the funding. The Indiana Office of Rural Affairs administers CDBG funds; the Indiana Housing and Finance Authority administers HOME funds and HOPWA funds; and the Indiana Family and Social Services Administration administers ESG funds.

Certifications are available upon request:

State of Indiana
Office of Rural Affairs
One North Capitol Avenue, Suite 600
Indianapolis, IN 46204

APPLICATION FOR FEDERAL ASSISTANCE

Version 7/03

2. DATE SUBMITTED May 10, 2005	Applicant Identifier	
3. DATE RECEIVED BY STATE	State Application Identifier	
4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier	

1. TYPE OF SUBMISSION:

Application	Pre-application
☐ **Construction**	☐ **Construction**
☐ **Non-Construction**	☐ **Non-Construction**

5. APPLICANT INFORMATION

Legal Name: State of Indiana	**Organizational Unit:** Department: Office of Rural Affairs
Organizational DUNS:	Division: Community Assistance
Address: Street: One North Capitol, Suite 600	**Name and telephone number of person to be contacted on matters involving this application (give area code)** Prefix: / First Name: Gary
City: Indianapolis	Middle Name
County: Marion	Last Name Hancock
State: Indiana / Zip Code 46122	Suffix:
Country: USA	Email: ghancock@commerce.state.in.us
6. EMPLOYER IDENTIFICATION NUMBER *(EIN)*: 3 5 - 6 0 0 0 1 5 8	Phone Number (give area code) 317.232.7305 / Fax Number (give area code) 317.233.3597

8. TYPE OF APPLICATION:

☐ **New** ☑ **Continuation** ☐ **Revision**

If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) ☐ ☐

Other (specify)

7. TYPE OF APPLICANT: (See back of form for Application Types)

A

Other (specify)

9. NAME OF FEDERAL AGENCY: U.S. Department of Housing and Urban Development

10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: 1 4 - 2 2 8

TITLE (Name of Program): State Administered CDBG Program

11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: State Community Development Block Grant Program

12. AREAS AFFECTED BY PROJECT *(Cities, Counties, States, etc.)*: Cities, Towns and Counties in the State of Indiana

13. PROPOSED PROJECT

Start Date:	Ending Date:

14. CONGRESSIONAL DISTRICTS OF:

a. Applicant	b. Project
7	1 - 9

15. ESTIMATED FUNDING:

a. Federal	$ 34,933,351 .00
b. Applicant	$ .00
c. State	$ .00
d. Local	$ .00
e. Other	$ .00
f. Program Income	$ .00
g. TOTAL	$ 34,933,351 .00

16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?

a. Yes. ☐ THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON

DATE:

b. No. ☑ PROGRAM IS NOT COVERED BY E. O. 12372

☐ OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW

17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?

☐ Yes If "Yes" attach an explanation. ☐ No

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

a. Authorized Representative

Prefix	First Name Joseph	Middle Name R.
Last Name Pearson		Suffix
b. Title Coordinator, Office of Rural Affairs		c. Telephone Number (give area code) 317.232.8911
d. Signature of Authorized Representative		e. Date Signed May 11, 2005

STATE CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the State certifies that:

Affirmatively Further Fair Housing -- The State will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the state, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential antidisplacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug Free Workplace -- It will or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

2. Establishing an ongoing drug-free awareness program to inform employees about -

   (a) The dangers of drug abuse in the workplace;
   (b) The grantee's policy of maintaining a drug-free workplace;
   (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
   (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;

4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will -

   (a) Abide by the terms of the statement; and
   (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted -

(b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

Anti-Lobbying -- To the best of the State's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

3. It will require that the language of paragraphs 1 and 2 of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of State -- The submission of the consolidated plan is authorized under State law and the State possesses the legal authority to carry out the programs under the consolidated plan for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.

Joyce R Pearson
Signature/Authorized Official

5/9/05
Date

Director
Title

Specific CDBG Certifications

The State certifies that:

Citizen Participation -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR §91.115 and each unit of general local government that receives assistance from the State is or will be following a detailed citizen participation plan that satisfies the requirements of 24 CFR §570.486.

Consultation with Local Governments -- It has or will comply with the following:

1. It has consulted with affected units of local government in the nonentitlement area of the State in determining the method of distribution of funding;

2. It engages in or will engage in planning for community development activities;

3. It provides or will provide technical assistance to units of local government in connection with community development programs; and

4. It will not refuse to distribute funds to any unit of general local government on the basis of the particular eligible activity selected by the unit of general local government to meet its community development needs, except that a State is not prevented from establishing priorities in distributing funding on the basis of the activities selected.

Local Needs Identification -- It will require each unit of general local government to be funded to identify its community development and housing needs, including the needs of low-income and moderate-income families, and the activities to be undertaken to meet these needs.

Community Development Plan -- Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objectives of Title I of the Housing and Community Development Act of 1974, as amended. (See 24 CFR 570.2 and 24 CFR part 570)

Use of Funds -- It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);

2. Overall Benefit. The aggregate use of CDBG funds including section 108 guaranteed loans during program year 2002 (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;

3. Special Assessments. The state will require units of general local government that receive CDBG funds to certify to the following:

It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force -- It will require units of general local government that receive CDBG funds to certify that they have adopted and are enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

Compliance With Anti-discrimination laws -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Compliance with Laws -- It will comply with applicable laws.

Jay R Pearson 5/9/05

Signature/Authorized Official Date

Director

Title

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS:

A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

B. Drug-Free Workplace Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.

2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.

3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.

4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).

5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph three).

6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)
Indiana Department of Commerce, One North Capitol Avenue, Suite 700, Indianapolis, IN 46204
Indiana Housing Finance Authority, 115 W. Washington Street, Suite 1350, Indianapolis, IN 46204
Family and Social Services Agency, 402 W. Washington Street, IGCSouth W386, Indianapolis, IN 46204

Check ___ if there are workplaces on file that are not identified here; The certification with regard to the drug-free workplace required by 24 CFR part 24, subpart F.

7. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

"Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C.812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

"Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

Specific HOME Certifications

The State certifies that:

Tenant Based Rental Assistance -- If it intends to provide tenant-based rental assistance:

The use of HOME funds for tenant-based rental assistance is an essential element of the State's consolidated plan.

Eligible Activities and Costs -- It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through §92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in §92.214.

Appropriate Financial Assistance -- Before committing any funds to a project, the State or its recipients will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing;

Sherry Seiwert 4/27

Sherry Seiwert
Executive Director

Date

HOPWA Certifications

The State HOPWA grantee certifies that:

Activities -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building -- Any building or structure assisted under the program shall be operated for the purpose specified in the plan:

1. For at least 10 years in the case of any building or structure purchased, leased, rehabilitated, renovated, or converted with HOPWA assistance,

2. For at least 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

Sherry Seiwert 4/27

Sherry Seiwert Date
Executive Director

APPLICATION FOR FEDERAL ASSISTANCE

Version 7/03

2. DATE SUBMITTED	Applicant Identifier	
3. DATE RECEIVED BY STATE	State Application Identifier	
4. DATE RECEIVED BY FEDERAL AGENCY	Federal Identifier	

1. TYPE OF SUBMISSION:

Application	Pre-application
☐ **Construction**	☐ **Construction**
☑ **Non-Construction**	☐ **Non-Construction**

5. APPLICANT INFORMATION

Legal Name: FAMILY AND SOCIAL SERVICES ADMINISTRATION	**Organizational Unit:** Department: HOUSING AND COMMUNITY SERVICES
Organizational DUNS: 140699286	Division: DIVISION OF FAMILY RESOURCES
Address: Street: 402 WEST WASHINGTON STREET, PO BOX 6116, MS01	**Name and telephone number of person to be contacted on matters involving this application (give area code)** Prefix: MRS; First Name: LORI
City: INDIANAPOLIS	Middle Name: S
County: MARION	Last Name: DIMICK
State: INDIANA; Zip Code: 46206	Suffix:
Country: UNITED STATES	Email: LORI.DIMICK@FSSA.IN.GOV
6. EMPLOYER IDENTIFICATION NUMBER *(EIN)*: 3 5 - 6 0 0 0 1 5 6	Phone Number (give area code): 5317-232-7117; Fax Number (give area code): 317-232-7079

8. TYPE OF APPLICATION:

☑ **New** ☐ **Continuation** ☐ **Revision**

If Revision, enter appropriate letter(s) in box(es)
(See back of form for description of letters.)

Other (specify)

7. TYPE OF APPLICANT: (See back of form for Application Types)

STATE

Other (specify)

9. NAME OF FEDERAL AGENCY:
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: 1 4 - 2 3 1

TITLE (Name of Program): EMERGENCY SHELTER GRANT

11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:
FUNDING FOR EMERGENCY SHELTERS FOR THE ENTIRE STATE FOR CLIENTS WHO ARE HOMELESS OR FOR THOSE WHO ARE AT RISK FOR BECOMING HOMELESS

12. AREAS AFFECTED BY PROJECT *(Cities, Counties, States, etc.)*:
ENTIRE STATE

13. PROPOSED PROJECT

Start Date:	Ending Date:
7/1/05	6/30/05

14. CONGRESSIONAL DISTRICTS OF:

a. Applicant	b. Project
	ENTIRE STATE

15. ESTIMATED FUNDING:

a. Federal	$ 1,890,425 .00
b. Applicant	$ .00
c. State	$ .00
d. Local	$ .00
e. Other	$ .00
f. Program Income	$ .00
g. TOTAL	$ 1,890,425 .00

16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?

a. Yes. ☐ THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON

DATE:

b. No. ☐ PROGRAM IS NOT COVERED BY E. O. 12372

☐ OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW

17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?

☐ Yes If "Yes" attach an explanation. ☑ No

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

a. Authorized Representative

Prefix: MR	First Name: JAMES	Middle Name
Last Name: ROBERTSON		Suffix
b. Title: DIRECTOR, DIVISION OF FAMILY RESOURCES		c. Telephone Number (give area code): 317 233 1925
d. Signature of Authorized Representative		e. Date Signed: 4/13/05

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Standard Form 424 (Rev.9-2003)
Prescribed by OMB Circular A-102

STATE GRANTEE

EMERGENCY SHELTER GRANTS PROGRAM

FY 2005 CERTIFICATIONS

I, James Robertson, Director (name and title) authorized to act on behalf of the state of State of Indiana, certify that the state will ensure compliance by units of general local government and nonprofit organizations to which it distributes funds under the Emergency Shelter Grants Program with:

(1) The requirements of 24 *CFR* 576.25(b)(2) concerning the submission by nonprofit organizations applying for funding of a certification of approval of the proposed project(s) from the unit of local government in which the proposed project is located.

(2) The requirements of 24 *CFR* 576.53 concerning the continued use of buildings for which Emergency Shelter Grant funds are used for rehabilitation or conversion of buildings for use as emergency shelters for the homeless; or when funds are used solely for operating costs or essential services, concerning the population to be served.

(3) The building standards requirement of 24 *CFR* 576.55.

(4) The requirements of 24 *CFR* 576.56, concerning assurances on services and other assistance to the homeless.

(5) The requirements of 24 *CFR* 576.57, other appropriate provisions of 24 *CFR* Part 576, and other applicable Federal law concerning nondiscrimination and equal opportunity.

(6) The requirements of 24 *CFR* 576.59(b) concerning the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

(7) The requirements of 24 *CFR* 576.59 concerning minimizing the displacement of persons as a result of a project assisted with these funds.

(8) The requirements of 24 *CFR* 576.56(a) and 576.65(b) that grantees develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the Emergency Shelter Grants Program and that the address or location of any family violence shelter project assisted with ESG funds will not be made public, except

with written authorization of the person or persons responsible for the operation of the shelter.

(9) The requirement that recipients involve, to the maximum extent practicable, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG program, and in providing services for occupants of these facilities as provided by 24 *CFR* 576.56(b)(2).

(10) The requirements of 24 *CFR* 576.21(a)(4) which provide that the funding of homeless prevention activities for families that have received eviction notices or notices of termination of utility services meet the following standards: (A) that the inability of the family to make the required payments must be the result of a sudden reduction in income; (B) that the assistance must be necessary to avoid eviction of the family or termination of the services to the family; (C) that there must be a reasonable prospect that the family will be able to resume payments within a reasonable period of time; and (D) that the assistance must not supplant funding for preexisting homeless prevention activities from any other source.

(11) The new requirement of the McKinney-Vento Act, 42 *USC* 11301, to develop and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons. I further understand that state and local governments are primarily responsible for the care of these individuals, and that ESG funds are not to be used to assist such persons in place of state and local resources.

(12) The Drug Free Workplace requirements of 24 *CFR* Part 24 concerning the Drug Free Workplace Act of 1988.

(13) The state will comply with the provisions of, and regulations and procedures applicable under 24 *CFR* 576.57(e) with respect to the environmental review responsibilities under the National Environmental Policy Act of 1969 and related authorities as specified in 24 *CFR* Part 58 as applicable to activities of nonprofit organizations funded directly by the state. The state also agrees to assume the Department's responsibility and authority as set forth in 24 *CFR* 576.57(e) for acting on the environmental certifications and requests for the release of funds submitted to the state by local government recipients.

(14) The state's requirement to provide matching funds required by 24 *CFR* 576.51 and 42 *USC* 11375, including a description of the sources and

amounts of such supplemental funds, as provided by the State, units of general local government or nonprofit organizations.

(15) HUD's standards for participation in a local Homeless Management Information System (HMIS) and the collection and reporting of client-level information.

I further certify that the submission of a complete and approved Consolidated Plan with its relevant certifications, which is treated as the application for an Emergency Shelter Grant, is authorized under state law, and that the state possesses legal authority to fund the carrying out of grant activities by units of general local government and nonprofit organizations in accordance with applicable laws and regulations of the Department of Housing and Urban Development.

By: 4/13/05

Signature and Date

James Robertson

Typed Name of Signatory

Director, Division of Family Resources

Title

APPENDIX B.
Citizen Participation Plan

APPENDIX B.
Citizen Participation Plan

The Citizen Participation Plan (CPP) described below is the evolution and actualization of many years of thoughtful broad base and targeted planning. The CPP was developed around a central concept that acknowledges residents as stakeholders and their input as key to any improvements in the quality of life for the residents who live in the community.

The purpose of the CPP is to provide citizens of the State of Indiana maximum involvement in the development of issues and program initiative priorities. Every year, the Plan is designed to provide citizens equal access to become involved in the planning process regardless of age, gender, race, ethnicity, disability and economic level. A special effort is made each year to enhance the participation efforts of the previous year and to reach sub-populations who are marginalized in most active participation processes. For example, for the FY2005-2009 Consolidated Plan, a telephone survey was conducted of residents in the State's nonentitlement areas to obtain broad input into the Consolidated Planning process. Through this survey, 300 residents were able to participate in the process from the convenience of their homes. In addition, a similar citizen survey was made available on line and distributed to the State's housing and social service organizations, including public housing authorities, to maximize input from the State's low-income citizens and citizens with special needs.

From the onset of the first community forum to the distribution of the surveys and writing of the Plan, the needs of the Indiana residents, government officials, nonprofit organizations, special needs populations and others and have been carefully considered and reflected in the drafting of the document.

The participation process was developed and monitored by a Consolidated Planning Coordinating Committee consisting of representatives from the Indiana Office of Rural Affairs, the Indiana Housing and Finance Authority (IHFA) and the Indiana Family and Social Services Administration (FSSA). The committee also includes representatives from the Indiana Association for Community and Economic Development (IACED), the Indiana Civil Rights Commission (ICRC), the Indiana Coalition on Housing and Homeless Issues (ICHHI), Rural Opportunities, Incorporated (ROI), and the Indiana Institute on Disability and Community. In addition, the State representative from the U.S. Department of Housing and Urban Development served as an advisor to the committee. The purpose of the committee was to monitor the drafting of the plan from initiation to submission.

The participation process. The participation process included four phases and took nine months to complete. There were multiple approaches used to inform residents of the process and then gather community opinions. Citizens throughout the State were actively sought out to participate and provide input for the process.

Phase I. Citizen Participation Plan Development. The citizen participation plan (CPP) was crafted by the administering agencies and Consolidated Plan Coordinating Committee in late 2004. The CPP was modified with an eye toward obtaining broader public input and facilitating more direct input from low-income individuals and persons with special needs.

Phase II. Survey Preparation and Implementation. Four survey instruments were prepared for the Consolidated Plan CPP: a key person survey to capture stakeholder input; a citizen survey targeted to special needs and low-income individuals, including persons who are currently or who had been homeless; a survey of public housing authorities; and a telephone survey of citizens in the State's nonentitlement areas. Drafts of the survey instruments were reviewed with the Coordinating Committee. The Committee assisted in developing the list of organizations that should receive the mail/Internet citizen survey, which was passed onto clients. The Committee also assisted in spreading the word about the citizen survey and its importance to the Consolidated Plan. The Indiana Housing Finance Authority published a press release about the citizen survey and encouraged public participation.

Phase III. Strategic Action and Allocation Plan Development. After the Consolidated Plan research was completed, the Consolidated Plan Coordinating Committee held a workshop to identify the top housing and community development needs in the State. Development of the Draft Plan was a threefold process. First, members of the Committee read draft sections of the Consolidated Plan individually. Second, the results of the research were presented and discussed at the workshop. The administering agencies then completed an exercise which compared the identified needs to past action plans, discussed any gaps, and worked together to create a new FY2005-2006 Strategic Plan and develop a new One Year Action Plan.

Phase IV. Public hearing. Citizens and agency representatives were notified of the publication of the Draft Consolidated Plan during the surveys and by public notification in newspapers throughout the State. The draft report was posted on the Indiana Housing Finance Authority website.

On April 18 and 19, 2005, public hearings were held in Lebanon and Shelbyville, beginning at 1:30 p.m. During the session, executive summaries of the Plan were distributed and instructions on how to submit comments were given. In addition, participants were given an opportunity to provide feedback or comment on the Draft Plan.

Phase VI. Comment period. The 30 day comment period began on April 1 and continued through April 30, 2005. During the comment period, copies of the Draft Plan were provided on agency websites; and Executive Summaries were also distributed to the public. Residents were provided with information about how to submit comments and suggestions on the Plan.

The State responded to the public comments received at the end of the 30-day comment period. Copies of the public comments and the State's response are included in Appendix G.

NOTICE OF PUBLIC HEARING
FY 2005 CONSOLIDATED PLAN FOR FUNDING

OFFICE OF THE LIEUTENANT GOVERNOR
INDIANA HOUSING FINANCE AUTHORITY
INDIANA FAMILY AND SOCIAL SERVICES ADMINISTRATION

Pursuant to 24 CFR part 91.115(a)(2), the State of Indiana wishes to encourage citizens to participate in the development of the State of Indiana Consolidated Plan for 2005. In accordance with this regulation, the State is providing the opportunity for citizens to comment on the 2005 Consolidated Plan Update draft report, which will be submitted to the US Department of Housing and Urban Development (HUD) on or before May 15, 2005. The Consolidated Plan defines the funding sources for the State of Indiana's four (4) major HUD-funded programs and provides communities a framework for defining comprehensive development planning. The FY 2005 Consolidated Plan will set forth the method of distribution of funding for the following state agencies and HUD-funded programs:

Office of the Lieutenant Governor – State Community Development Block Grant (CDBG) Program
Indiana Housing Finance Authority – Home Investment Partnership Program
Indiana Family and Social Services Administration – Emergency Shelter Grant Program
Indiana Housing Finance Authority – Housing Opportunities for Persons With Aids Program

These public hearings will be conducted as follows:

Lebanon City Municipal Building
Utility Conference Center
401 S. Meridian Street
Lebanon, IN 46052
April 18, 2005
1:30 p.m. (Local Time)

Shelbyville Porter Center
501 N. Harrison St.
Conference Room
Shelbyville, IN 46176
April 19, 2005
1:30 p.m. (Local Time)

If you are unable to attend the public hearings, written comments are invited April 1, 2005 through April 30, 2005, at the following address:

Office of the Lieutenant Governor
One North Capitol – Suite 600
Indianapolis, IN 46204-2288

Persons with disabilities will be provided with assistance respective to the contents of the Consolidated Plan. Interested citizens and parties may receive a free copy of the Executive Summary of the FY 2005 Consolidated Plan by telephoning Mr. Gary Hancock (317)232-7305 or by electronic mail at ghancock@commerce.state.in.us. Questions may be directed to the Office of Community Assistance of the Lieutenant Governor's Office at its toll free telephone number (800-824-2476) during normal business hours.

APPENDIX C.
List of Key Participants

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List of Key Participants

Indiana's Five Year Consolidated Plan was a collaborative project. The Indiana Office of Rural Affairs and the Indiana Housing Finance Authority were responsible for overseeing the coordination and development of the plan. The Indiana Family and Social Services Administration (FSSA) assisted in development of the Plan.

The Consolidated Plan Coordinating Committee included representatives from the organizations listed above as well as individuals from the Indiana Coalition on Housing and Homeless Issues (ICHHI), the Indiana Association for Community and Economic Development (IACED), the Indiana Civil Rights Commission (ICRC), Rural Opportunities Inc. (ROI), The Indiana Institute on Disability and Community, and the U.S. Department of Housing and Urban Development (HUD). A list of the key people involved in the development of the plan follows.

Kelly Boe	DaMica O'Bryant
Rosemary Carney	Deanna Oware
Greg Beumer	Niles Parker
Lori Dimick	Joe Pearson
John Dorgan	Annette Phillips
Gary Hancock	Erika Scott
Michelle Kincaid	Sheryl Sharpe
Deborah McCarty	John Taluc
Amy Murphy-Nugen	Patrick Taylor

In addition to these key players in development of the Plan, citizens and stakeholders participated in the planning process by responding to community surveys, being part of key person interviews, or submitting written comments to the Consolidated Plan Coordinating Committee. A list of participants in the key person interviews follows; public comments are located in Appendix G. Their input was very welcome and their thoughts much appreciated.

Key Person Interviewees, Indiana 2005 Consolidated Plan

Adsit, Bob
Center on Aging and Community (CICOA)

Arevalo, Rocio
La Casa Goshen

Baize, Tony
Kentucky Fair Housing Council, Inc.

Beckley, Craig
Heart House

Bedwell, Deb
Anchor House

Bennett, Emas
The Ruben Center

Bohannon, Roderick
Indiana Legal Services

Clark, Richard
Human Services

Cline, Joan
Community Action Program Inc of Western Indiana

Cooney, Tom
Independent Living Center of Eastern Indiana

Craig, Paula
Blue River Services

Cunningham, Mike
USDA Rural Development

Dillman, Connie
Independent Res. Living of Central Indiana

Fleck, Kay
Whitely Crossings

Gautsche, Larry
LaCasa of Goshen

Gentrup, Paula
Rising Sun Ohio County Senior Citizens Housing

Jones, Forest
HUD Indianapolis Office

Knight, Ginger
Hoosier Uplands

Lindenlaub, Mark
Housing Partnerships, Inc.

Madill, Melissa
Indianapolis Resource Center for Independent Living

Mager, Teresa
Wabash Independent Living and Learning Center

Meadows, Jennifer
Family Crisis Shelter

Myers, Deb
Ohio Valley Opportunities Inc

Nordstrom, Carol
Christian Community Action

Parrett, Lisa
Texas Migrant Council, Inc.

Priore, John
NAMI Indiana

Quarles, Beth
Future Choices, Inc.

Reemy, Mary
The Caring Place

St. John, Mark
Lambda Consulting Incorporated

Scime, Mike
The Dayspring Center

Schultz, Mary Beth
The Caring Place

Stafford, Phil
Center on Aging and Community

Stewart, Patricia
Assistive Technology Training and Information Center

Tolbert, Al
Southern Indiana Center for Independent Living

Torres, Teresa
Everybody Counts Center for Independent Living

Walker, Fred
Blackford County

Young, David
Elkhart Housing Partnership, Inc

Ziglar, Deb
A-Way Home

APPENDIX D.
Survey Instruments

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Survey Instruments

The Citizen Participation Plan for the FY2005-2009 Consolidated Plan focused on survey research and consisted of a large key person mail survey, a citizen survey conducted by telephone and through the mail/Internet, and a Public Housing Authority mail survey.

Key Person Survey

In October 2004, approximately 1,600 mail surveys were distributed to local government officials, community leaders, housing providers, economic development professionals, social service organizations, and others. The survey asked respondents a number of questions about housing and community development needs, including fair housing accessibility, in their communities. A total of 214 surveys were returned, for a response rate of about 14 percent.

Surveys were received from 75 of the 92 counties in Indiana. About 26 percent of the survey respondents represented local governments in the State, 14 percent were housing providers, 12 percent were social service providers, and the remaining respondents represented other types of organizations (e.g., advocacy, health care providers). The survey results are discussed in Section III of the Consolidated Plan.

A copy of the survey is attached to this section.

Citizen Survey

Two separate samples were used for the citizen survey. The first sample was a citizen telephone survey. It was conducted in October 2004 of 300 residents living within nonentitlement areas in the State of Indiana. The households selected for the survey were chosen through a random digit dial process. Davis Research, a telephone survey firm in California, fielded the survey. The survey included enough households to ensure statistical significance — that is, the survey was representative of the experiences and opinions of the State's households overall who live in nonentitlement areas.

A second, almost identical, survey was conducted by mail. The survey was sent to targeted housing and social service organizations in the State, including public housing authorities. The organizations were asked to have five of their clients complete the surveys. The survey respondents could complete the surveys on a hard copy or through an Internet web page; all elected to complete the hard copy. The reason for this survey was to receive input from people who are low income, may have special needs and who are typically underrepresented in public outreach efforts.

Telephone surveys were completed with approximately 190 cities/towns or counties throughout the State of Indiana and mail/Internet surveys were completed in 29 different cities/towns. The survey results are discussed in Section III of this report.

A copy of the survey is attached to this section.

Public Housing Authority Survey

To better understand the demand for rental assistance, a mail survey of Public Housing Authorities (PHAs) in nonentitlement areas in the State was conducted as part of the 2005 Consolidated Plan process. The survey collected information on Section 8 Housing Choice voucher usage between January and September 2004, by individual PHA. Forty-three surveys were mailed, and 28 responses were received, for a response rate of 65 percent. The conclusions from the survey can be found in Section IV of this report.

A copy of the survey is attached to this section.

APPENDIX D.
Survey Instruments

The Citizen Participation Plan for the FY2005-2009 Consolidated Plan focused on survey research and consisted of a large key person mail survey, a citizen survey conducted by telephone and through the mail/Internet, and a Public Housing Authority mail survey.

Key Person Survey

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NOTICE

To: All interested parties

Re: State of Indiana Housing & Community Development Needs Survey

Date: September 10, 2004

The State of Indiana is currently preparing its Five Year (2005-2009) Consolidated Plan, a report required by the U.S. Department of Housing and Urban Development (HUD) for the State to receive housing and community block grant funding. In FY2005, the State is eligible to receive approximately **$57 million** in Federal housing and community development assistance – or approximately $285 million in funding during the five year Consolidated Planning period.

In the past, these dollars have funded homeownership and rental assistance programs, construction of homeless and domestic violence shelters, water and sewer infrastructure improvements, and programs that assist people with special needs. The funds are distributed by the State of Indiana to local governments and nonprofit housing and community development organizations throughout the state.

BBC Research & Consulting (BBC) is assisting the State with the preparation of its Five Year Consolidated Plan. We are working in association with the Indiana Department of Commerce (IDOC), the Indiana Housing Finance Authority (IHFA) and the Family and Social Services Administration (FSSA).

We are writing to ask for your assistance in identifying housing and community needs in your area.

Survey. Please take a few minutes to fill out the enclosed survey, and return it to us in the enclosed postage prepaid envelope by October 1, 2004. **Your input is very valuable to this process and is greatly appreciated.** This same survey has been sent to approximately 2,000 other Indiana local officials, advocates, housing and community development providers, and community leaders. We realize that not all of the survey questions will apply to you specifically; please skip those questions you are unable to answer.

Draft Consolidated Plan and public hearings. Beginning on March 1, 2005, the Draft Five Year Consolidated Plan will be released for public comment. The Plan will be available electronically on the Indiana Housing Finance Authority's website at http://www.state.in.us/ihfa and the Indiana Department of Commerce website at http://www.indianacommerce.com. Hard copies will be

available at the Department of Commerce. The State will be holding two public hearings in late March to receive comments about the draft plan. The date and locations of the hearings will be determined in early 2005 and announced on the above websites.

You may also comment on the plan in writing by sending a letter to:

Consolidated Plan, Indiana Department of Commerce, Controller's Office Grants Management Division One North Capitol Avenue, Suite 700 Indianapolis, Indiana 46204-2248.

Contact Kelly Boe at the Indiana Department of Commerce, 1-800-824-2476 or 317-232-8800, for more information.

We look forward to hearing from you! Thank you for your participation in this very important process.

The Indiana Department of Commerce

The Indiana Housing Finance Authority

Indiana Family & Social Services Administration

2005 Indiana Consolidated Plan Survey

Please answer each question to the best of your ability. If a particular question does not apply to you, or if you do not have knowledge of the subject matter, skip the question. This survey should take you about 15 minutes to complete.

Respondent Information

Name/Organization (optional) _____ City, County _____

1. Which of the following service categories best describes you or your organization?

❑ Advocacy/education
❑ Affordable housing provider
❑ Citizen
❑ Day care (adult and child)
❑ Economic or community development
❑ Employment/training provider
❑ Financial institution/lender
❑ Group home
❑ Health care provider
❑ Homeless shelter
❑ Legal assistance
❑ Local government
❑ Property manager
❑ Senior center
❑ Senior housing provider
❑ Social service provider
❑ Other _____

2. What is your organization's service area?

❑ 1. City (_____) please specify ❑ 2. County (_____) please specify ❑ 3. Regional ❑ 4. National

3. The State is considering making this survey available on the Internet in the future. Would you prefer to complete this survey through the Internet in the future?

❑ Yes, I would rather do the survey online ❑ No, Please continue to send me a paper copy.

Housing

Inventory/Quality

For statements 3 through 8, please indicate whether you: **1**…Strongly Agree; **2**…Agree; **3**…Neither Agree nor Disagree; **4**…Disagree; or **5**…Strongly Disagree.

3. "There is enough housing in this community to meet the demand."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

4. "The housing stock in this community is in good condition."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

5. "My community needs to focus on adding housing through new construction."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

6. "My community needs to focus on improving housing through rehabilitation of existing structures."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

7. "Homeowners in this community can generally afford to make minor housing repairs."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

8. "Renters in this community can get landlords to make needed repairs."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

9. On a scale of 1-5, how would you rate the quality of single family housing stock in this community (with **1** being Very Good and **5** being Very Poor)?

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

10. On a scale of 1-5, how would you rate the quality of multifamily housing stock in this community (with **1** being Very Good and **5** being Very Poor)?

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

Affordability

For statements 11 and 12, please indicate whether you: **1**…Strongly Agree; **2**…Agree; **3**…Neither Agree nor Disagree; **4**…Disagree; or **5**…Strongly Disagree.

11. "There is enough affordable single family housing in this community."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

12. "There is enough affordable rental housing in this community."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

13. In your opinion, which of the following housing types are needed most in your area?

	Purchase price	Rent
❑ Multifamily apts.		$_____
❑ Single family housing	$_____	$_____
❑ Transitional housing		$_____
❑ Emergency shelters		
❑ Subsidized housing	$_____	$_____
❑ Other (please specify)	$_____	$_____

14. What is the greatest impediment to owning a home in your community?

❑ Coming up with a down payment
❑ Location of affordable housing
❑ Condition of affordable housing
❑ Poor or inadequate credit history
❑ Affordability/cost too high
❑ Inability to get financing or finance costs too high
❑ Lack of income stability, cyclical income

Special Needs Housing

For statements 15 through 21, please indicate whether you:

1…Strongly Agree; **2**…Agree; **3**…Neither Agree nor Disagree; **4**…Disagree; or **5**…Strongly Disagree.

15. "The housing and related needs of people who are homeless are adequately served in this community."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

16. "The housing and related needs of people with physical disabilities are adequately served in this community."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

17. "The housing and related needs of people with developmental disabilities are adequately served in this community."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

18. "The housing and related needs of people with severe and persistent mental illnesses are adequately served in this community."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

19. "The housing and related needs of the elderly are adequately served in this community."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

20. "The housing and related needs of people with HIV/AIDS are adequately served in this community."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

21. "The housing and related needs of seasonal farm workers are adequately served in this community."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

22. For the special needs groups listed in the questions above, how can the housing and related needs be better met? Please be specific.

_____

_____

_____

Lead Based Paint Hazards

23. Are there adequate funds to address lead based paint hazards in housing?

❑ Yes ❑ No

24. Is there a need for funds to address lead based paint in housing with poisoned children?

❑ Yes ❑ No

25. Is there a need for a partnership between housing and health care providers to address lead based paint hazards and identify properties with hazards?

❑ Yes ❑ No

26. On a scale of 1 to 5 (with **1** being the least and **5** being the most) how much does lead abatement procedures increase the cost of providing affordable housing?

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

Fair Housing

27. Is discrimination in housing a problem in this community based on (check those that apply):

❑ Race/ethnicity
❑ Sex
❑ National origin
❑ Other (please identify)_____
❑ Family size or type
❑ Religion
❑ Disability (e.g., physical, mental and HIV/AIDS)

28. Are the following barriers to housing choice in your community? Check those that apply.

- ❑ Cost of housing
- ❑ Distance to employment
- ❑ Lack of accessibility requirements for physically disabled
- ❑ Housing discrimination
- ❑ Public transportation
- ❑ Age-restricted housing (e.g., elderly only)
- ❑ Lack of knowledge about fair housing rights among residents
- ❑ Lack of knowledge of fair housing regulations among landlords

29. Are there zoning or land use laws in your community that create barriers to fair housing choice or encourage housing segregation?

❑ Yes ❑ No

If yes, what types of laws?

_____

30. Are the following lending activities a problem in your community?

- ❑ Lenders charging excessively high rates for mortgages, refinancing and mobile home loans
- ❑ Lenders repeatedly inducing borrowers to refinance loans and charging high transaction fees
- ❑ Lenders linking unnecessary products (e.g., credit life insurance) to loans
- ❑ Lenders charging prepayment penalties
- ❑ Lenders selling sub-prime products to prime borrowers

For statements 31 through 38, please indicate whether you: **1**…Strongly Agree; **2**…Agree; **3**…Neither Agree nor Disagree; **4**…Disagree; or **5**…Strongly Disagree.

31. "Minorities can obtain desirable housing in any area of my community."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

32. "Large families can obtain desirable housing in any area of my community."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

33. "The elderly can obtain desirable housing in any area of my community."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

34. "Persons with disabilities can obtain desirable housing in any area of my community."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

35. "The people in my community are able to access mortgages and refinance their homes at competitive interest rates."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

36. "The people in my community know that discrimination is prohibited in the sale and rental of housing, mortgage lending and advertising."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

37. "The people in my community know whom to contact when facing housing discrimination."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

38. "The housing enforcement agency in my community has sufficient resources to handle the amount of discrimination that may occur."

❑ 1 ❑ 2 ❑ 3 ❑ 4 ❑ 5

Fair Housing Policy

39. Do you have the following in this community?

Fair Housing Resolution/Ordinance	❑ Yes	❑ No
Affirmative Action Plan	❑ Yes	❑ No
Equal Opportunity Ordinance	❑ Yes	❑ No

40. Has the Resolution/Ordinance been approved by the State?

❑ Yes ❑ No

41. Has the community joined forces with any other group agency or organization to promote fair housing?

❑ Yes ❑ No

42. Does this community have or have access to a Civil Rights Commission/Office?

❑ Yes ❑ No

43. Have there been housing complaints filed against your organization in the past five years?

❑ Yes ❑ No

If yes, how many? Please describe the nature of the complaint(s).

_____

_____

_____

Most Important Housing Issues

44. In your opinion, what are the three most important housing issues in your service area or community?

Housing Issues

1. _____

2. _____

3. _____

45. If you could change elements of existing housing policy, or a single housing program, what would you change, and why? Please be specific.

46. To your knowledge, which groups of people in this community have the greatest unmet housing needs, and why? (Groups can be categorized by age, income, ethnicity, geography, disability status, etc.)

47. Are there housing policies or programs in other communities that could benefit this community? Please provide examples.

Community Development

48. Rank the following community development needs in order of how much they are needed in your community (with **1** being the least needed and **5** being the most needed).

	1	**2**	**3**	**4**	**5**
Water and sewer systems improvements.	❑	❑	❑	❑	❑
Child and adult care facilities	❑	❑	❑	❑	❑
Facilities and shelter for special needs populations (e.g., persons with disabilities, persons who are homeless)	❑	❑	❑	❑	❑
Downtown business environment revitalization	❑	❑	❑	❑	❑
Emergency services (e.g., fire stations and equipment)	❑	❑	❑	❑	❑
Community centers	❑	❑	❑	❑	❑

49. Rank the following *barriers* to community and economic development in order of magnitude in your community (with **1** being a small barrier and **5** being a large barrier).

	1	**2**	**3**	**4**	**5**
Job growth	❑	❑	❑	❑	❑
Jobs that pay livable wages	❑	❑	❑	❑	❑
Educated work force	❑	❑	❑	❑	❑
Lack of affordable housing	❑	❑	❑	❑	❑
Poor quality public infrastructure	❑	❑	❑	❑	❑
Lack of quality commercial and retail space	❑	❑	❑	❑	❑
Lack of available funds to make improvements	❑	❑	❑	❑	❑
Lack of mixed income housing developments	❑	❑	❑	❑	❑
Lack of accessible housing for individuals or families	❑	❑	❑	❑	❑
Lack of investment/deteriorating conditions downtown	❑	❑	❑	❑	❑

50. To your knowledge, has the number of jobs in this community increased or decreased over the past 5 years?

❑ Increased ❑ Decreased ❑ Do not know

51. Has the perception of this community gotten better or worse over the last 5 years? Why?

_____

_____

_____

52. In your opinion, what are the three most important non-housing community development needs in your service area or community (e.g., specific infrastructure improvements, facilities for special populations, revitalization of the central business district or targeted neighborhoods)?

Community Development Needs

_____

_____

_____

Housing and Community Development Programs

53. Are you aware of the following programs administered by the Indiana Department of Commerce (IDOC) and the Indiana Housing Finance Authority (IHFA)?

Community Focus Fund	❑ Yes	❑ No
Housing from Shelters to Homeownership	❑ Yes	❑ No
Foundations	❑ Yes	❑ No
CHDO Works	❑ Yes	❑ No

54. Has this community applied for and/or utilized the following funding sources for local projects?

Community Focus Fund	❑ Yes	❑ No	❑ Do not know
Housing from Shelters to Homeownership	❑ Yes	❑ No	❑ Do not know
Foundations	❑ Yes	❑ No	❑ Do not know
CHDO Works	❑ Yes	❑ No	❑ Do not know

55. If yes, how has this community utilized program funding?

Program: _____ How used: _____

Program: _____ How used: _____

Program: _____ How used: _____

56. Do you have any suggestions on how IDOC and IHFA can improve these programs? Please explain.

Program: _____ Suggestions for improvement: _____

_____

57. Have you heard of the Housing Opportunities for People with AIDS (HOPWA) program?

❑ Yes ❑ No

58. Do you know how to access HOPWA funding (e.g., agency to contact, process of applying for funding, etc.)?

❑ Yes ❑ No

59. What is most needed in your community to meet the needs of persons with HIV/AIDS? (Check all that apply.)

- ❑ Housing information
- ❑ Single family housing
- ❑ Assistance with rental/mortgage payments
- ❑ Operating subsidies for HIV/AIDS housing
- ❑ Rental housing
- ❑ Assistance with utilities
- ❑ Supportive services
- ❑ Other _____

60. Do you have suggestions for how IHFA can better implement the HOPWA program?

_____

_____

_____

61. Have you heard of the Emergency Shelter Grant (ESG) program?

❑ Yes ❑ No

62. Do you know how to access ESG funding (e.g., agency to contact, process of applying for funding, etc.)?

❑ Yes ❑ No

63. What is most needed in your community to meet the needs of persons who are homeless?

- ❑ Housing information
- ❑ Transitional housing
- ❑ Operating subsidies for shelters
- ❑ Emergency shelters
- ❑ Supportive services
- ❑ Homeless prevention activities
- ❑ Other _____

64. Do you have suggestions for how the state can better implement the ESG program?

Suggestions for improvement:

_____

_____

_____

Thank You For Your Assistance.

NOTICE

To: All interested parties

Re: State of Indiana Housing & Community Development Needs Surveys

Date: September 20, 2004

The State of Indiana is currently preparing its Five Year (2005-2009) Consolidated Plan, a report required by the U.S. Department of Housing and Urban Development (HUD) for the State to receive housing and community block grant funding. In FY2005, the State is eligible to receive approximately ***$57 million*** in Federal housing and community development assistance – or approximately $285 million in funding during the five year Consolidated Planning period.

In the past, these dollars have funded homeownership and rental assistance programs, construction of homeless and domestic violence shelters, water and sewer infrastructure improvements, and programs that assist people with special needs. The funds are distributed by the State of Indiana to local governments and nonprofit housing and community development organizations throughout the state.

BBC Research & Consulting (BBC) is assisting the State with the preparation of its Five Year Consolidated Plan. We are working in association with the Indiana Department of Commerce (IDOC), the Indiana Housing Finance Authority (IHFA) and the Family and Social Services Administration (FSSA).

We are writing to ask for your assistance in identifying housing and community needs in your area.

Citizen survey. Enclosed you will find a Citizen Survey, which will be used to identify citizen needs throughout the State. This survey instrument is being distributed to citizens through organizations like yours to ensure that the State has input from people with low incomes, people who are homeless, persons with disabilities, at-risk youth, PHA clients and persons with special needs.

We invite you to distribute this survey to 5 of your clients. They have the option of completing the survey on the Internet or by mail. If they want to complete the survey through the Internet, please have them go to www.indianahousingsurvey.com and enter in one of the pass codes listed below (the pass codes will only work once). The survey will begin and take approximately 15 minutes to complete.

Your pass codes for the Internet survey are:

Please follow up with your clients to make sure they were able to access the website and complete the survey. (The online survey is very easy to fill out, but if you clients are unfamiliar with using the Internet, you might want to assist them with completing the survey online).

If your clients would like to complete the survey through the mail, please reproduce the hard copy survey instrument, have your clients fill out the survey, collect the surveys and return them to BBC in the enclosed prepaid envelope.

Please complete the survey over the Internet or send it back in the mail on or before October 15, 2004.

Draft Consolidated Plan and public hearings. Beginning on March 1, 2005, the Draft Five Year Consolidated Plan will be released for public comment. The Plan will be available electronically on the Indiana Housing Finance Authority's website at http://www.state.in.us/ihfa and the Indiana Department of Commerce website at http://www.indianacommerce.com. Hard copies will be available at the Department of Commerce. The State will be holding two public hearings in late March to receive comments about the draft plan. The date and locations of the hearings will be determined in early 2005 and announced on the above websites.

You may also comment on the plan in writing by sending a letter to:

Consolidated Plan, Indiana Department of Commerce, Controller's Office
Grants Management Division
One North Capitol Avenue, Suite 700
Indianapolis, Indiana 46204-2248.

Contact Kelly Boe at the Indiana Department of Commerce, 1-800-824-2476 or 317-232-8800, for more information.

We look forward to hearing from you! Thank you for your participation in this very important process.

The Indiana Department of Commerce

The Indiana Housing Finance Authority

Indiana Family & Social Services Administration

2005 Indiana Consolidated Plan Citizen Survey

Please answer each question to the best of your ability. If a particular question does not apply to you, or if you do not have knowledge of the subject matter, skip the question. This survey should take you about 15 minutes to complete.

Respondent Information

1. Are you a resident of the State of Indiana? ❑ Yes ❑ No

2. In which city/town do you live?_____

3. List the organization you received this survey from *(**Required**)*:_____

_____

Housing

1. Do you have a permanent place in which you live?

❑ Yes. Please go to Question 2 on page 2. ❑ No. Please answer Questions 1a – 1c below.

1a. If you answered NO to Question 1, are you currently homeless?

❑ Yes ❑ No. Please go to Question 2 on page 2.

1b. What are the reasons you became homeless? (Check all that apply)

❑ Couldn't afford the place I was in
❑ Couldn't find a place I could afford
❑ Bad credit
❑ Evicted/foreclosed on
❑ Quit my job
❑ Got fired
❑ Lost my government assistance for housing
❑ Became sick and couldn't work
❑ Became sick and couldn't afford health care costs
❑ Moved to seek work
❑ Released from jail or prison
❑ I left my spouse or parents because of abuse
❑ I got divorced
❑ Other (please specify):_____

_____

1c. What would you have needed to avoid becoming homeless? (Check all that apply)

❑ An apartment that was affordable
❑ To find a job right way
❑ Training or education needed to get a job
❑ A job that pays enough to afford housing
❑ A temporary place to live
❑ Childcare for my children
❑ Counseling/mental health services
❑ Health care
❑ Other (please describe):_____

_____

IF YOU ARE CURRENTLY HOMELESS PLEASE SKIP TO QUESTION 12 ON PAGE 5.

2. What type of housing do you currently live in?

- ❑ Single family home
- ❑ Condo/townhome
- ❑ Apartment
- ❑ Mobile home
- ❑ Transitional housing
- ❑ Other (please specify):_____

3. Do you own or rent the home you are current living in?

- ❑ Own
- ❑ Rent
- ❑ Do not own and do not pay rent
- ❑ Live with my parents/family/friends

4. Do you receive housing assistance from the government to help you pay your mortgage or rent?

- ❑ Yes
- ❑ No

5. Can you afford to pay what you do for your housing?

- ❑ Yes (Please skip to Question 6)
- ❑ No

5a. If you can't afford you housing, what things do you do to make sure you pay your mortgage/rent?

- ❑ Don't go out much
- ❑ Don't have a car
- ❑ Don't make needed housing repairs
- ❑ Work more than one job/work overtime
- ❑ Skip meals
- ❑ Don't get needed health care

6. In general, how satisfied are you with your current home or apartment?

- ❑ Very satisfied (Please skip to Question 8a)
- ❑ Satisfied (Please skip to Question 8a)
- ❑ Dissatisfied
- ❑ Very Dissatisfied

7. Please select the top **three** reasons why you are not satisfied with your current home or apartment:

- ❑ Rent/mortgage is too expensive
- ❑ Too small
- ❑ Too many people/too few rooms
- ❑ Too expensive to maintain
- ❑ Not in desired location
- ❑ Location is not safe
- ❑ Dissatisfied with nearby schools
- ❑ Location is not convenient
- ❑ My commute to work is too long
- ❑ Limited amenities
- ❑ Poor condition
- ❑ Other (please describe):_____

_____

IF YOU ARE A RENTER, PLEASE SKIP TO QUESTION 9a BELOW.

8a. Are there repairs/improvements that you have not made to your house?

- ❑ Yes
- ❑ No (Please skip to Question 11)

8b. Why haven't you made the needed repairs/improvements?

- ❑ Cannot afford them
- ❑ Have other priorities
- ❑ Can't find the time
- ❑ Cannot find a contractor to use
- ❑ Other (please specify):_____

_____

8c. What repairs/improvements do you need to make the most?

- ❑ Painting
- ❑ Appliances
- ❑ Electric
- ❑ Plumbing
- ❑ Heating
- ❑ Roofing
- ❑ Siding
- ❑ Windows/doors
- ❑ Insulation
- ❑ Foundation
- ❑ Accessibility modifications (please specify):

_____

- ❑ Flooring
- ❑ Other (please specify):_____

_____

IF YOU ARE AN OWNER, PLEASE SKIP TO QUESTION 11 ON PAGE 4.

9a. Does your landlord make repairs promptly when needed?

- ❑ Yes (Please skip to Question 10a)
- ❑ No

9b. If your rental is in need of repair, what repairs are needed? (Check all that apply)

- ❑ Rental is not in need of repairs
- ❑ Painting
- ❑ Appliances
- ❑ Electric
- ❑ Plumbing
- ❑ Heating
- ❑ Roofing
- ❑ Siding
- ❑ Windows/doors
- ❑ Insulation
- ❑ Foundation
- ❑ Accessibility modifications (please specify):

_____

- ❑ Flooring
- ❑ Other (please specify):_____

_____

10a. Would you prefer to continue renting or to own a house, condominium or townhome?

- ❑ I would prefer to own a house
- ❑ I would prefer to own a condo/townhome
- ❑ I would prefer to own a mobile home
- ❑ I would prefer to rent (Please skip to Question 11)

10b. What are some of your current barriers to owning a home, condo/townhome or mobile home?

- ❑ Do not have enough money for a down payment
- ❑ Cannot afford monthly mortgage payments
- ❑ Cannot qualify for a mortgage
- ❑ Unfamiliar with/intimidated by the process of buying a home
- ❑ Desired housing type not available (single family home, mobile home, condo/townhome)
- ❑ Desired housing location not available
- ❑ No houses in my price range for sale
- ❑ Uncertain future or may leave area
- ❑ Other (please specify):_____

10c. Have you tried to get a loan for a home or condo/townhome and couldn't?

- ❑ Yes
- ❑ No (Please skip to Question 11

10d. What was the reason you couldn't get a loan?

- ❑ Poor credit/not enough credit
- ❑ Debt to income ratio was too high
- ❑ Didn't want to pay the interest rate they offered me
- ❑ I don't know
- ❑ Other (please specify):_____

_____

_____

11. Have you ever been homeless?

- ❑ Yes
- ❑ No (Please skip to Question 12 on page 5)

11a. What was the longest period that you were homeless (for example – 3 months)?

_____

11b. What are the reasons you became homeless? (Check all that apply)

- ❑ Couldn't afford the place I was in
- ❑ Couldn't find a place I could afford
- ❑ Bad credit
- ❑ Evicted/foreclosed on
- ❑ Quit my job
- ❑ Got fired
- ❑ Lost my government assistance for housing
- ❑ Became sick and couldn't work
- ❑ Became sick and couldn't afford health care costs
- ❑ Moved to seek work
- ❑ Released from jail or prison
- ❑ I left my spouse or parents because of abuse
- ❑ I got divorced
- ❑ Other (please specify):_____

_____

11c. What would you have needed to avoid becoming homeless? (Check all that apply)

- ❑ An apartment that was affordable
- ❑ To find a job right way
- ❑ Training or education needed to get a job
- ❑ A job that pays enough to afford housing
- ❑ A temporary place to live
- ❑ Childcare for my children
- ❑ Counseling/mental health services
- ❑ Health care
- ❑ Other (please specify):_____

_____

12. What type of housing would you like to be living in 5 years from now?

- ❑ The house I currently live in
- ❑ Single family house
- ❑ Apartment
- ❑ Less/more expensive house or apartment
- ❑ Bigger/smaller house or apartment
- ❑ Patio home/townhome/condominium
- ❑ Assisted living facility
- ❑ Mobile home
- ❑ Other (please specify):_____

13. In your opinion, which of the following housing types are most needed in your city/town/area of residence? (Please just choose **one**)

- ❑ Single family homes
- ❑ Accessible housing for disabled persons/elderly
- ❑ Apartments (1 or 2 bedroom)
- ❑ Apartments (3 or 4 bedroom)
- ❑ Homeless shelters
- ❑ Transitional housing
- ❑ Assisted living for seniors
- ❑ Other (please specify):_____

14. Suppose you had $1 million you could use to improve your community. From the following list of 10 things you could do with that money, which **two** items would you select?

- ❑ Build more single family affordable housing
- ❑ Build more affordable rental housing
- ❑ Build more homeless shelters
- ❑ Build housing for persons who are disabled and/or seniors
- ❑ Build community/senior centers
- ❑ Build child care centers
- ❑ Help my city improve public safety
- ❑ Help bring jobs to my city/town
- ❑ Improve my neighborhood
  How? _____
- ❑ Fund a public bus system
- ❑ Other (please specify): _____

Housing Discrimination

15a. To your knowledge, have you ever experienced housing discrimination?

- ❑ Yes
- ❑ No (Please skip to Question 16 on page 7)
- ❑ Don't know

15b. In what city were you living when you experienced the discrimination?_____

15c. What was the reason you were discriminated against? (Check all that apply)

- ❑ Race
- ❑ I'm a student
- ❑ My gender/sex
- ❑ I have children
- ❑ My religion
- ❑ I'm a farm worker/ranch hand/migrant worker
- ❑ I'm physically disabled
- ❑ My partner and I are not married
- ❑ I'm mentally/developmentally disabled
- ❑ I have a low income
- ❑ I have bad credit/bankruptcy/debts
- ❑ I'm not a United States citizen
- ❑ I'm gay/lesbian/bisexual/transgendered
- ❑ I'm on Section 8/receive government assistance for housing
- ❑ Other (please specify):_____

15d. What did you do about the discrimination?

- ❑ Don't know/can't remember
- ❑ Nothing
- ❑ Tried to get information and couldn't
- ❑ Talked to a lawyer/Legal Aid/ACLU/Attorney General's office
- ❑ Called the Indiana Civil Rights Office
- ❑ Called HUD
- ❑ Called local government office
- ❑ Called a housing authority
- ❑ Called a community organization
- ❑ Filed a complaint
- ❑ Other (please specify):_____

15e. If you filed a complaint, was your complaint resolved?

- ❑ Yes
- ❑ No (Please skip to Question 15h below)
- ❑ Didn't file a complaint (Please skip to Question 16 below)
- ❑ Don't know (Please skip to Question 16 below)

15f. Were you satisfied with the resolution?

- ❑ Yes
- ❑ No (Please skip to Question 15h)
- ❑ Don't know (Please skip to Question 16)

15g. Why? (specify)_____ (Please skip to Question 15i below)

15h. Why not? (specify)_____ (Please skip to Question 16 below)

15i. Were you satisfied with the time it took to resolve the complaint?

- ❑ Yes
- ❑ No
- ❑ Don't know

16. If you wanted to know more about your fair housing rights, how would you get information?

- ❑ HUD website
- ❑ Internet search
- ❑ Public housing authority
- ❑ Local government information source/officials
- ❑ Call a lawyer/ACLU/Legal Aid/ Attorney General's office
- ❑ Call the Indiana Civil Rights office
- ❑ TV
- ❑ Radio
- ❑ Library
- ❑ Don't know
- ❑ Other (please specify):_____

Demographic Information

17. How many members are there in your household? _____

18. Do you or any members of your household have a disability?

- ❑ Yes
- ❑ No

19. Do you or any members of your household have HIV or AIDS?

- ❑ Yes
- ❑ No

20. In what year were you born? _____

21. What is the highest level of education you have had the opportunity to complete?

- ❑ Some high school or less
- ❑ High school graduate/GED
- ❑ Trade/vocational school or some college
- ❑ College graduate
- ❑ Post-graduate work or degree

22. Which ethnic or cultural group are you a member of? (Please only choose one)

- ❑ Anglo/White
- ❑ Hispanic/Chicano/Latino
- ❑ African American
- ❑ American Indian/Native American
- ❑ Asian/Oriental/Pacific Islander
- ❑ Multi-racial
- ❑ Other:_____

23. Just for classification purposes, into what category does your total household income fall?

- ❑ Less than $10,000
- ❑ $10,000 to less than $35,000
- ❑ $35,000 to less than $50,000
- ❑ $50,000 to less than $75,000
- ❑ $75,000 to less than $100,000
- ❑ $100,000 to less than $150,000
- ❑ $150,000 or more

24. What is your zip code? _____

Information Available On the Internet

For Internet survey

If you would you like to know more about how to be involved in the Consolidated Plan process please follow the links below.

To see a copy of past Consolidated Plans and locate the link for the Five Year Consolidated Plan (available for public comment on March 1, 2005): www.indianahousing.org.

To find out more information about your fair housing rights, including how to file a complaint if you think you have been discriminated against, www.icrc.org.

To find a Community Housing Development Organization in your county that can answer questions about applying for funding in your community, go to http://www.in.gov/ihfa/county/comdev/downloads/CHDOCounty.pdf.

NOTICE

To: Public Housing Authority Executive Directors

Re: State of Indiana Housing & Community Development Needs Surveys

Date: September 20, 2004

The State of Indiana is currently preparing its Five Year (2005-2009) Consolidated Plan, a report required by the U.S. Department of Housing and Urban Development (HUD) for the State to receive housing and community block grant funding. In FY2005, the State is eligible to receive approximately ***$57 million*** in Federal housing and community development assistance – or approximately $285 million in funding during the five year Consolidated Planning period.

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We are writing to ask for your assistance in identifying housing and community needs in your area.

Enclosed you will find two different surveys: a PHA Survey and a Citizen Survey. Please help the State by completing the PHA survey and *distributing* the Citizen Survey. Instructions for each survey follow.

PHA Survey. This survey instrument has been sent to all public housing authorities located in non-metropolitan areas in the State. The survey collects information about the demand and need for tenant-based rental vouchers and affordable rental units in the State. You may have completed a similar survey instrument in January 2004. This survey is an update to the January survey (you will not receive another survey in January 2005). ***Your input is very valuable to this process and is greatly appreciated.*** Please return the survey in the enclosed prepaid envelope by October 15, 2004.

Citizen Survey. You have also received a copy of a Citizen Survey instrument. We invite you to distribute this survey to 5 of your clients. They have the option of completing the survey on the Internet or by mail.

If they want to complete the survey through the Internet, please have them go to www.indianahousingsurvey.com and enter in one of the pass codes listed below (the pass codes will only work once). The survey will begin and take approximately 15 minutes to complete.

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You may also comment on the plan in writing by sending a letter to:

Consolidated Plan, Indiana Department of Commerce, Controller's Office
Grants Management Division
One North Capitol Avenue, Suite 700
Indianapolis, Indiana 46204-2248.

Contact Kelly Boe at the Indiana Department of Commerce, 1-800-824-2476 or 317-232-8800, for more information.

We look forward to hearing from you! Thank you for your participation in this very important process.

The Indiana Department of Commerce

The Indiana Housing Finance Authority

Indiana Family & Social Services Administration

2005 Indiana Consolidated Plan PHA Survey

The State of Indiana Department of Commerce, Indiana Housing Finance Authority and the Family and Social Services Administration are currently preparing the State's Five Year Consolidated Plan for the U.S. Department of Housing and Urban Development. This plan will include a housing market analysis, which will examine the need for affordable rental units and vouchers in the State. To aid in this effort, please fill out this brief survey and return by September 20, 2004. We appreciate your assistance.

1. As of June 30, 2004, how many Housing Choice vouchers did your Housing Authority administer? _____

2. As of June 30, 2004what was the utilization rate of your Housing Choice vouchers? _____

3. As of June 30, 2004, how many households were on your waiting list for Housing Choice vouchers by unit size? On average, how long does it take a household to reach the top of the waiting list? Please complete the chart below:

Unit Size	***Length of Waiting List (Number of Households)***	***Time to Reach Top of Waiting List (months)***
Studio/Efficiency		
1 bedroom		
2 bedroom		
3 bedroom		
4 bedroom		
More than 4 bedrooms		

4. So far in 2004, what is the average number of households on your waiting list for Housing Choice vouchers? _____

5. Has your Housing Authority's Housing Choice voucher utilization rate ever fallen below 95 percent?

❒ Yes ❒ No

5a. If so, during what year? _____

5b. If so, what was the primary reason for the low utilization rate? _____

_____

6. Has your Housing Authority ever had to return part of its voucher funding to HUD because of low utilization?

6a. If yes, what year did this occur? _____

6b. If yes, how much funding was recaptured (by year)? _____

6c. If yes, Please explain the reason for the recapture. _____

_____

7a. By percent, roughly how many households on your current waiting list for vouchers earn 30 percent of median income or less, between 31 and 50 percent of median income and between 51 and 80 percent of median income?

Earn 30 percent of area median income (AMI) or less _____%

Earn between 31 and 50 percent of AMI _____%

Earn between 51 and 80 percent of AMI _____%

Other (specify) _____%

Total **100%**

7b. What is the average household income of your voucher holders? $_____; of households on your waiting list? $_____ (please estimate if not known)

8. By percent, roughly how many households on your waiting list for vouchers are families with children, elderly or people with disabilities?

Families with children _____% of total households

Elderly (without disabilities) _____% of total households

Elderly (with disabilities) _____% of total households

Non-elderly with disabilities _____% of total households

9. What is the greater need in your community—tenant based rental assistance (e.g., rental vouchers) or additional affordable rental units? Please explain. _____

_____

_____

2005 Indiana Consolidated Plan PHA Survey

10. How easy is it for the average applicant to find a unit in your community that accepts vouchers?

❒ Very easy ❒ Difficult

❒ Easy ❒ Very Difficult

11. Is it particularly difficult for individuals or households with certain characteristics to find a unit that accepts vouchers? If so, please list those characteristics. _____

_____

_____

12. How many accessible public housing units does your Housing Authority administer, by bedroom size?

Number of Bedrooms	Number of Accessible Units
Studio/Efficiency	
1 bedroom	
2 bedroom	
3 bedroom	
4 bedroom	
More than 4 bedrooms	

13. Does your Housing Authority provide funds for adaptive modifications of Section 8 funded units in the Housing Choice Voucher program?

❒ Yes ❒ No

14. Has your Housing Authority ever applied for vouchers designated for persons for disabilities?

❒ Yes ❒ No

14a. If yes, were these vouchers well utilized? Why or why not? _____

_____

_____

15. Do you permit applicants to reject public housing units and remain on your waiting lists?

❒ Yes ❒ No

16. Do you have a policy of evicting tenants the first time they violate resident rules?

❒ Yes ❒ No

17. Is there anything else you would like to add about your clients' needs?

_____

_____

_____

Contact Information (Optional)

PHA Name: _____

Address: _____

_____

Contact Person: _____

Phone/e-mail: _____

Would you like to receive a copy of the State Consolidated Plan Executive Summary?

❒ Yes ❒ No

Would you like to receive information about the State Consolidated Planning process?

❒ Yes ❒ No

For Further Questions and Information, Please Contact:

Heidi Aggeler
BBC Research & Consulting
3773 Cherry Creek North Drive, Suite 850
Denver, Colorado 80209
phone: 800.748.3222, ext 256
fax: 303.399.0448
e-mail: aggeler@bbcresearch.com

Thank You for Your Assistance!

APPENDIX E.
County Housing Market Data

APPENDIX E.
County Housing Market Data

Indiana		
Housing Condition	***Units***	***Percent of all units***
Occupied units lacking:		
Complete plumbing	19,761	0.8%
Complete kitchen facilities	25,066	1.0%
Lead-based paint risk:		
Renters in pre-1940 units	126,214	5.0%
Affordability		
Median Household Income	$41,567	
Owner occupied:		
Median Home Value	$94,300	
Affordable to very low income HH?	No	
Cost burdened owners	220,169	16.0% of owners
Renter occupied:		
Median Gross Rent	$521	
Affordable to very low income HH?	No	
Cost burdened renters	217,747	33.3% of renters

Adams County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	683	5.5%
Complete kitchen facilities	788	6.4%
Lead-based paint risk:		
Renters in pre-1940 units	575	4.6%
Affordability		
Median Household Income	$40,625	
Owner occupied:		
Median Home Value	$85,400	
Affordable to very low income HH?	No	
Cost burdened owners	924	13.2% of owners
Renter occupied:		
Median Gross Rent	$393	
Affordable to very low income HH?	Yes	
Cost burdened renters	607	22.9% of renters

Allen County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	896	0.6%
Complete kitchen facilities	1,196	0.9%
Lead-based paint risk:		
Renters in pre-1940 units	5,926	4.3%
Affordability		
Median Household Income	$42,671	
Owner occupied:		
Median Home Value	$88,700	
Affordable to very low income HH?	No	
Cost burdened owners	11,164	13.8% of owners
Renter occupied:		
Median Gross Rent	$506	
Affordable to very low income HH?	Yes	
Cost burdened renters	12,050	454.0% of renters

Bartholomew County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	135	0.5%
Complete kitchen facilities	275	0.9%
Lead-based paint risk:		
Renters in pre-1940 units	1,533	5.1%
Affordability		
Median Household Income	$44,184	
Owner occupied:		
Median Home Value	$105,300	
Affordable to very low income HH?	No	
Cost burdened owners	2,577	15.6% of owners
Renter occupied:		
Median Gross Rent	$570	
Affordable to very low income HH?	No	
Cost burdened renters	2,275	32.5% of renters

Benton County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	53	1.4%
Complete kitchen facilities	53	1.4%
Lead-based paint risk:		
Renters in pre-1940 units	344	9.0%
Affordability		
Median Household Income	$39,813	
Owner occupied:		
Median Home Value	$75,000	
Affordable to very low income HH?	No	
Cost burdened owners	374	16.7% of owners
Renter occupied:		
Median Gross Rent	$488	
Affordable to very low income HH?	Yes	
Cost burdened renters	167	2.4% of renters

Blackford County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	61	1.0%
Complete kitchen facilities	74	1.2%
Lead-based paint risk:		
Renters in pre-1940 units	365	5.9%
Affordability		
Median Household Income	$34,760	
Owner occupied:		
Median Home Value	$58,900	
Affordable to very low income HH?	Yes	
Cost burdened owners	465	14.0% of owners
Renter occupied:		
Median Gross Rent	$396	
Affordable to very low income HH?	Yes	
Cost burdened renters	325	27.3% of renters

Boone County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	92	0.5%
Complete kitchen facilities	95	0.5%
Lead-based paint risk:		
Renters in pre-1940 units	1,096	6.1%
Affordability		
Median Household Income	$49,632	
Owner occupied:		
Median Home Value	$131,100	
Affordable to very low income HH?	No	
Cost burdened owners	2,357	21.0% of owners
Renter occupied:		
Median Gross Rent	$545	
Affordable to very low income HH?	Yes	
Cost burdened renters	1,048	87.9% of renters

Brown County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	107	1.5%
Complete kitchen facilities	114	1.6%
Lead-based paint risk:		
Renters in pre-1940 units	73	1.0%
Affordability		
Median Household Income	$43,708	
Owner occupied:		
Median Home Value	$114,500	
Affordable to very low income HH?	No	
Cost burdened owners	675	20.9% of owners
Renter occupied:		
Median Gross Rent	$569	
Affordable to very low income HH?	No	
Cost burdened renters	233	30.4% of renters

Carroll County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	114	1.3%
Complete kitchen facilities	83	1.0%
Lead-based paint risk:		
Renters in pre-1940 units	639	7.4%
Affordability		
Median Household Income	$42,677	
Owner occupied:		
Median Home Value	$87,200	
Affordable to very low income HH?	No	
Cost burdened owners	606	12.9% of owners
Renter occupied:		
Median Gross Rent	$453	
Affordable to very low income HH?	Yes	
Cost burdened renters	344	44.9% of renters

Cass County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	72	0.4%
Complete kitchen facilities	62	0.4%
Lead-based paint risk:		
Renters in pre-1940 units	1,650	9.9%
Affordability		
Median Household Income	$39,193	
Owner occupied:		
Median Home Value	$71,500	
Affordable to very low income HH?	Yes	
Cost burdened owners	1,083	11.7% of owners
Renter occupied:		
Median Gross Rent	$440	
Affordable to very low income HH?	Yes	
Cost burdened renters	953	24.0% of renters

Clark County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	187	0.5%
Complete kitchen facilities	224	0.5%
Lead-based paint risk:		
Renters in pre-1940 units	1,038	2.5%
Affordability		
Median Household Income	$40,111	
Owner occupied:		
Median Home Value	$89,900	
Affordable to very low income HH?	No	
Cost burdened owners	3,644	16.7% of owners
Renter occupied:		
Median Gross Rent	$511	
Affordable to very low income HH?	No	
Cost burdened renters	3,540	89.3% of renters

Clay County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	155	1.4%
Complete kitchen facilities	174	1.6%
Lead-based paint risk:		
Renters in pre-1940 units	548	4.9%
Affordability		
Median Household Income	$36,865	
Owner occupied:		
Median Home Value	$72,600	
Affordable to very low income HH?	No	
Cost burdened owners	871	14.8% of owners
Renter occupied:		
Median Gross Rent	$419	
Affordable to very low income HH?	Yes	
Cost burdened renters	526	25.9% of renters

Clinton County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	92	0.7%
Complete kitchen facilities	133	1.0%
Lead-based paint risk:		
Renters in pre-1940 units	1,351	10.2%
Affordability		
Median Household Income	$40,759	
Owner occupied:		
Median Home Value	$85,000	
Affordable to very low income HH?	No	
Cost burdened owners	1,322	17.2% of owners
Renter occupied:		
Median Gross Rent	$495	
Affordable to very low income HH?	Yes	
Cost burdened renters	957	47.1% of renters

Crawford County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	218	4.2%
Complete kitchen facilities	206	4.0%
Lead-based paint risk:		
Renters in pre-1940 units	140	2.7%
Affordability		
Median Household Income	$32,646	
Owner occupied:		
Median Home Value	$64,600	
Affordable to very low income HH?	No	
Cost burdened owners	225	15.3% of owners
Renter occupied:		
Median Gross Rent	$390	
Affordable to very low income HH?	Yes	
Cost burdened renters	161	26.3% of renters

Daviess County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	174	1.5%
Complete kitchen facilities	355	3.0%
Lead-based paint risk:		
Renters in pre-1940 units	584	4.9%
Affordability		
Median Household Income	$34,064	
Owner occupied:		
Median Home Value	$70,800	
Affordable to very low income HH?	No	
Cost burdened owners	827	14.1% of owners
Renter occupied:		
Median Gross Rent	$363	
Affordable to very low income HH?	Yes	
Cost burdened renters	600	97.9% of renters

Dearborn County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	117	0.7%
Complete kitchen facilities	169	0.9%
Lead-based paint risk:		
Renters in pre-1940 units	834	4.7%
Affordability		
Median Household Income	$48,899	
Owner occupied:		
Median Home Value	$120,600	
Affordable to very low income HH?	No	
Cost burdened owners	1,605	15.9% of owners
Renter occupied:		
Median Gross Rent	$504	
Affordable to very low income HH?	Yes	
Cost burdened renters	1,101	32.3% of renters

Decatur County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	88	0.9%
Complete kitchen facilities	143	1.4%
Lead-based paint risk:		
Renters in pre-1940 units	703	7.0%
Affordability		
Median Household Income	$40,401	
Owner occupied:		
Median Home Value	$86,400	
Affordable to very low income HH?	No	
Cost burdened owners	822	15.6% of owners
Renter occupied:		
Median Gross Rent	$490	
Affordable to very low income HH?	Yes	
Cost burdened renters	562	16.5% of renters

DeKalb County		
Housing Condition	***Units***	***Percent of all units***
Occupied units lacking:		
Complete plumbing	158	1.0%
Complete kitchen facilities	132	0.8%
Lead-based paint risk:		
Renters in pre-1940 units	858	5.3%
Affordability		
Median Household Income	$44,909	
Owner occupied:		
Median Home Value	$88,000	
Affordable to very low income HH?	No	
Cost burdened owners	1,135	12.7% of owners
Renter occupied:		
Median Gross Rent	$480	
Affordable to very low income HH?	Yes	
Cost burdened renters	698	26.0% of renters

Delaware County		
Housing Condition	***Units***	***Percent of all units***
Occupied units lacking:		
Complete plumbing	609	1.2%
Complete kitchen facilities	683	1.3%
Lead-based paint risk:		
Renters in pre-1940 units	3,392	6.6%
Affordability		
Median Household Income	$34,659	
Owner occupied:		
Median Home Value	$75,400	
Affordable to very low income HH?	No	
Cost burdened owners	3,985	14.8% of owners
Renter occupied:		
Median Gross Rent	$465	
Affordable to very low income HH?	No	
Cost burdened renters	6,306	234.7% of renters

Dubois County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	95	0.6%
Complete kitchen facilities	59	0.4%
Lead-based paint risk:		
Renters in pre-1940 units	554	3.6%
Affordability		
Median Household Income	$44,169	
Owner occupied:		
Median Home Value	$92,700	
Affordable to very low income HH?	No	
Cost burdened owners	1,022	11.2% of owners
Renter occupied:		
Median Gross Rent	$440	
Affordable to very low income HH?	Yes	
Cost burdened renters	655	20.9% of renters

Elkhart County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	316	0.5%
Complete kitchen facilities	542	0.8%
Lead-based paint risk:		
Renters in pre-1940 units	3,426	4.9%
Affordability		
Median Household Income	$44,478	
Owner occupied:		
Median Home Value	$98,100	
Affordable to very low income HH?	No	
Cost burdened owners	5,561	14.5% of owners
Renter occupied:		
Median Gross Rent	$541	
Affordable to very low income HH?	Yes	
Cost burdened renters	5,025	160.5% of renters

Fayette County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	107	1.0%
Complete kitchen facilities	154	1.4%
Lead-based paint risk:		
Renters in pre-1940 units	905	8.2%
Affordability		
Median Household Income	$38,840	
Owner occupied:		
Median Home Value	$78,500	
Affordable to very low income HH?	No	
Cost burdened owners	839	14.2% of owners
Renter occupied:		
Median Gross Rent	$442	
Affordable to very low income HH?	Yes	
Cost burdened renters	760	27.1% of renters

Floyd County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	153	0.5%
Complete kitchen facilities	125	0.4%
Lead-based paint risk:		
Renters in pre-1940 units	1,388	4.8%
Affordability		
Median Household Income	$44,022	
Owner occupied:		
Median Home Value	$104,300	
Affordable to very low income HH?	No	
Cost burdened owners	2,971	16.6% of owners
Renter occupied:		
Median Gross Rent	$517	
Affordable to very low income HH?	Yes	
Cost burdened renters	2,543	90.6% of renters

Fountain County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	131	1.7%
Complete kitchen facilities	63	0.8%
Lead-based paint risk:		
Renters in pre-1940 units	512	6.7%
Affordability		
Median Household Income	$38,119	
Owner occupied:		
Median Home Value	$69,200	
Affordable to very low income HH?	Yes	
Cost burdened owners	590	15.0% of owners
Renter occupied:		
Median Gross Rent	$439	
Affordable to very low income HH?	Yes	
Cost burdened renters	310	20.6% of renters

Franklin County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	135	1.6%
Complete kitchen facilities	116	1.3%
Lead-based paint risk:		
Renters in pre-1940 units	537	6.2%
Affordability		
Median Household Income	$43,530	
Owner occupied:		
Median Home Value	$100,100	
Affordable to very low income HH?	No	
Cost burdened owners	634	16.1% of owners
Renter occupied:		
Median Gross Rent	$407	
Affordable to very low income HH?	Yes	
Cost burdened renters	257	17.1% of renters

Fulton County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	67	0.7%
Complete kitchen facilities	64	0.7%
Lead-based paint risk:		
Renters in pre-1940 units	459	5.0%
Affordability		
Median Household Income	$38,290	
Owner occupied:		
Median Home Value	$77,000	
Affordable to very low income HH?	No	
Cost burdened owners	644	14.3% of owners
Renter occupied:		
Median Gross Rent	$456	
Affordable to very low income HH?	Yes	
Cost burdened renters	372	22.9% of renters

Gibson County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	220	1.6%
Complete kitchen facilities	233	1.6%
Lead-based paint risk:		
Renters in pre-1940 units	639	4.5%
Affordability		
Median Household Income	$37,515	
Owner occupied:		
Median Home Value	$74,700	
Affordable to very low income HH?	No	
Cost burdened owners	1,012	13.0% of owners
Renter occupied:		
Median Gross Rent	$427	
Affordable to very low income HH?	Yes	
Cost burdened renters	842	51.9% of renters

Grant County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	340	1.1%
Complete kitchen facilities	372	1.2%
Lead-based paint risk:		
Renters in pre-1940 units	1,836	6.0%
Affordability		
Median Household Income	$36,162	
Owner occupied:		
Median Home Value	$68,500	
Affordable to very low income HH?	No	
Cost burdened owners	2,584	14.9% of owners
Renter occupied:		
Median Gross Rent	$428	
Affordable to very low income HH?	Yes	
Cost burdened renters	2,185	29.5% of renters

Greene County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	421	2.8%
Complete kitchen facilities	468	3.1%
Lead-based paint risk:		
Renters in pre-1940 units	471	3.1%
Affordability		
Median Household Income	$33,998	
Owner occupied:		
Median Home Value	$66,800	
Affordable to very low income HH?	No	
Cost burdened owners	822	12.8% of owners
Renter occupied:		
Median Gross Rent	$375	
Affordable to very low income HH?	Yes	
Cost burdened renters	841	11.3% of renters

Hamilton County		
Housing Condition	***Units***	***Percent of all units***
Occupied units lacking:		
Complete plumbing	249	0.4%
Complete kitchen facilities	199	0.3%
Lead-based paint risk:		
Renters in pre-1940 units	1,101	1.6%
Affordability		
Median Household Income	$71,026	
Owner occupied:		
Median Home Value	$166,300	
Affordable to very low income HH?	No	
Cost burdened owners	8,039	16.5% of owners
Renter occupied:		
Median Gross Rent	$709	
Affordable to very low income HH?	Yes	
Cost burdened renters	3,667	29.4% of renters

Hancock County		
Housing Condition	***Units***	***Percent of all units***
Occupied units lacking:		
Complete plumbing	34	0.2%
Complete kitchen facilities	89	0.4%
Lead-based paint risk:		
Renters in pre-1940 units	854	3.9%
Affordability		
Median Household Income	$56,416	
Owner occupied:		
Median Home Value	$129,700	
Affordable to very low income HH?	No	
Cost burdened owners	2,435	16.4% of owners
Renter occupied:		
Median Gross Rent	$571	
Affordable to very low income HH?	Yes	
Cost burdened renters	924	7.4% of renters

Harrison County		
Housing Condition	***Units***	***Percent of all units***
Occupied units lacking:		
Complete plumbing	85	0.6%
Complete kitchen facilities	101	0.7%
Lead-based paint risk:		
Renters in pre-1940 units	398	2.9%
Affordability		
Median Household Income	$43,423	
Owner occupied:		
Median Home Value	$95,700	
Affordable to very low income HH?	No	
Cost burdened owners	862	13.2% of owners
Renter occupied:		
Median Gross Rent	$475	
Affordable to very low income HH?	Yes	
Cost burdened renters	429	22.7% of renters

Hendricks County		
Housing Condition	***Units***	***Percent of all units***
Occupied units lacking:		
Complete plumbing	127	0.3%
Complete kitchen facilities	136	0.3%
Lead-based paint risk:		
Renters in pre-1940 units	917	2.3%
Affordability		
Median Household Income	$55,208	
Owner occupied:		
Median Home Value	$133,300	
Affordable to very low income HH?	No	
Cost burdened owners	4,750	17.7% of owners
Renter occupied:		
Median Gross Rent	$644	
Affordable to very low income HH?	Yes	
Cost burdened renters	1,636	86.4% of renters

Henry County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	61	0.3%
Complete kitchen facilities	134	0.7%
Lead-based paint risk:		
Renters in pre-1940 units	1,416	6.9%
Affordability		
Median Household Income	$38,150	
Owner occupied:		
Median Home Value	$84,100	
Affordable to very low income HH?	No	
Cost burdened owners	1,656	13.5% of owners
Renter occupied:		
Median Gross Rent	$464	
Affordable to very low income HH?	Yes	
Cost burdened renters	1,343	31.5% of renters

Howard County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	103	0.3%
Complete kitchen facilities	194	0.5%
Lead-based paint risk:		
Renters in pre-1940 units	1,955	5.2%
Affordability		
Median Household Income	$43,487	
Owner occupied:		
Median Home Value	$89,000	
Affordable to very low income HH?	No	
Cost burdened owners	2,997	13.5% of owners
Renter occupied:		
Median Gross Rent	$509	
Affordable to very low income HH?	Yes	
Cost burdened renters	3,227	75.6% of renters

Huntington County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	107	0.7%
Complete kitchen facilities	119	0.8%
Lead-based paint risk:		
Renters in pre-1940 units	1,266	8.3%
Affordability		
Median Household Income	$41,620	
Owner occupied:		
Median Home Value	$81,600	
Affordable to very low income HH?	No	
Cost burdened owners	1,254	14.4% of owners
Renter occupied:		
Median Gross Rent	$488	
Affordable to very low income HH?	Yes	
Cost burdened renters	811	25.4% of renters

Jackson County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	192	1.1%
Complete kitchen facilities	278	1.6%
Lead-based paint risk:		
Renters in pre-1940 units	586	3.4%
Affordability		
Median Household Income	$39,401	
Owner occupied:		
Median Home Value	$87,500	
Affordable to very low income HH?	No	
Cost burdened owners	1,199	14.1% of owners
Renter occupied:		
Median Gross Rent	$495	
Affordable to very low income HH?	No	
Cost burdened renters	1,151	36.1% of renters

Jasper County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	14	0.1%
Complete kitchen facilities	55	0.5%
Lead-based paint risk:		
Renters in pre-1940 units	653	5.8%
Affordability		
Median Household Income	$43,369	
Owner occupied:		
Median Home Value	$105,700	
Affordable to very low income HH?	No	
Cost burdened owners	981	15.5% of owners
Renter occupied:		
Median Gross Rent	$486	
Affordable to very low income HH?	Yes	
Cost burdened renters	584	26.0% of renters

Jay County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	152	1.7%
Complete kitchen facilities	136	1.5%
Lead-based paint risk:		
Renters in pre-1940 units	744	8.2%
Affordability		
Median Household Income	$35,700	
Owner occupied:		
Median Home Value	$62,500	
Affordable to very low income HH?	Yes	
Cost burdened owners	621	13.3% of owners
Renter occupied:		
Median Gross Rent	$387	
Affordable to very low income HH?	Yes	
Cost burdened renters	405	18.0% of renters

Jefferson County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	154	1.2%
Complete kitchen facilities	222	1.7%
Lead-based paint risk:		
Renters in pre-1940 units	836	6.2%
Affordability		
Median Household Income	$38,189	
Owner occupied:		
Median Home Value	$85,800	
Affordable to very low income HH?	No	
Cost burdened owners	838	12.9% of owners
Renter occupied:		
Median Gross Rent	$419	
Affordable to very low income HH?	Yes	
Cost burdened renters	793	27.1% of renters

Jennings County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	208	1.8%
Complete kitchen facilities	225	2.0%
Lead-based paint risk:		
Renters in pre-1940 units	283	2.5%
Affordability		
Median Household Income	$39,402	
Owner occupied:		
Median Home Value	$81,900	
Affordable to very low income HH?	No	
Cost burdened owners	805	17.4% of owners
Renter occupied:		
Median Gross Rent	$490	
Affordable to very low income HH?	Yes	
Cost burdened renters	458	15.6% of renters

Johnson County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	114	0.3%
Complete kitchen facilities	169	0.4%
Lead-based paint risk:		
Renters in pre-1940 units	1,315	2.9%
Affordability		
Median Household Income	$52,693	
Owner occupied:		
Median Home Value	$122,500	
Affordable to very low income HH?	No	
Cost burdened owners	4,527	16.0% of owners
Renter occupied:		
Median Gross Rent	$599	
Affordable to very low income HH?	Yes	
Cost burdened renters	3,007	30.7% of renters

Knox County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	194	1.1%
Complete kitchen facilities	241	1.4%
Lead-based paint risk:		
Renters in pre-1940 units	1,482	8.6%
Affordability		
Median Household Income	$31,362	
Owner occupied:		
Median Home Value	$63,600	
Affordable to very low income HH?	No	
Cost burdened owners	1,348	15.1% of owners
Renter occupied:		
Median Gross Rent	$403	
Affordable to very low income HH?	No	
Cost burdened renters	1,662	17.0% of renters

Kosciusko County		
Housing Condition	***Units***	***Percent of all units***
Occupied units lacking:		
Complete plumbing	151	0.5%
Complete kitchen facilities	179	0.6%
Lead-based paint risk:		
Renters in pre-1940 units	1,100	3.4%
Affordability		
Median Household Income	$43,939	
Owner occupied:		
Median Home Value	$95,500	
Affordable to very low income HH?	No	
Cost burdened owners	2,365	14.8% of owners
Renter occupied:		
Median Gross Rent	$502	
Affordable to very low income HH?	Yes	
Cost burdened renters	1,396	25.2% of renters

LaGrange County		
Housing Condition	***Units***	***Percent of all units***
Occupied units lacking:		
Complete plumbing	158	1.2%
Complete kitchen facilities	204	1.6%
Lead-based paint risk:		
Renters in pre-1940 units	561	4.3%
Affordability		
Median Household Income	$42,848	
Owner occupied:		
Median Home Value	$99,800	
Affordable to very low income HH?	No	
Cost burdened owners	899	15.2% of owners
Renter occupied:		
Median Gross Rent	$477	
Affordable to very low income HH?	Yes	
Cost burdened renters	406	7.3% of renters

Lake County		
Housing Condition	***Units***	***Percent of all units***
Occupied units lacking:		
Complete plumbing	1,601	0.8%
Complete kitchen facilities	2,285	1.2%
Lead-based paint risk:		
Renters in pre-1940 units	9,780	5.0%
Affordability		
Median Household Income	$41,829	
Owner occupied:		
Median Home Value	$97,500	
Affordable to very low income HH?	No	
Cost burdened owners	21,674	19.2% of owners
Renter occupied:		
Median Gross Rent	$544	
Affordable to very low income HH?	No	
Cost burdened renters	20,177	36.0% of renters

LaPorte County		
Housing Condition	***Units***	***Percent of all units***
Occupied units lacking:		
Complete plumbing	272	0.6%
Complete kitchen facilities	367	0.8%
Lead-based paint risk:		
Renters in pre-1940 units	2,660	5.8%
Affordability		
Median Household Income	$41,430	
Owner occupied:		
Median Home Value	$93,500	
Affordable to very low income HH?	No	
Cost burdened owners	4,321	16.8% of owners
Renter occupied:		
Median Gross Rent	$495	
Affordable to very low income HH?	Yes	
Cost burdened renters	3,270	5.8% of renters

Lawrence County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	347	1.7%
Complete kitchen facilities	373	1.8%
Lead-based paint risk:		
Renters in pre-1940 units	884	4.3%
Affordability		
Median Household Income	$36,280	
Owner occupied:		
Median Home Value	$75,400	
Affordable to very low income HH?	No	
Cost burdened owners	1,554	15.2% of owners
Renter occupied:		
Median Gross Rent	$447	
Affordable to very low income HH?	Yes	
Cost burdened renters	1,091	29.3% of renters

Madison County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	465	0.8%
Complete kitchen facilities	570	1.0%
Lead-based paint risk:		
Renters in pre-1940 units	3,369	5.9%
Affordability		
Median Household Income	$38,925	
Owner occupied:		
Median Home Value	$81,600	
Affordable to very low income HH?	No	
Cost burdened owners	5,151	15.1% of owners
Renter occupied:		
Median Gross Rent	$490	
Affordable to very low income HH?	No	
Cost burdened renters	4,676	125.6% of renters

Marion County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	2,498	0.6%
Complete kitchen facilities	3,804	1.0%
Lead-based paint risk:		
Renters in pre-1940 units	19,112	4.9%
Affordability		
Median Household Income	$40,421	
Owner occupied:		
Median Home Value	$99,000	
Affordable to very low income HH?	No	
Cost burdened owners	35,877	18.8% of owners
Renter occupied:		
Median Gross Rent	$567	
Affordable to very low income HH?	No	
Cost burdened renters	50,489	35.3% of renters

Marshall County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	89	0.5%
Complete kitchen facilities	117	0.6%
Lead-based paint risk:		
Renters in pre-1940 units	1,027	5.7%
Affordability		
Median Household Income	$42,581	
Owner occupied:		
Median Home Value	$88,100	
Affordable to very low income HH?	No	
Cost burdened owners	1,269	13.1% of owners
Renter occupied:		
Median Gross Rent	$500	
Affordable to very low income HH?	Yes	
Cost burdened renters	1,030	0.7% of renters

Martin County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	159	3.4%
Complete kitchen facilities	134	2.8%
Lead-based paint risk:		
Renters in pre-1940 units	142	3.0%
Affordability		
Median Household Income	$36,411	
Owner occupied:		
Median Home Value	$64,200	
Affordable to very low income HH?	Yes	
Cost burdened owners	249	13.1% of owners
Renter occupied:		
Median Gross Rent	$356	
Affordable to very low income HH?	Yes	
Cost burdened renters	156	22.1% of renters

Miami County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	115	0.8%
Complete kitchen facilities	100	0.7%
Lead-based paint risk:		
Renters in pre-1940 units	1,022	6.7%
Affordability		
Median Household Income	$39,184	
Owner occupied:		
Median Home Value	$71,100	
Affordable to very low income HH?	Yes	
Cost burdened owners	881	11.6% of owners
Renter occupied:		
Median Gross Rent	$452	
Affordable to very low income HH?	Yes	
Cost burdened renters	734	104.1% of renters

Monroe County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	251	0.5%
Complete kitchen facilities	440	0.9%
Lead-based paint risk:		
Renters in pre-1940 units	1,961	3.9%
Affordability		
Median Household Income	$33,311	
Owner occupied:		
Median Home Value	$113,100	
Affordable to very low income HH?	No	
Cost burdened owners	3,208	16.2% of owners
Renter occupied:		
Median Gross Rent	$560	
Affordable to very low income HH?	No	
Cost burdened renters	11,339	53.0% of renters

Montgomery County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	98	0.6%
Complete kitchen facilities	97	0.6%
Lead-based paint risk:		
Renters in pre-1940 units	981	6.3%
Affordability		
Median Household Income	$41,297	
Owner occupied:		
Median Home Value	$88,800	
Affordable to very low income HH?	No	
Cost burdened owners	1,231	14.4% of owners
Renter occupied:		
Median Gross Rent	$477	
Affordable to very low income HH?	Yes	
Cost burdened renters	940	4.4% of renters

Morgan County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	182	0.7%
Complete kitchen facilities	142	0.5%
Lead-based paint risk:		
Renters in pre-1940 units	1,018	3.9%
Affordability		
Median Household Income	$47,739	
Owner occupied:		
Median Home Value	$116,200	
Affordable to very low income HH?	No	
Cost burdened owners	2,531	16.6% of owners
Renter occupied:		
Median Gross Rent	$531	
Affordable to very low income HH?	Yes	
Cost burdened renters	1,309	27.7% of renters

Newton County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	39	0.7%
Complete kitchen facilities	66	1.2%
Lead-based paint risk:		
Renters in pre-1940 units	355	6.2%
Affordability		
Median Household Income	$40,944	
Owner occupied:		
Median Home Value	$87,500	
Affordable to very low income HH?	No	
Cost burdened owners	651	18.3% of owners
Renter occupied:		
Median Gross Rent	$472	
Affordable to very low income HH?	Yes	
Cost burdened renters	292	6.2% of renters

Noble County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	152	0.8%
Complete kitchen facilities	150	0.8%
Lead-based paint risk:		
Renters in pre-1940 units	918	5.0%
Affordability		
Median Household Income	$42,700	
Owner occupied:		
Median Home Value	$88,600	
Affordable to very low income HH?	No	
Cost burdened owners	1,269	13.6% of owners
Renter occupied:		
Median Gross Rent	$470	
Affordable to very low income HH?	Yes	
Cost burdened renters	838	24.1% of renters

Ohio County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	32	1.3%
Complete kitchen facilities	20	0.8%
Lead-based paint risk:		
Renters in pre-1940 units	161	6.6%
Affordability		
Median Household Income	$41,348	
Owner occupied:		
Median Home Value	$97,100	
Affordable to very low income HH?	No	
Cost burdened owners	147	14.1% of owners
Renter occupied:		
Median Gross Rent	$463	
Affordable to very low income HH?	Yes	
Cost burdened renters	126	3.6% of renters

Orange County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	194	2.3%
Complete kitchen facilities	168	2.0%
Lead-based paint risk:		
Renters in pre-1940 units	259	3.1%
Affordability		
Median Household Income	$31,564	
Owner occupied:		
Median Home Value	$63,500	
Affordable to very low income HH?	No	
Cost burdened owners	571	16.6% of owners
Renter occupied:		
Median Gross Rent	$385	
Affordable to very low income HH?	Yes	
Cost burdened renters	388	25.6% of renters

Owen County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	362	3.7%
Complete kitchen facilities	354	3.6%
Lead-based paint risk:		
Renters in pre-1940 units	196	2.0%
Affordability		
Median Household Income	$36,529	
Owner occupied:		
Median Home Value	$84,600	
Affordable to very low income HH?	No	
Cost burdened owners	603	16.8% of owners
Renter occupied:		
Median Gross Rent	$455	
Affordable to very low income HH?	Yes	
Cost burdened renters	379	25.0% of renters

Parke County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	227	3.0%
Complete kitchen facilities	214	2.8%
Lead-based paint risk:		
Renters in pre-1940 units	378	5.0%
Affordability		
Median Household Income	$35,724	
Owner occupied:		
Median Home Value	$64,900	
Affordable to very low income HH?	Yes	
Cost burdened owners	425	13.4% of owners
Renter occupied:		
Median Gross Rent	$381	
Affordable to very low income HH?	Yes	
Cost burdened renters	275	24.1% of renters

Perry County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	231	2.8%
Complete kitchen facilities	213	2.6%
Lead-based paint risk:		
Renters in pre-1940 units	251	3.1%
Affordability		
Median Household Income	$36,246	
Owner occupied:		
Median Home Value	$71,200	
Affordable to very low income HH?	No	
Cost burdened owners	463	11.6% of owners
Renter occupied:		
Median Gross Rent	$370	
Affordable to very low income HH?	Yes	
Cost burdened renters	380	33.4% of renters

Pike County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	103	1.8%
Complete kitchen facilities	106	1.9%
Lead-based paint risk:		
Renters in pre-1940 units	184	3.3%
Affordability		
Median Household Income	$34,759	
Owner occupied:		
Median Home Value	$59,300	
Affordable to very low income HH?	Yes	
Cost burdened owners	389	14.8% of owners
Renter occupied:		
Median Gross Rent	$339	
Affordable to very low income HH?	Yes	
Cost burdened renters	151	18.3% of renters

Porter County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	232	0.4%
Complete kitchen facilities	327	0.6%
Lead-based paint risk:		
Renters in pre-1940 units	1,455	2.5%
Affordability		
Median Household Income	$53,100	
Owner occupied:		
Median Home Value	$127,000	
Affordable to very low income HH?	No	
Cost burdened owners	5,807	16.3% of owners
Renter occupied:		
Median Gross Rent	$625	
Affordable to very low income HH?	Yes	
Cost burdened renters	4,112	497.8% of renters

Posey County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	119	1.1%
Complete kitchen facilities	124	1.1%
Lead-based paint risk:		
Renters in pre-1940 units	456	4.1%
Affordability		
Median Household Income	$44,209	
Owner occupied:		
Median Home Value	$89,800	
Affordable to very low income HH?	No	
Cost burdened owners	808	12.2% of owners
Renter occupied:		
Median Gross Rent	$419	
Affordable to very low income HH?	Yes	
Cost burdened renters	525	30.3% of renters

Pulaski County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	64	1.1%
Complete kitchen facilities	47	0.8%
Lead-based paint risk:		
Renters in pre-1940 units	303	5.1%
Affordability		
Median Household Income	$35,422	
Owner occupied:		
Median Home Value	$72,500	
Affordable to very low income HH?	No	
Cost burdened owners	365	13.3% of owners
Renter occupied:		
Median Gross Rent	$397	
Affordable to very low income HH?	Yes	
Cost burdened renters	187	10.8% of renters

Putnam County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	113	0.8%
Complete kitchen facilities	160	1.2%
Lead-based paint risk:		
Renters in pre-1940 units	702	5.2%
Affordability		
Median Household Income	$38,882	
Owner occupied:		
Median Home Value	$94,300	
Affordable to very low income HH?	No	
Cost burdened owners	1,233	18.9% of owners
Renter occupied:		
Median Gross Rent	$462	
Affordable to very low income HH?	Yes	
Cost burdened renters	663	26.4% of renters

Randolph County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	131	1.1%
Complete kitchen facilities	158	1.3%
Lead-based paint risk:		
Renters in pre-1940 units	1,046	8.9%
Affordability		
Median Household Income	$34,544	
Owner occupied:		
Median Home Value	$64,600	
Affordable to very low income HH?	No	
Cost burdened owners	792	12.7% of owners
Renter occupied:		
Median Gross Rent	$392	
Affordable to very low income HH?	Yes	
Cost burdened renters	750	29.9% of renters

Ripley County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	90	0.9%
Complete kitchen facilities	90	0.9%
Lead-based paint risk:		
Renters in pre-1940 units	490	4.7%
Affordability		
Median Household Income	$41,426	
Owner occupied:		
Median Home Value	$94,900	
Affordable to very low income HH?	No	
Cost burdened owners	724	15.1% of owners
Renter occupied:		
Median Gross Rent	$478	
Affordable to very low income HH?	Yes	
Cost burdened renters	547	25.8% of renters

Rush County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	109	1.5%
Complete kitchen facilities	95	1.3%
Lead-based paint risk:		
Renters in pre-1940 units	900	12.3%
Affordability		
Median Household Income	$38,152	
Owner occupied:		
Median Home Value	$82,300	
Affordable to very low income HH?	No	
Cost burdened owners	606	16.1% of owners
Renter occupied:		
Median Gross Rent	$446	
Affordable to very low income HH?	Yes	
Cost burdened renters	420	19.8% of renters

St. Joseph County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	100	1.2%
Complete kitchen facilities	145	1.7%
Lead-based paint risk:		
Renters in pre-1940 units	258	3.1%
Affordability		
Median Household Income	$42,451	
Owner occupied:		
Median Home Value	$85,100	
Affordable to very low income HH?	No	
Cost burdened owners	545	12.6% of owners
Renter occupied:		
Median Gross Rent	$423	
Affordable to very low income HH?	Yes	
Cost burdened renters	263	21.8% of renters

Scott County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	100	1.0%
Complete kitchen facilities	84	0.9%
Lead-based paint risk:		
Renters in pre-1940 units	269	2.8%
Affordability		
Median Household Income	$34,656	
Owner occupied:		
Median Home Value	$76,900	
Affordable to very low income HH?	No	
Cost burdened owners	700	15.4% of owners
Renter occupied:		
Median Gross Rent	$463	
Affordable to very low income HH?	No	
Cost burdened renters	625	51.7% of renters

Shelby County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	122	0.7%
Complete kitchen facilities	137	0.8%
Lead-based paint risk:		
Renters in pre-1940 units	1,381	7.8%
Affordability		
Median Household Income	$43,649	
Owner occupied:		
Median Home Value	$98,600	
Affordable to very low income HH?	No	
Cost burdened owners	1,519	15.1% of owners
Renter occupied:		
Median Gross Rent	$528	
Affordable to very low income HH?	Yes	
Cost burdened renters	1,143	27.3% of renters

Spencer County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	100	1.2%
Complete kitchen facilities	145	1.7%
Lead-based paint risk:		
Renters in pre-1940 units	258	3.1%
Affordability		
Median Household Income	$42,451	
Owner occupied:		
Median Home Value	$85,100	
Affordable to very low income HH?	No	
Cost burdened owners	545	12.6% of owners
Renter occupied:		
Median Gross Rent	$423	
Affordable to very low income HH?	Yes	
Cost burdened renters	263	6.3% of renters

Starke County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	85	0.8%
Complete kitchen facilities	95	0.9%
Lead-based paint risk:		
Renters in pre-1940 units	416	4.1%
Affordability		
Median Household Income	$37,243	
Owner occupied:		
Median Home Value	$80,000	
Affordable to very low income HH?	No	
Cost burdened owners	865	16.9% of owners
Renter occupied:		
Median Gross Rent	$431	
Affordable to very low income HH?	Yes	
Cost burdened renters	458	29.4% of renters

Steuben County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	120	0.7%
Complete kitchen facilities	124	0.7%
Lead-based paint risk:		
Renters in pre-1940 units	639	3.7%
Affordability		
Median Household Income	$44,089	
Owner occupied:		
Median Home Value	$106,200	
Affordable to very low income HH?	No	
Cost burdened owners	1,084	15.1% of owners
Renter occupied:		
Median Gross Rent	$520	
Affordable to very low income HH?	Yes	
Cost burdened renters	659	42.3% of renters

Sullivan County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	139	1.6%
Complete kitchen facilities	110	1.2%
Lead-based paint risk:		
Renters in pre-1940 units	453	5.1%
Affordability		
Median Household Income	$32,976	
Owner occupied:		
Median Home Value	$58,900	
Affordable to very low income HH?	Yes	
Cost burdened owners	657	14.8% of owners
Renter occupied:		
Median Gross Rent	$375	
Affordable to very low income HH?	Yes	
Cost burdened renters	379	24.7% of renters

Switzerland County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	193	4.6%
Complete kitchen facilities	217	5.1%
Lead-based paint risk:		
Renters in pre-1940 units	218	5.2%
Affordability		
Median Household Income	$37,092	
Owner occupied:		
Median Home Value	$78,400	
Affordable to very low income HH?	No	
Cost burdened owners	299	21.8% of owners
Renter occupied:		
Median Gross Rent	$444	
Affordable to very low income HH?	Yes	
Cost burdened renters	171	11.2% of renters

Tippecanoe County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	167	0.3%
Complete kitchen facilities	261	0.4%
Lead-based paint risk:		
Renters in pre-1940 units	3,801	6.5%
Affordability		
Median Household Income	$38,652	
Owner occupied:		
Median Home Value	$112,200	
Affordable to very low income HH?	No	
Cost burdened owners	4,090	15.2% of owners
Renter occupied:		
Median Gross Rent	$565	
Affordable to very low income HH?	No	
Cost burdened renters	10,729	44.4% of renters

Tipton County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	25	0.4%
Complete kitchen facilities	35	0.5%
Lead-based paint risk:		
Renters in pre-1940 units	442	6.5%
Affordability		
Median Household Income	$48,546	
Owner occupied:		
Median Home Value	$88,300	
Affordable to very low income HH?	Yes	
Cost burdened owners	487	11.6% of owners
Renter occupied:		
Median Gross Rent	$489	
Affordable to very low income HH?	Yes	
Cost burdened renters	303	1.3% of renters

Union County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	30	1.0%
Complete kitchen facilities	37	1.2%
Lead-based paint risk:		
Renters in pre-1940 units	261	8.5%
Affordability		
Median Household Income	$36,672	
Owner occupied:		
Median Home Value	$82,600	
Affordable to very low income HH?	No	
Cost burdened owners	213	15.6% of owners
Renter occupied:		
Median Gross Rent	$450	
Affordable to very low income HH?	Yes	
Cost burdened renters	173	27.6% of renters

Vanderburgh County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	463	0.6%
Complete kitchen facilities	902	1.2%
Lead-based paint risk:		
Renters in pre-1940 units	3,977	5.2%
Affordability		
Median Household Income	$36,823	
Owner occupied:		
Median Home Value	$82,400	
Affordable to very low income HH?	No	
Cost burdened owners	6,370	15.1% of owners
Renter occupied:		
Median Gross Rent	$458	
Affordable to very low income HH?	Yes	
Cost burdened renters	8,215	1312.3% of renters

Vermillion County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	93	1.3%
Complete kitchen facilities	136	1.8%
Lead-based paint risk:		
Renters in pre-1940 units	451	6.1%
Affordability		
Median Household Income	$34,837	
Owner occupied:		
Median Home Value	$59,500	
Affordable to very low income HH?	Yes	
Cost burdened owners	662	15.4% of owners
Renter occupied:		
Median Gross Rent	$378	
Affordable to very low income HH?	Yes	
Cost burdened renters	330	24.5% of renters

Vigo County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	350	0.8%
Complete kitchen facilities	522	1.2%
Lead-based paint risk:		
Renters in pre-1940 units	3,502	7.7%
Affordability		
Median Household Income	$33,184	
Owner occupied:		
Median Home Value	$72,500	
Affordable to very low income HH?	No	
Cost burdened owners	3,644	15.5% of owners
Renter occupied:		
Median Gross Rent	$445	
Affordable to very low income HH?	No	
Cost burdened renters	4,811	357.4% of renters

Wabash County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	110	0.8%
Complete kitchen facilities	183	1.3%
Lead-based paint risk:		
Renters in pre-1940 units	1,142	8.1%
Affordability		
Median Household Income	$40,413	
Owner occupied:		
Median Home Value	$78,400	
Affordable to very low income HH?	No	
Cost burdened owners	729	9.5% of owners
Renter occupied:		
Median Gross Rent	$425	
Affordable to very low income HH?	Yes	
Cost burdened renters	681	22.5% of renters

Warren County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	35	1.0%
Complete kitchen facilities	43	1.2%
Lead-based paint risk:		
Renters in pre-1940 units	256	7.4%
Affordability		
Median Household Income	$41,825	
Owner occupied:		
Median Home Value	$74,100	
Affordable to very low income HH?	Yes	
Cost burdened owners	292	16.4% of owners
Renter occupied:		
Median Gross Rent	$419	
Affordable to very low income HH?	Yes	
Cost burdened renters	83	2.7% of renters

Warrick County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	53	0.3%
Complete kitchen facilities	106	0.5%
Lead-based paint risk:		
Renters in pre-1940 units	452	2.2%
Affordability		
Median Household Income	$48,814	
Owner occupied:		
Median Home Value	$104,400	
Affordable to very low income HH?	No	
Cost burdened owners	1,823	13.7% of owners
Renter occupied:		
Median Gross Rent	$478	
Affordable to very low income HH?	Yes	
Cost burdened renters	726	22.7% of renters

Washington County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	286	2.6%
Complete kitchen facilities	248	2.2%
Lead-based paint risk:		
Renters in pre-1940 units	392	3.5%
Affordability		
Median Household Income	$36,630	
Owner occupied:		
Median Home Value	$77,500	
Affordable to very low income HH?	No	
Cost burdened owners	741	16.3% of owners
Renter occupied:		
Median Gross Rent	$418	
Affordable to very low income HH?	Yes	
Cost burdened renters	426	13.3% of renters

Wayne County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	183	0.6%
Complete kitchen facilities	249	0.8%
Lead-based paint risk:		
Renters in pre-1940 units	3,395	11.1%
Affordability		
Median Household Income	$34,885	
Owner occupied:		
Median Home Value	$80,300	
Affordable to very low income HH?	No	
Cost burdened owners	2,586	15.9% of owners
Renter occupied:		
Median Gross Rent	$446	
Affordable to very low income HH?	No	
Cost burdened renters	2,961	34.0% of renters

Wells County

Housing Condition	Units	Percent of all units
Occupied units lacking:		
Complete plumbing	31	0.3%
Complete kitchen facilities	100	0.9%
Lead-based paint risk:		
Renters in pre-1940 units	677	6.2%
Affordability		
Median Household Income	$43,934	
Owner occupied:		
Median Home Value	$87,900	
Affordable to very low income HH?	No	
Cost burdened owners	719	11.3% of owners
Renter occupied:		
Median Gross Rent	$458	
Affordable to very low income HH?	Yes	
Cost burdened renters	428	4.9% of renters

White County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	66	0.5%
Complete kitchen facilities	64	0.5%
Lead-based paint risk:		
Renters in pre-1940 units	575	4.8%
Affordability		
Median Household Income	$40,707	
Owner occupied:		
Median Home Value	$86,200	
Affordable to very low income HH?	No	
Cost burdened owners	1,026	16.6% of owners
Renter occupied:		
Median Gross Rent	$526	
Affordable to very low income HH?	No	
Cost burdened renters	479	22.0% of renters

Whitley County		
Housing Condition	**Units**	**Percent of all units**
Occupied units lacking:		
Complete plumbing	92	0.7%
Complete kitchen facilities	76	0.6%
Lead-based paint risk:		
Renters in pre-1940 units	547	4.4%
Affordability		
Median Household Income	$45,503	
Owner occupied:		
Median Home Value	$96,000	
Affordable to very low income HH?	No	
Cost burdened owners	1,003	14.2% of owners
Renter occupied:		
Median Gross Rent	$453	
Affordable to very low income HH?	Yes	
Cost burdened renters	401	18.4% of renters

APPENDIX F.
2005 Allocation Plans

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2005 Allocation Plans

This appendix presents the FY2005 allocation plans for the Indiana Department of Rural Affairs—administrator of the CDBG grant program; the Indiana Housing Finance Authority—administrator of HOME funding and HOPWA funding; and the Family and Social Services Administration—administrator of the ESG program.

STATE OF INDIANA

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

INDIANA OFFICE OF RURAL AFFAIRS

FY 2005 PROGRAM DESIGN AND METHOD OF DISTRIBUTION

GENERAL BACKGROUND INFORMATION AND NATIONAL CDBG OBJECTIVES

The State of Indiana, through the Indiana Office of Rural Affairs, assumed administrative responsibility for Indiana's Small Cities Community Development Block Grant (CDBG) Program in 1982, under the auspices of the U.S. Department of Housing and Urban Development (HUD). In accordance with 570.485(a) and 24 CFR Part 91, the State must submit a Consolidated Plan to HUD by May 15th of each year following an appropriate citizen participation process pursuant to 24 CFR Part 91.325, which prescribes the State's Consolidated Plan process as well as the proposed method of distribution of CDBG funds for 2005. **The State of Indiana's anticipated allocation of federal Community Development Block Grant (CDBG) funds for FY 2005 is $34,933,351.**

This document applies to all federal Small Cities CDBG funds allocated by HUD to the State of Indiana, through its Office of Rural Affairs. **During FY 2005, the State of Indiana does not propose to pledge a portion of its present and future allocation(s) of Small Cities CDBG funds as security for Section 108 loan guarantees provided for under Subpart M of 24 CFR Part 570 (24 CFR 570.700).**

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

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

Activities and projects funded by the Office of Rural Affairs must be eligible for CDBG assistance pursuant to 24 CFR 570, et. seq., and meet one of the three (3) national objectives prescribed under the Federal Housing and Community Development Act, as amended (Federal Act). To fulfill a national CDBG objective a project must meet one (1) of the following requirements pursuant to Section 104 (b)(3) of the Federal Act, and 24 CFR 570.483, et seq., and must be satisfactorily documented by the recipient:

1. Principally benefit persons of low and moderate income families; or,

2. Aid in the prevention or elimination of slums and blight; or,

3. Undertake activities, which have urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where no other financial resources are available to meet such needs.

In implementing its FY 2005 CDBG Consolidated Plan, the Indiana Office of Rural Affairs will pursue the following goals respective to the use and distribution of FY 2005 CDBG funds:

GOAL 1: Invest in the needs of Indiana's low and moderate income citizens in the following areas:

a. Safe, sanitary and suitable housing

b. Health services
c. Homelessness
d. Job creation, retention and training
e. Self-sufficiency for special needs groups
f. Senior lifestyles

The Office of Rural Affairs will pursue this goal of **investing in the needs of Indiana's low and moderate income citizens** and all applicable strategic priorities by distributing CDBG funds in a manner which promotes suitable housing, viable communities and economic opportunities.

GOAL 2: Invest in the needs of Indiana's communities in the following areas:

a. Housing preservation, creation and supply of suitable rental housing
b. Neighborhood revitalization
c. Public infrastructure improvements
d. Provision of clean water and public solid waste disposal
e. Special needs of limited-clientele groups
f. Assist local communities with local economic development projects, which will result in the attraction, expansion and retention of employment opportunities for low and moderate income persons

The Office of Rural Affairs will pursue this goal of investing in the needs of Indiana's communities and all applicable strategic priorities by distributing CDBG funds in a manner which promotes suitable housing, preservation of neighborhoods, provision and improvements of local public infrastructure and programs which assist persons with special needs. The Office of Rural Affairs will also pursue this goal by making CDBG funds available to projects, which will expand and/or retain employment opportunities for low and moderate income persons.

GOAL 3: Invest CDBG funds wisely and in a manner which leverages all tangible and intangible resources:

a. Leverage CDBG funds with all available federal, state and local financial and personal resources
b. Invest in the provision of technical assistance to CDBG applicants and local capacity building
c. Seek citizen input on investment of CDBG funds
d. Coordination of resources (federal, state and local)
e. Promote participation of minority business enterprises (MBE) and women business enterprises (WBE)
f. Use performance measures and continued monitoring activities in making funding decisions

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

PROGRAM AMENDMENTS

The Indiana Office of Rural Affairs reserves the right to transfer up to ten percent (10%) of each fiscal year's available allocation of CDBG funds (i.e. FY 2005 as well as prior-years' reversions balances) between the programs described herein in order to optimize the use and timeliness of distribution and expenditure of CDBG funds, without formal amendment of this Consolidated Plan .

The Office of Rural Affairs will provide citizens and general units of local government with reasonable notice of, and opportunity to comment on, any substantial change proposed to be made in the use of FY 2005 CDBG as well as reversions and residual available balances of prior-years' CDBG funds. "Substantial Change" shall mean the

movement between programs of more than ten percent (10%) of the total allocation for a given fiscal year's CDBG funding allocation, or a major modification to programs described herein. The Office of Rural Affairs, in consultation with the Indianapolis office of the US Department of Housing and Urban Development (HUD), will determine those actions, which may constitute a "substantial change".

The State (ORA) will formally amend its FY 2005 Consolidated Plan if the Office of Rural Affairs' **Method of Distribution for FY 2005 and prior-years funds** prescribed herein is to be significantly changed. The ORA will determine the necessary changes, prepare the proposed amendment, provide the public and units of general local government with reasonable notice and opportunity to comment on the proposed amendment, consider the comments received, and make the amended FY 2005 Consolidated Plan available to the public at the time it is submitted to HUD. In addition, the Office of Rural Affairs will submit to HUD the amended Consolidated Plan before the Department implements any changes embodied in such program amendment.

ELIGIBLE ACTIVITIES/FUNDABILITY

All activities, which are eligible for federal CDBG funding under Section 105 of the Federal Housing and Community Development Act of 1974, as, amended (Federal Act), are eligible for funding under the Indiana Office of Rural Affairs' FY 2005 CDBG program. However, the Indiana Office of Rural Affairs reserves the right to prioritize its method of funding; the Office of Rural Affairs prefers to expend federal CDBG funds on activities/projects which will produce tangible results for principally low and moderate income persons in Indiana. Funding decisions will be made using criteria and rating systems, which are used for the State's programs and are subject to the availability of funds. It shall be the policy under the state program to give priority to using CDBG funds to pay for actual project costs and not to local administrative costs. **The State of Indiana certifies that not less than seventy-percent (70%) of FY 2005 CDBG funds will be expended for activities principally benefiting low and moderate income persons, as prescribed by 24 CFR 570.484, et. seq.**

ELIGIBLE APPLICANTS

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

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

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

Further, in order to be eligible for CDBG funding, applicants may not have overdue reports, overdue responses to monitoring issues, or overdue grant closeout documents for projects funded by either the Office of Rural Affairs or IHFA projects funded using state CDBG funds allocated to the IHFA by the Office of Rural Affairs. All applicants for CDBG funding must fully expend all CDBG Program Income as defined in 24 CFR 570.489(e) prior to, or as a part of the proposed CDBG-assisted project, in order to be eligible for further CDBG funding from the State. This requirement shall not apply to principal and interest balances within a local CDBG Revolving Loan Fund approved by the Office of Rural Affairs pursuant to 24 CFR 570.489.

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

FY 2005 FUND DISTRIBUTION

Sources of Funds:

FY 2005 CDBG Allocation		$ 34,933,351
CDBG Program Income(a)		0
	Total:	$ 34,933,351

Uses of Funds:

1. Community Focus Fund (CFF)		$ 24,155,350
2. Housing Program		5,000,000
3. Community Economic Development Fund		2,000,000
4. Quick Response Fund		0
5. Brownfield Initiative		1,000,000
6. Technical Assistance Fund		349,334
7. Planning Fund		1,600,000
8. Administration		798,667
	Total:	$ 34,933,351

(a) The State of Indiana (Office of Rural Affairs) does not project receipt of any CDBG program income for the period covered by this FY 2005 Consolidated Plan. In the event the Office of Rural Affairs receives such CDBG Program Income, such moneys will be placed in the Community Focus Fund for the purpose of making additional competitive grants under that program. Reversions of other years' funding will be placed in the Community Focus Fund for the specific year of funding reverted. The State will allocate and expend all CDBG Program Income funds received prior to drawing additional CDBG funds from the US Treasury. However, the following exceptions shall apply:

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

2. CDBG program income funds contained in a duly established local Revolving Loan Fund(s) for economic development or housing rehabilitation loans which have been formally approved by the Office of Rural Affairs. However, all local revolving loan funds must be “revolving” and cannot possess a balance of more than $50,000 at the time of application of additional CDBG funds.

3. Program income generated by CDBG grants awarded by the Office of Rural Affairs (State) using FY 2005 CDBG funds must be returned to the Office of Rural Affairs, however, such amounts of less than $25,000 per calendar year shall be excluded from the definition of CDBG Program Income pursuant to 24 CFR 570.489.

All obligations of CDBG program income to projects/activities, except locally-administered revolving loan funds approved by the Office of Rural Affairs, require prior approval by the Office of Rural Affairs. This includes use of program income as matching funds for CDBG-funded grants from the IHFA. Applicable parties should contact the Grants Management Section of the Controller’s Office of the Indiana Office of Rural Affairs at (317) 232-8333 for application instructions and documents for use of program income prior to obligation of such funds.

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

grant projects presently being administered before seeking additional CDBG assistance from the Office of Rural Affairs or IHFA.

Eligible applicants with CDBG program income should contact the Grants Management Section of the Controller's Office of the Office of Rural Affairs at (317) 232-8333 for clarification before submitting an application for CDBG financial assistance.

METHOD OF DISTRIBUTION

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

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

A. Community Focus Fund (CFF): $24,155,350

The Department Commerce will award community Focus Fund (CFF) grants to eligible applicants to assist Indiana communities in the areas of public facilities, housing-related infrastructure, and all other eligible community development needs/projects. Applications for economic development activities may not be appropriate for the CFF Program. Applications for funding, which are applicable to local economic development and/or job-related training projects, should be pursued under the Office of Rural Affairs' Community Economic Development Fund (CEDF). Projects eligible for consideration under the CEDF program under this Method of Distribution shall generally not be eligible for consideration under the CFF Program. Eligible activities include applicable activities listed under Section 105(a) of the Federal Act. Typical Community Focus Fund (CFF) projects include, but are not limited to:

1. Local infrastructure improvements (i.e. water, sewer, street and related improvements);
2. Construction of other public facilities (i.e. youth centers, senior centers, etc.);
3. Commercial rehabilitation and downtown revitalization projects; and,
4. Special purpose facilities for "limited clientele" populations;

Applications will be accepted and awards will be made on a competitive basis two (2) times a year. Approximately one-half of available CFF funds shall be budgeted for each funding round and awards will be scored competitively based upon the following criteria (total possible numerical score of 1,000 points):

1. Economic and Demographic Characteristics: 450 Points - Variable by Each Application:

a. Benefit to low and moderate income persons: 200 points
b. Community distress factors: 250 points

2. Project Design Factors: 450 Points - Variable by Each Application:

a. Financial impact
b. Project need
c. Local effort

3. Local Match Contribution: 100 Points - Variable by Each Application

The specific threshold criteria and basis for project point awards for CFF grant awards are provided in attachments hereto. The Community Focus Fund (CFF) Program shall have a maximum grant amount of $500,000 for each project and each applicant may apply for only one project in a grant cycle. The only exception to this $500,000

limit will be for those CFF applicants who apply for the Office of Rural Affairs' Minority Business Enterprise (MBE) Utilization Program. Under this program, the Office of Rural Affairs will allocate an additional amount of CDBG-CFF grant funds to those applicants who apply for participation in the MBE program and who are awarded CFF grants. The maximum additional allocation to the CFF grant amount will be five-percent (5%) of the total amount of CDBG allocated to each CFF budget line item to be considered participatory for such MBE utilization, limited to $25,000 ($500,000 X 0.05 = $25,000).

Projects will be funded in two (2) cycles each year with approximately a six (6) month pre-application and final-application process. Projects will compete for CFF funding and be judged and ranked according to a standard rating system (Attachment D). The highest ranking projects will be funded to the extent of funding available for each specific CFF funding cycle/round. The Office of Rural Affairs will provide eligible applicants with adequate notice of deadlines for submission of CFF proposal (pre-application) and full applications. Specific threshold criteria and point awards are explained in Attachments C and D to this Consolidated Plan.

For the CFF Program specifically, the amount of CDBG funds granted will be based on a reasonable cost per project beneficiary, except for housing-related projects (e.g. infrastructure in support of housing) where the grant amount per beneficiary ratio will not exceed $10,000 per beneficiary.

B. Housing Program: $5,000,000

The State (Office of Rural Affairs) has contracted with the Indiana Housing Finance Authority (IHFA) to administer funds allocated to the State's Housing Program. The Indiana Housing Finance Authority will act as the administrative agent on behalf of the Indiana Office of Rural Affairs. Please refer to the Indiana Housing Finance Authority's portion of this FY 2005 Consolidated Plan for the method of distribution of such subcontracted CDBG funds from the Office of Rural Affairs to the IHFA.

C. Community Economic Development Fund/Program: $2,000,000

The Community Economic Development Fund (CEDF) will be available through the Development Finance Division of the Indiana Office of Rural Affairs. This fund will provide funding for various eligible economic development activities pursuant to 24 CFR 507.203. The CEDF Program will have a sub-program entitled the Industrial Development Infrastructure Program (IDIP), hereunder the Office of Rural Affairs will give priority for CEDF-IDIP funding to construction of off-site and on-site infrastructure projects in support of low and moderate income employment opportunities.

Eligible CEDF activities will include any eligible activity under 24 CFR 570.203, to include the following:

1. Construction of infrastructure (public and private) in support of economic development projects;
2. Loans or grants by applicants for the purchase of manufacturing equipment;
3. Loans or grants by applicants for the purchase of real property and structures (includes vacant structures);
4. Loans or grants by applicants for the rehabilitation of facilities (vacant or occupied);
5. Loans or grants by applicants for the purchase and installation of pollution control equipment;
6. Loans or grants by applicants for the mitigation of environmental problems via capital asset purchases;

Eligible CEDF activities will also include grants to applicants for job-training costs for low and moderate income persons as a limited clientele activity under 24 CFR 570.483(b)(2)(v), as well financial assistance to eligible entities to carry out economic development activities authorized under Section 105(a) of the Housing and Community Development Act of 1974, as amended.

Projects/applications will be evaluated using the following criteria:

1. The importance of the project to Indiana's economic development goals;
2. The number and quality of new jobs to be created;
3. The economic needs of the affected community;

4. The economic feasibility of the project and the financial need of the affected for-profit firm, or not-for-profit corporation; the availability of private resources;
5. The level of private sector investment in the project.

Grant applications will be accepted and awards made until funding is no longer available. The intent of the program is to provide necessary public improvements and/or job training for an economic development project to encourage the creation of new jobs. In some instances, the Office of Rural Affairs may determine that the needed facilities/improvements may also benefit the project area as a whole (i.e. certain water, sewer, and other public facilities improvements), in which case the applicant will be required to also meet the "area basis" criteria for funding under the Federal Act.

1. Beneficiaries and Job Creation/Retention Assessment:

The assistance must be reasonable in relation to the expected number of jobs to be created or retained by the benefiting business(es) within 12 months following the date of substantial completion of project construction activities. Before CDBG assistance will be provided for such an activity, the applicant unit of general local government must develop an assessment, which identifies the businesses located or expected to locate in the area to be served by the improvement. The assessment must include for each identified business a projection of the number of jobs to be created or retained as a result of the public improvements.

2. Public Benefit Standards:

The Office of Rural Affairs will conform to the provisions of 24 CFR 570.482(f) for purposes of determining standards for public benefit and meeting the national objective of low and moderate income job creation or retention will be all jobs created or retained as a result of the public improvement, financial assistance, and/or job training by the business(es) identified in the job creation/retention assessment in 1 above. The investment of CDBG funds in any economic development project shall not exceed an amount of $35,000 per job created; at least fifty-one percent (51%) of all such jobs, during the project period, shall be given to, or made available to, low and moderate income persons.

Projects will be evaluated on the amount of private investment to be made, the number of jobs for low and moderate income persons to be created or retained, the cost of the public improvement and/or job training to be provided, the ability of the community (and, if appropriate, the assisted company) to contribute to the costs of the project, and the relative economic distress of the community. Actual grant amounts are negotiated on a case by case basis and the amount of assistance will be dependent upon the number of new full-time permanent jobs to be created and other factors described above. Construction and other temporary jobs may not be included. Part-time jobs are ineligible in the calculating equivalents. Grants made on the basis of job retention will require documentation that the jobs will be lost without such CDBG assistance and a minimum of fifty-one percent (51%) of the beneficiaries are of low and moderate income.

Pursuant to Section 105(e)(2) of the Federal Act as amended, and 24 CFR 570.209 of related HUD regulations, CDBG-CEDF funds allocated for direct grants or loans to for-profit enterprises must meet the following tests, (1) project costs must be reasonable, (2) to the extent practicable, reasonable financial support has been committed for project activities from non-federal sources prior to disbursement of federal CDBG funds, (3) any grant amounts provided for project activities do not substantially reduce the amount of non-federal financial support for the project, (4) project activities are determined to be financially feasible, (5) project-related return on investment are determined to be reasonable under current market conditions, and, (6) disbursement of CDBG funds on the project will be on an appropriate level relative to other sources and amounts of project funding.

A need (financial gap), which is not directly available through other means of private financing, should be documented in order to qualify for such assistance; the Office of Rural Affairs will verify this need (financial gap) based upon historical and/or pro-forma projected financial information provided by the for-profit company to be assisted. Applications for loans based upon job retention must document that such jobs would be lost without CDBG assistance and a minimum of fifty-one percent (51%) of beneficiaries are of low-and-moderate income, or the recipient for-profit entity agrees that for all new hires, at least 51% of such employment opportunities will be

given to, or made available to, persons of low and moderate income. All such job retention/hiring performance must be documented by the applicant/grantee, and the DOC reserves the right to track job levels for an additional two (2) years after administrative closeout.

D. Brownfields Initiative: $1,000,000

The Office of Rural Affairs will set aside $1,400,000 of its FY 2005 CDBG funds for a brownfields initiative. The Office of Rural Affairs will make grants to units of local government to carry out various activities eligible under 24 CFR 507.291-203, in order to facilitate the redevelopment of brownfield properties. The Office of Rural Affairs will award such grants on a competitive basis. Office of Rural Affairs

E. The Quick Response Fund: $0

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

The Quick Response Fund program 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 Focus Fund 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 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 the Community Focus Fund. 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 Rural Affairs may choose to actually fund the project under one of the other two national objectives, if it deems it expedient to do so. Applicants must adequately document that other financial resources are not available to meet such needs pursuant to Section 104(b)(3) of the Federal Act and 24 CFR 570.483 of HUD regulations.

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

The Quick Response Fund will also be available to eligible activities, which meet the "benefit to low and moderate income" or "prevention and elimination of slums and blight" goals of the Federal Act. The community must demonstrate that the situation requires immediate attention (i.e., that participation in CFF program would not be a feasible funding alternative or poses an immediate or imminent threat to the health or welfare of the community) and that the situation is not the result of negligence on the part of the community. Communities must be able to demonstrate that reasonable efforts have been made to provide or obtain financing from other resources and that such efforts where unsuccessful, unwieldy or inadequate. Alternatively, communities must be able to demonstrate that an opportunity to complete a project of significant importance to the community would be lost if required to adhere to the timetables of competitive programs.

F. Technical Assistance: $349,334

Pursuant to the federal Housing and Community Development Act (Federal Act), specifically Section 106(d)(5), the State of Indiana is authorized to set aside up to one percent (1%) of its total allocation for technical assistance activities. The amount set aside for such Technical Assistance in the State’s FY 2005 Consolidated Plan is $368,479, which constitutes one-percent (1%) of the State’s FY 2005 CDBG allocation of $36,847,940. The State

of Indiana reserves the right to set aside up to one percent (1%) of open prior-year funding amounts for the costs of providing technical assistance on an as-needed basis.

The amount set aside for the Technical Assistance Program will not be considered a planning cost as defined under Section 105(a)(12) of the Federal Act or an administrative cost as defined under Section 105(a)(13) of the Federal Act. Accordingly, such amounts set aside for Technical Assistance will not require matching funds by the State of Indiana. The Department reserves the right to transfer a portion or all of the funding set aside for Technical Assistance to another program hereunder as deemed appropriate by the Office of Rural Affairs, in accordance with the "Program Amendments" provisions of this document. The Technical Assistance Program is designed to provide, through direct Office of Rural Affairs staff resources or by contract, training and technical assistance to units of general local government, nonprofit and for-profit entities relative to community and economic development initiatives, activities and associated project management requirements.

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

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

2. **Ineligible Uses of the Technical Assistance Program Setaside:** The 1% setaside may not be used by the Office of Rural Affairs for the following activities:

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

G. Planning Fund: $ 1,600,000

The State (Office of Rural Affairs) will set aside $1,600,000 of its FY 2005 CDBG funds for planning-only activities, which are of a project-specific nature. The Office of Rural Affairs will make planning-only grants to units of local government to carry out planning activities eligible under 24 CFR 570.205 of applicable HUD regulations. The Office of Rural Affairs will award such grants on a competitive basis and grant the Office of Rural Affairs will review applications monthly. The Office of Rural Affairs will give priority to project-specific applications having planning activities designed to assist the applicable unit of local government in meeting its community development needs by reviewing all possible sources of funding, not simply the Office of Rural Affairs's Community Focus Fund or Community Economic Development Fund.

CDBG-funded planning costs will exclude final engineering and design costs related to a specific activity which are eligible activities/costs under 24 CFR 570.201-204.

G. Administrative Funds Setaside: $798,667

The State (Office of Rural Affairs) will set aside $836,958 of its FY 2005 CDBG funds for payment of costs associated with administering its State Community Development Block Grant (CDBG) Program (CFDA Number 14.228). This amount ($836,958) constitutes two-percent (2%) of the State's FY 2005 CDBG allocation ($736,958), plus an amount of $100,000 ($36,847,940 X 0.02 = $736,958 + $100,000 = $836,958). The amount constituted by the 2% set aside ($736,958) is subject to the $1-for-$1 matching requirement of HUD regulations. The $100,000 supplement is not subject to state match. These funds will be used by the Office of Rural Affairs for expenses associated with administering its State CDBG Program, including direct personal services and fringe benefits of applicable Office of Rural Affairs staff, as well as direct and indirect expenses incurred in the proper administration of the state's program and monitoring activities respective to CDBG grants awarded to units of local government (i.e. telephone, travel, services contractual, etc.). These administrative funds will also be used to pay for contractors hired to assist the Office of Rural Affairs in its consolidated planning activities.

PRIOR YEARS' METHODS OF DISTRIBUTION

This Consolidated Plan, statement of Method of Distribution is intended to amend all prior Consolidated Plans for grant years where funds are still available to reflect the new program designs. The Methods of Distribution described in this document will be in effect commencing on June 1, 2005, and ending May 31, 2006, unless subsequently amended, for all FY 2005 CDBG funds as well as remaining residual balances of previous years' funding allocations, as may be amended from time to time subject to the provisions governing "Program Amendments" herein. The existing and amended program budgets for each year are outlined below (administrative fund allocations have not changed and are not shown below). Adjustments in the actual dollars may occur as additional reversions become available.

At this time there are only nominal funds available for reprogramming for prior years' funds. If such funds should become available, they will be placed in the CFF Fund. This will include reversions from settlement of completed grantee projects., there are no fund changes anticipated. For prior years' allocations there are no fund changes anticipated. Non-expended funds, which revert from the financial settlement of projects funded from other programs, will be placed in the Community Focus Fund (CFF).

PROGRAM APPLICATION

The Community Economic Development Fund Program (CEDF), Quick Response Program (QR), and Planning Fund/Program (PL) will be conducted through a single-stage, continuous application process throughout the program year. The application process for the Community Focus Fund (CFF) will be divided into two stages. Eligible applicants will first submit a short program proposal for such grants. Proposers with projects eligible under the Federal Act will be invited to submit a full application. For each program, the full application will be reviewed and evaluated. The ORA's Office of Rural Affairs and Development Finance Division, as applicable, will provide technical assistance to the communities in the development of proposals and full applications.

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

OTHER REQUIREMENTS

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

responsibilities and requirements to the State and the State is required to provide adequate evidence to HUD that it is carrying out its legal responsibilities under these statutes.

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

CDBG "Program Income" may be generated as a result of grant implementation. The State of Indiana may enter into an agreement with the grantee in which program income is retained by the grantee for eligible activities. Federal guidelines require that program income be spent prior to requesting additional draw downs. Expenditure of such funds requires prior approval from the Office of Rural Affairs (ORA). The State (Office of 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 ORA's CDBG Grantee Implementation Manual, which is provided to each grant recipient.

Revisions to the Federal Act have mandated additional citizen participation requirements for the State and its grantees. The State has adopted a written Citizen Participation Plan, which is available for interested citizens to review. Applicants must certify to the State that they are following a detailed Citizen Participation Plan which meets Title I requirements. Technical assistance will be provided by the Office of 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 RURAL AFFAIRS (ORA)

The Indiana Office of Rural Affairs intends to provide the maximum technical assistance possible for all of the programs to be funded from the CDBG program. Lieutenant Governor Rebecca Skillman heads the Office of Rural Affairs. Principal responsibility within the ORA for the CDBG program is vested in the Coordinator, Joseph Pearson. The Manager of Finance and Administration of the Office of Rural Affairs (Beth Goeb) has the responsibility of administering compliance activities respective to CDBG grants awarded to units of local government by the ORA's Development Finance and Office of Rural Affairs.

Primary responsibility for providing "outreach" and technical assistance for the Community Focus Fund and Planning Fund process resides with the Office of Rural Affairs. Primary responsibility for providing "outreach" and technical assistance for the Community Economic Development Program and award process resides with the Development Finance Division. Primary responsibility for providing "outreach" and technical assistance for the Housing award process resides with the Indiana Housing Finance Authority who will act as the administrative agent on behalf of the Indiana Office of Rural Affairs.

The Controller's Office will also provide internal fiscal support services for program activities. The Grants Management Section of the Controller's Office has overall responsibilities for CDBG program management, compliance and financial monitoring of all CDBG programs. The Indiana State Board of Accounts pursuant to the federal Office of Management and Budget Circular A-133 will conduct audits. Potential applicants should contact

the Office of Rural Affairs with any questions or inquiries they may have concerning these or any other programs operated by the Office of Rural Affairs.

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

Indiana Office of Rural Affairs
Office of Rural Affairs
One North Capitol, Suite 600
Indianapolis, Indiana 46204-2288
Attention: Beth Goeb, Manager of Finance and Administration
Telephone: (317) 232-8831
FAX: (317) 233-6503

ATTACHMENT A

DEFINITIONS

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

Matching funds - local public or private sector in-kind services, cash or debt allocated to the CDBG project. The **minimum** level of local matching funds for Community Focus Fund (CFF) projects is ten-percent (10%) of the **total estimated project costs**. This percentage is computed by adding the proposed CFF grant amount and the local matching funds amount, and dividing the local matching funds amount by the total sum of the two amounts. The 2005 definition of match has been adjusted to include a maximum of 5% pre-approved and validated in-kind contributions. The balance of the ten (10) percent must be in the form of either cash or debt. Any in-kind over and above the specified 5% may be designated as local effort. Funds provided to applicants by the State of Indiana such as the Build Indiana Fund are not eligible for use as matching funds.

Private investment resulting from CDBG projects does not constitute local match for all ORA-CDBG programs except the Community Economic Development Fund (CEDF); such investment will, however, be evaluated as part of the project's impact, and should be documented. The Development Finance Division reserves the right to determine sources of matching funds for CEDF projects.

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

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

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

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

ATTACHMENT B

DISPLACEMENT PLAN

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

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

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

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

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

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

ATTACHMENT C

GENERAL SELECTION CRITERIA

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

A. General Criteria (all programs - see exception for program income and housing projects through the IHFA in 6 below):

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

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

3. If the applicant has previously received funds under CDBG, they must have successfully carried out the program. An applicant must not have any overdue closeout reports, State Board of Accounts OMB A-133 audit or ORA monitoring finding resolutions (where the community is responsible for resolution.) Any determination of "overdue" is solely at the discretion of the Indiana Office of Rural Affairs.

4. An applicant must not have any overdue CDBG semi-annual Grantee Performance Reports, subrecipient reports or other reporting requirements of the ORA. Any determination of "overdue" is solely at the discretion of the Indiana Office of Rural Affairs.

5. The applicant must clearly show the manner in which the proposed project will meet one of the three national CDBG objectives and meet the criteria set forth under 24 CFR 570.483.

6. The applicant must show that the proposed project is an eligible activity under the Act.

7. The applicant must first encumber/expend all CDBG program income receipts before applying for additional grant funds from the Office of Rural Affairs; EXCEPTION - this general criteria will not apply to applications made directly to the Indiana Housing Finance Authority (IHFA) for CDBG-funded housing projects.

B. Community Focus Fund (CFF) and Planning Fund (PL):

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

   a. Overdue grant reports, subrecipient reports or project closeout documents; or

   b. More than one open or pending CDBG-CFF grant or CDBG-Planning grant (Indiana cities and incorporated towns).

   c. For those applicants with one open CFF, a "Notice of Release of Funds and Authorization to Incur Costs" must have been issued for the construction activities under the open CFF contract, and a contract for construction of the principal (largest funding amount) construction line item (activity) must have been executed prior to the deadline established by ORA for receipt of applications for CFF funding.

   d. For those applicants who have open Planning Fund grants, the community must have final plan approved by the Office of Rural Affairs prior to submission of a CFF application for the project.

f. An Indiana county may have two (2) open CFF's and/or Planning Grants and apply for a third CFF or Planning Grant. A county may have only three (3) open CFF's or Planning Grants. Both CFF contracts must have an executed construction contract by the application due date.

2. The cost/beneficiary ratio for CFF funds will be maintained at a reasonable rate, except for daycare and housing-related projects where that ratio will not exceed $10,000. Housing-related projects are to be submitted directly to the Indiana Housing Finance Authority (IHFA) under its programs, except for projects entailing construction of infrastructure (to be publicly dedicated right-of-way) in support of housing-related projects. Projects for infrastructure in support of housing needs may be submitted to the ORA for CFF funding.

3. At least 10% leveraging (as measured against the CDBG project, see definitions) must be proposed. The Indiana Office of Rural Affairs may rule on the suitability and eligibility of such leveraging.

4. The applicant may only submit one proposal or application per round. 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 a county where the purpose is clearly to circumvent the "one application per round" requirement for other eligible applicants.

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

6. For area basis projects, applicants must provide convincing evidence that circumstances in the community have so changed that a survey conducted in accordance with HUD survey standards is likely to show that 51% of the beneficiaries will be of low-and-moderate income. This determination is not applicable to specifically targeted projects.

C. Housing Programs: Refer to Method of Distribution for Indiana Housing Finance Authority within this FY 2005 Consolidated Plan

D. Quick Response Program:

Applicants for the Quick Response Program funds must meet the General Criteria set forth in Section A above, plus the specific program income requirements set forth in the "Method of Distribution" section of this document.

E. Community Economic Development Program/Fund (CEDF):

Applicants for the Community Economic Development Fund assistance must meet the General Criteria set forth in Section A above, plus the specific program requirements set forth in the "Method of Distribution" section of this document.

ATTACHMENT D

GRANT EVALUATION CRITERIA – 1,000 POINTS TOTAL

Economic and Demographic Characteristics (450 points):

National Objective Score (200 points):

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

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

National Objective Score = % Low/Mod Beneficiaries X 2.5

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

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

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

___ Slum/Blight Area or Spot designated by resolution of the local unit of government (50 pts.)

___ Community is an Indiana Main Street Member, Main Street Community, or Certified Indiana Main Street Community, and the project relates to downtown revitalization (5 pts.)

___ The project is located in an Indiana Urban Enterprise Zone (5 pts.)

___ The project site is a brownfield* (5 pts.)

___ The project is located in a designated redevelopment area under IC 36-7-14 (5 pts.)

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

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

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

* The State of Indiana defines a brownfield as a parcel of real estate that is abandoned or inactive; or may not be operated at its appropriate use; and on which expansion, redevelopment, or reuse is complicated because of the presence or potential presence of a hazardous substance, a contaminant, petroleum, or a petroleum product that poses a risk to human health and the environment.

Community Distress Factors (250 Points):

The six community distress factors used to measure the economic conditions of the applicant community are listed below. Each measure is described with an explanation and an example of how the points are determined. Four of the factors (unemployment rate, net assessed valuation per capita, median housing value, and percentage of population change) can receive a maximum of 50 points, while two of the factors (median household income and family poverty rate) have a maximum value of 25 points. The sum of these six scores equals the total community distress score, and has a maximum of 250 points. *Before calculations are carried out, extreme values (i.e., outliers) are identified and excluded from the rescaling process. Outliers are assigned a score of 0, 25, or 50, as appropriate.*

Unemployment Rate (50 points maximum): Unemployment rate for the county of the lead applicant. The most recent average annual rate available is used.

a. If the unemployment rate is above the maximum value, 50 points are awarded.

b. If the unemployment rate is below the minimum value, 0 points are awarded.

c. Between those values, the points are calculated by taking the unemployment rate, subtracting the minimum value, dividing by the range, and multiplying by 50.

Unemployment Rate Points = [((Unemployment rate – minimum)/range X 50]

For example, if the unemployment rate is 4.5%, the minimum value is 2.6%, maximum value is 9.7%, and range is 7.1%, take unemployment rate of 4.5%, subtract the minimum value of 2.6%, divide by a range of 7.1%, and multiply by 50. The score would be 13.38 point of a possible 50; [((4.5 – 2.6)/7.1) X 50].

Net Assessed Value/capita (50 points maximum): Net assessed value per capita (NAV pc) for lead applicant[1]. The most recent net assessed valuation figures[2], as well as the most recent population figures are used.

To determine the NAV pc, divide the net assessed valuation by the population estimate for the same year. For example, for 2002 NAV pc, you would divide the 2002 NAV by the Census Bureau's estimate of the population on July 1, 2002.

NAV per capita = NAV/Total Population

d. If the net assessed value per capita for the lead applicant is above the maximum value, 0 points are awarded.

e. If the net assessed value per capita for the lead applicant is below the minimum value, 50 points are awarded.

f. Between those values, the points are calculated by subtracting 50 from the NAVpc minus the minimum value, divided by the range and multiplied by 50.

NAV per capita points = 50 – [((NAV pc – minimum)/range) X 50]

For example, if the NAVpc is $29,174, the minimum value is $2,589 (excluding outliers), maximum value is $75,524 (excluding outliers), and the range is $72,935, take 50, subtract the NAV/capita of $29,174 minus the minimum value of $2,589, divide by the range of $72,935, and multiply by 50. The score would be 31.78 points of a possible 50 points; 50 – [((29,174 - 2,589)/72,935) X 50].

Median Housing Value (50 points maximum): Median Housing Value (MHV) for lead applicant[3]. Data from the most recent census are used.

Median Housing Value Points = 50 – [((MHV – minimum)/range) X 50]

g. If the median housing value for the lead applicant is above the maximum value, 0 points are awarded.

h. If the median housing value for the lead applicant is below the minimum value, 50 points are applicant.

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[1] For unincorporated areas, the NAV pc will be calculated based on data at the township level.

[2] All applicants will utilize the same basis, i.e., true tax value or market value, for the NAV pc calculation.

[3] For unincorporated areas MHV will be calculated based on data at the township level.

For example, if the median housing value is $79,000, the minimum value is $24,300 (excluding outliers), maximum value is $246,300 (excluding outliers) and the range is $222,000, take 50, subtract the MHV of $79,000 minus the minimum value of $24,300, divide by the range of $222,000, and multiply by 50. The score would be 37.68 points out of a total possible of 50; 50 – [((79,000 – 24,300)/222,000) X 50].

Median Household Income (25 points maximum): Median household income (MHI) for the lead applicant[4]. Data from the most recent census are used.

Median Household Income Points = 25 – [((MHI – minimum)/range) X 25]

i. If the median household income is above the maximum value, 0 points are awarded.

j. If the median household income is below the minimum value, 25 points are awarded.

k. Between those values, the points are calculated by subtracting 25 from the MHI minus the minimum value, divided by the range, and multiplied by 25.

For example, if the Median Household Income is $35,491, the minimum value is $16,667 (excluding outliers), maximum value is $97,723 (excluding outliers), range is $81,056, take 25, subtract the MHI of $35,491, minus the minimum value of $16,667, divide by the range of $81,056, and multiply by 25. The score would be 19.19 points out of a possible 25; 25 – [((35,491 – 16,667)/81,056) X 25].

Family Poverty Rate (25 points maximum): Family poverty rate for the lead applicant[5]. Data from the most recent census are used.

Family Poverty Rate Points = [((Family Poverty Rate – minimum)/range) X 25]

l. If the family poverty rate is above the maximum value, 25 points are awarded.

m. If the family poverty rate is below the minimum value, 0 points are awarded.

n. Between those values, the points are calculated by subtracting the Family Poverty Rate from the minimum value, then dividing by the range, and multiplying by 25.

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[4] For unincorporated areas MHI will be calculated based on data at the township level.

[5] For unincorporated areas Family Poverty Rate will be calculated based on data at the township level.

For example, if the family poverty rate is 1.4%, the minimum value is 0% (excluding outliers), maximum value is 25% (excluding outliers), and range is 25%, take family poverty rate of 1.4%, subtract the minimum value of 0%, divide by a range of 25%, and multiply by 25. The score would be 1.4 points of a possible 50; [((1.4 – 0)/25) X 25]

Percentage Population Change (50 points maximum): Percentage population change from 1990 to 2000 for the lead applicant[6]. The percentage change is computed by subtracting the 1990 population from the 2000 population and dividing by the 1990 population. Convert this decimal to a percentage by multiplying by 100.

Percentage Population Change = [(2000 population - 1990 population)/1990 population] X 100

o. If the population changed above the maximum percentage value, 0 points are awarded.

p. If the population changed below the minimum percentage value, 50 points are awarded.

q. Between those values, the points are calculated by subtracting 50 from the Percentage population change minus the minimum value divided by the range, and multiplied by 50.

Percentage Population Change points = 50 – [(Percentage population change – minimum)/range) X 50]

For example, if the population increased by 16.61%, the minimum value is –61.33% (excluding outliers), maximum value is 181.27% (excluding outliers), range is 242.60%, take 50, subtract 16.61% minus the minimum value of –61.33%, divide the range of 242.60%, and multiply by 50. The score would be 33.94 points out of a total possible of 50; 50 – [((16.61 – (-61.33)/242.60) X 50].

<u>Local Match Contribution (100 points):</u>

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

Total Match Points = % Eligible Local Match X 2

Eligible local match can be local cash or debt. Government grants, including Build Indiana Funds, are not considered eligible match. In-kind sources may provide eligible local match for the project, but the amount that can be counted as local match is limited to 5% of the total project budget, up to a maximum of $25,000. Use of in-kind donations as eligible match is subject to prior approval from the Indiana Office of Rural Affairs, Office of Rural Affairs.

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[6] For unincorporated areas percentage population change will be calculated based on data at the township level.

Project Design Factors (450 points):

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

Project Need - why does the community need this project?

Financial Impact - why is grant assistance necessary to complete this project?

Local Effort - what has/is the community doing to move this project forward?

The project can receive a total of 150 points in each category. The project design points are awarded in **5-**point increments. The points in these categories are awarded by the ORA review team when evaluating the projects. Applicants should work with their ORA representative to identify ways to increase their project's scores in these areas. Other factors may affect the project design score.

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CITIZEN PARTICIPATION PLAN
INDIANA OFFICE OF RURAL AFFAIRS (STATE)

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

1. Require each unit of general local government to comply with citizen participation requirements for such governmental units as specified under 24 CFR 570.486(a), to include the requirements for accessibility to information/records and to furnish citizens with information as to proposed CDBG funding assistance as set forth under 24 CFR 570.486(a)(3), provide technical assistance to representatives of low-and-moderate income groups, conduct a minimum of two (2) public hearings on proposed projects to be assisted by CDBG funding, such hearings being accessible to handicapped persons, provide citizens with reasonable advance notice and the opportunity to comment on proposed projects as set forth in Title 5-3-1 of Indiana Code, and provide interested parties with addresses, telephone numbers and times for submitting grievances and complaints.

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

3. Publish a proposed or "draft" Consolidated Plan and afford citizens, units of general local government, and the CDBG Policy Advisory committee the opportunity to comment thereon;

4. Furnish citizens and units of general local government with information concerning the amount of CDBG funds available for proposed community development and housing activities and the range/amount of funding to be used for these activities;

5. Hold one (1) or more public hearings respective to the State's proposed/draft Consolidated Plan, on amendments thereto, duly advertised in newspapers of general circulation in major population areas statewide pursuant to I.C. 5-3-1-2 (B), to obtain the views of citizens on proposed community development and housing needs. The Consolidated Plan Committee published the enclosed legal advertisement to twelve (12) regional newspapers of general circulation statewide respective to the public hearings held on the 2005 Consolidated Plan. In addition, this notice was distributed by mail to over 1,000 local officials, non-profit entities, and interested parties statewide in an effort to maximize citizen participation in the FY 2005 consolidated planning process:

The Republic, Columbus, IN
Indianapolis Star, Indianapolis, IN
The Journal-Gazette, Fort Wayne, IN
The Chronicle-Tribune, Marion, IN
The Courier Journal, Louisville, KY
Gary Post Tribune, Gary, IN
Tribune Star, Terre Haute, IN
Journal & Courier, Lafayette, IN
Evansville Courier, Evansville, IN
South Bend Tribune, South Bend, IN
Palladium-Item, Richmond, IN
The Times, Munster, IN

6. Provide citizens and units of general local government with reasonable and timely access to records regarding the past and proposed use of CDBG funds,

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

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

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

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

NOTICE OF PUBLIC HEARING
FY 2005 CONSOLIDATED PLAN FOR FUNDING

INDIANA OFFICE OF RURAL AFFAIRS
INDIANA HOUSING FINANCE AUTHORITY
INDIANA FAMILY AND SOCIAL SERVICES ADMINISTRATION
INDIANA DEPARTMENT OF HEALTH

Pursuant to 24 CFR Part 91.115(a)(2), the State of Indiana wishes to encourage citizens to participate in the development of the State of Indiana Consolidated Plan for 2005. In accordance with this regulation, the State is providing the opportunity for citizens to comment on the 2005 Consolidated Plan draft report, which will be submitted to the US Department of Housing and Urban Development (HUD) on or before May 15, 2005. The Consolidated Plan defines the funding sources for the State of Indiana's four (4) major HUD-funded programs and provides communities a framework for defining comprehensive development planning. The FY 2005 Consolidated Plan will set forth the method of distribution of funding for the following state agencies and HUD-funded programs:

Indiana Office of Rural Affairs - State Community Development Block Grant (CDBG) Program
Indiana Housing Finance Authority - Home Investment Partnership Program
Indiana Housing Finance Authority - Housing Opportunities for Persons With Aids Program
Indiana Family and Social Services Administration - Emergency Shelter Grant Program

These public hearings will be conducted as follows:

April 18,
Lebanon
Lebanon City Municipal Building
Utility Conference Center
401 S. Meridian Street

April 19,
Shelbyville
Porter Center
Conference Room
501 N. Harrison Street

If you are unable to attend the public hearings, written comments are invited through April 30, 2005, at the following address:

Grants Management Office
Indiana Office of Rural Affairs
One North Capitol - Suite 700
Indianapolis, IN 46204-2288

Please direct all questions to the Grants Management Office of the Office of Rural Affairs at its toll free telephone number (800-246-7064) during normal business hours.

Indiana Housing Finance Authority
Allocation Plan for HOME, CDBG, ADDI and HOPWA

Methods of Distribution

The Indiana Housing Finance Authority (IHFA) allocates CDBG, HOME, and ADDI funds through the programs shown below. Each program area has unique criteria upon which funding decisions are based. For detailed program information, please refer to IHFA's full application packages and/or program guides.

PROGRAM NAME	FUNDING SOURCE	TIMING OF FUNDING
Foundations	CDBG and HOME	2 annual competitive funding cycles
CHDO Works	HOME	2 annual competitive funding cycles
Housing from Shelters to Homeownership	CDBG and HOME	2 annual competitive funding cycles
RHTC/HOME Combined Funding	HOME	1 annual funding cycle
HOME Administrative Subrecipients	HOME	As needed funding cycles
INTR City	HOME	1 annual funding cycle
Homeownership Counseling Program	HOME	TBD
HOME OOR Program	HOME	1 annual funding cycle
First Home/Plus	HOME/ADDI	Continuous throughout the year
First Home/One Down	HOME/ADDI	Continuous throughout the year
First Home 100	HOME/ADDI	Continuous throughout the year
HomeChoice	HOME/ADDI	Continuous throughout the year
First Home Community	HOME/ADDI	Continuous throughout the year
First Home Opportunity	HOME/ADDI	Continuous throughout the year

Foundations

The most successful housing programs are those that grow out of careful planning and assessment of the needs of a particular community. For this reason, IHFA provides funds to finance planning activities related to the development of affordable housing through the Foundations program.

Eligible Applicants / Eligible Activities

Housing needs assessments are used to gather data, prepare housing related community plans, and identify actions that need to be taken in order to create, develop, or preserve affordable housing. These studies are broad in nature and not specific to a particular site or activity. This activity is funded through CDBG. Only non-entitlement local units of government are eligible to apply for up to $50,000 for this activity.

Feasibility studies are more specific to a particular site or housing activity and are similar to a market study. Through these studies, applicants can, among other things, identify a site for a particular housing activity, develop a preliminary estimate of costs, or identify whether or not there is adequate demand for a particular type of affordable housing. This activity is also funded through CDBG. Only non-entitlement local units of government are eligible to apply for up to $30,000 for this activity.

Continuum of Care strategic plans are used to collect data and develop goals and strategies relating to addressing homelessness in regions across the State. These plans are specific to a particular Continuum of Care region are used to assist in identifying ways strengthen and best coordinate organizations involved in homeless activities. This activity is also funded through CDBG. Only non-entitlement local units of government are eligible to apply for up to $30,000 for this activity.

Predevelopment loans are similar to feasibility studies except that State-certified Community Housing Development Organizations (CHDOs) are allowed to go even further into the planning process, to the point of obtaining an option to purchase the site or developing preliminary architectural plans.

Seed money loans can be used by CHDOs to pay for such things as final architectural and engineering plans, loan reservation fees, or building permit fees. Once a housing activity is deemed feasible and site control is obtained, a CHDO can apply for a seed money loan.

The CHDO must pay back either loan if the housing activity goes forward. The CHDO may borrow up to $30,000 of HOME funds for a term of 24 months at a zero percent interest rate. If the housing activity is deemed infeasible or unable to go forward, the applicant may request that the loan be forgiven.

Scoring Criteria

If an application satisfies all applicable requirements, it will be evaluated and scored based on criteria in the following categories: Constituency Served; Activity Design; Organizational Capacity; Readiness to Proceed; Market; and Minority or Women Business Enterprise Participation. Applicants can receive up to 100 total possible points. No award shall be made to any application that scores below a total of 50 points.

Notwithstanding the point ranking system set forth above, IHFA reserves the right and shall have the power to allocate funds irrespective of its point ranking, if such intended allocation is: (1) in compliance with the applicable federal regulations; (2) in furtherance of promoting affordable housing; and (3) determined by IHFA's Board of Directors to be in the interests of the citizens of the State of Indiana.

Assistance may be provided in the form of grants or loans; however, funds will be awarded only in amounts appropriate to the scope of the identified need. IHFA reserves the right to determine the exact amount and type of assistance needed for each individual housing activity.

CHDO Works

Eligible Applicants

Eligible applicants are not-for-profit organizations that have successfully obtained certification from IHFA as a Community Housing Development Organization (CHDO), are in good standing with IHFA, and serve non-participating jurisdiction areas (unless they will be developing transitional housing or permanent supportive housing).* Organizations that have not yet received CHDO certification (or whose certification is pending) are not eligible for operating funds.

*Participating Jurisdiction areas include:

Anderson	Gary	Muncie
Bloomington	Hammond	St. Joseph County Consortium***
East Chicago	Indianapolis**	Terre Haute
Evansville	Lake County	Tippecanoe County Consortium****
Fort Wayne		

** The Cities of Beech Grove, Lawrence, Speedway, Southport, and the part of the Town of Cumberland located within Hancock County are not considered part of the Indianapolis participating jurisdiction. Applicants that serve these areas would be eligible for CHDO Works funding.

*** St. Joseph County Consortium is made up of the cities of South Bend and Mishawaka and the unincorporated areas of the county. These areas are not eligible to receive funding from IHFA. Other incorporated areas are eligible to receive assistance.

**** Tippecanoe County Consortium is made up of the cities of Lafayette and West Lafayette and the unincorporated areas of the county. These areas are not eligible to receive funding from IHFA. Other incorporated areas are eligible to receive assistance.

Eligible Activities

Eligible activities are those directly related to promoting the agency's ability to develop, sponsor, and/or own HOME CHDO-eligible affordable housing, such as homebuyer, rental, permanent supportive, and transitional housing. Any applicant who successfully competes for operating funds is required to apply and receive funding for a HOME CHDO-eligible housing activities within twenty-four (24) months from the date that an operating award is made.

According to 24 CFR §92.208, eligible costs include reasonable and necessary costs for the operation of the CHDO. Such costs include, but are not limited to, salaries, wages, and other employee compensation and benefits; employee education, training, and travel; rent; utilities; communication costs; taxes; insurance; equipment, including filing cabinets; materials; supplies; annual financial audit; and costs associated with a strategic long-range plan. Other costs may also be eligible. Applicants are encouraged to consider computer equipment needs, especially hardware and software updates.

Administrative costs associated with implementing the lead based paint regulations are eligible for funding under CHDO Works. These expenses include training staff on the regulations, staff certification for Lead Inspector/Risk Assessor and Lead Construction Supervisor, and special equipment purchases such as protective clothing or XRF machines.

Eligible costs do not include furniture or other office décor.

Scoring Criteria

If an application satisfies all applicable requirements, it will be evaluated and scored based on criteria in the following categories: Organizational Capacity; Community Need; Access to Skilled Individuals; Training; and Financial Management. Applicants can receive up to 100 total possible points. The minimum scoring threshold for applications will vary as follows:

Number of Previous "CHDO Works" Awards	Threshold
0 awards	50 points
1 award	65 points
2 or more awards	75 points

Any application that falls below its respective threshold will not be recommended for funding.

Notwithstanding the point ranking system set forth above, IHFA reserves the right and shall have the power to allocate funds irrespective of its point ranking, if such intended allocation is: (1) in compliance with the applicable statutes; (2) in furtherance of promoting affordable housing; and (3) determined by IHFA's Board of Directors to be in the interests of the citizens of the State of Indiana.

Funds will be awarded only in amounts appropriate to the scope of the identified need. IHFA reserves the right to determine the exact amount and type of assistance needed for each individual housing activity.

Funding Limitations

Applicants may apply for up to $70,000 in operating assistance for a 24-month term. CHDOs may receive no more than one operating grant in a two-year period. CHDO Works funding (along with all other HOME-funded CHDO operating expenses) is limited to: (1) 50% of the CHDO's total operating expenses in any one fiscal year, or (2) $50,000, whichever is greater.

Housing from Shelters to Homeownership

The Housing from Shelters to Homeownership program provides grants and loans to public and private organizations for the rehabilitation or new construction of affordable housing. The types of housing activities that can be funded and the eligible applicants depend on the source of funding. The chart below briefly outlines what activities are eligible for CDBG and HOME and the type of applicant that is eligible to apply for those funds.

Eligible Applicants / Eligible Activities	**Local Units of Government (Non-CDBG Entitlement Communities)[1]**	**Local Units of Government (Non-HOME Participating Jurisdictions)& Townships [2]**	**Community Housing Development Organization (CHDO)[2]**	**501(c)3 or 501(c)4 Organizations, Public Housing Authorities, & Joint Ventures**
Emergency Shelter Rehabilitation/New Construction	CDBG			
Youth Shelter Rehabilitation/New Construction	CDBG			
Transitional Housing Rehabilitation[3]	CDBG	HOME	HOME	HOME
Transitional Housing Rehabilitation/Refinance[3]		HOME	HOME	HOME
Transitional Housing New Construction[3]		HOME	HOME	HOME
Migrant/Seasonal Farm Worker Housing Rehabilitation/New Construction	CDBG			
Permanent Supportive Housing Rehabilitation[3]	CDBG	HOME	HOME	HOME
Permanent Supportive Housing Rehabilitation/Refinance[3]		HOME	HOME	HOME
Permanent Supportive Housing New Construction[3]		HOME	HOME	HOME
Rental Rehabilitation	CDBG	HOME	HOME	HOME
Rental Rehabilitation/Refinance		HOME	HOME	HOME
Rental New Construction		HOME	HOME	HOME
Homebuyer Rehabilitation/New		HOME	HOME	HOME

Eligible Applicants / Eligible Activities	**Local Units of Government (Non-CDBG Entitlement Communities)[1]**	**Local Units of Government (Non-HOME Participating Jurisdictions)& Townships [2]**	**Community Housing Development Organization (CHDO)[2]**	**501(c)3 or 501(c)4 Organizations, Public Housing Authorities, & Joint Ventures**
Construction				
Owner-Occupied Rehabilitation	CDBG			
Voluntary Acquisition Demolition	CDBG			

[1] The following entitlement communities are not eligible to apply for CDBG funds. However, non-entitlement applicants may apply for a housing activity located within an entitlement community if the applicant can demonstrate that beneficiaries will come from outside of the entitlement community's boundaries:

Anderson	East Chicago	Gary	Kokomo	LaPorte	New Albany
Bloomington	Elkhart	Goshen	Indianapolis***	Michigan City	South Bend
Carmel*	Evansville	Hamilton County**	Lafayette	Mishawaka	Terre Haute
Columbus	Fort Wayne	Hammond	Lake County	Muncie	West Lafayette

*If the City of Carmel becomes and entitlement community, they will be ineligible to receive assistance.

**The Town of Sheridan when the housing activity is located in Hamilton County will be eligible for assistance.

***The Cities of Beech Grove, Lawrence, Speedway, Southport, and the part of the Town of Cumberland located within Hancock County are not considered part of the Indianapolis entitlement community.

[2] Applications from, or housing activities located within, the following participating jurisdictions are not eligible for HOME funds unless the request is for permanent supportive or transitional housing:

Anderson	Gary	St. Joseph County Consortium**
Bloomington	Hammond	Terre Haute
East Chicago	Indianapolis*	Tippecanoe County Consortium***
Evansville	Lake County	
Fort Wayne	Muncie	

*The Cities of Beech Grove, Lawrence, Speedway, Southport, and the part of the Town of Cumberland located within Hancock County are not considered part of the Indianapolis participating jurisdiction.

**St. Joseph County Consortium is made up of the cities of South Bend and Mishawaka and the unincorporated areas of the county. These areas are not eligible to receive funding from IHFA. Other incorporated areas are eligible to receive assistance.

***Tippecanoe County Consortium is made up of the cities of Lafayette and West Lafayette and the unincorporated areas of the county. These areas are not eligible to receive funding from IHFA. Other incorporated areas are eligible to receive assistance.

[3] IHFA will accept applications for HOME-funded permanent supportive and transitional housing regardless of the development's location within the state.

Scoring Criteria

Through the scoring criteria, preference is given to housing activities that:

- meet the needs of their specific community
- attempt to reach very low-income levels of area median income
- are ready to proceed with the housing activity upon receipt of the award
- revitalize existing neighborhoods
- propose developments that are energy-efficient and are of the highest quality attainable within a reasonable cost structure
- encourage the use of minority business enterprises and/or women-owned business enterprises

If an application satisfies all applicable requirements, it will be evaluated and scored based on criteria in the following categories: Constituency Served; Development Characteristics; Financing; Market; Organizational Capacity; Readiness to Proceed; and Minority and Women Business Enterprise Participation.

No award shall be made to any application that scores below 40 points. Where applicable, the funding agreement and any restrictive covenants recorded with the property will contain restrictions applicable to the points received.

Notwithstanding the point ranking system set forth above, IHFA reserves the right and shall have the power to allocate funds to a development irrespective of its point ranking, if such intended allocation is: (1) in compliance with applicable statutes; (2) in furtherance of promoting affordable housing; and (3) determined by IHFA's Board of Directors to be in the interests of the citizens of the State of Indiana.

Assistance may be provided in the form of grants; however, funds will be awarded only in amounts appropriate to the scope of the identified need. IHFA reserves the right to determine the exact amount and type of assistance needed for each individual housing activity.

Funding Limitations

In general, eligible applicants may apply for up to $500,000 in CDBG or $750,000 in HOME funds through the Housing from Shelters to Homeownership program. Applicants for owner-occupied rehabilitation, though, are limited to a maximum of $300,000.

The CDBG or HOME applicant's request for funding must not exceed the per unit subsidy limitations listed below:

- $20,000 per bed for emergency shelters, youth shelters, or migrant/seasonal farm worker housing
- $35,000 per 0 bedroom unit for transitional, permanent supportive, rental, or homebuyer, activities
- $40,000 per 1-2 bedroom unit for transitional, permanent supportive, rental, or homebuyer, activities
- $50,000 per 3 or more bedroom unit for transitional, permanent supportive, rental, or homebuyer

- $15,000 per unit for owner occupied rehabilitation
- $100,000 per unit for voluntary acquisition demolition activities

Provisions for Rental Rehabilitation/Refinance

- Applicants for transitional, permanent supportive, and rental rehabilitation/refinance must demonstrate that:
  - Refinancing is necessary to maintain current affordable units and/or create additional affordable units.
  - The primary activity is rehabilitation. The applicant must budget a minimum of 51% of the HOME funds for rehabilitation.
  - The development will satisfy a minimum 15-year affordability period.
  - Disinvestment in the property has not occurred.
  - The long term needs of the development can be met.
  - It is feasible to serve the targeted population over the affordability period.
  - The amount of funds applied to the refinance budget line item will be made as an amortized loan to the applicant. The applicant should propose at least a 2% interest rate, a term of not more than 30 years, and an amortization period of not more than 30 years.
  - The HOME loan must be fully secured.
  - The HOME funds used for construction may be forgiven at the end of the affordability period.
  - Applicants for permanent supportive housing rehabilitation/refinance cannot use HOME funds to refinance multifamily loans made or insured by any other federal program, including, but not limited to, FHA, CDBG, or Rural Development.

Rental Housing Tax Credit Financing (RHTC/HOME Combined Funding)

In an effort to streamline the multi-family application process, developers applying for Rental Housing Tax Credits (RHTCs) may simultaneously request funds from the HOME Investment Partnerships Program (HOME). If you are applying for RHTCs for a development and want to also access HOME funds, you must indicate the HOME funding request on the "Multi-Family Housing Finance Application" and submit additional documentation as instructed in the "Multi-Family Housing Finance Application – HOME Supplement." Outside of this process, applications for HOME financing for a RHTC development will only be considered in accordance with IHFA's Housing from Shelters to Homeownership application criteria.

Eligible Applicants

The award of HOME funds will be made as follows:

1. State-Certified Community Housing Development Organization (CHDO) – HOME funds will be provided in the form of a grant to state-certified CHDOs that are the 100% general partner or managing member of the LP or LLC or whose wholly owned subsidiary is the 100% general partner or managing member of the LP or LLC.
2. Not-for-Profit Organizations or Public Housing Authorities – HOME funds will be provided in the form of a grant to not-for-profit organizations that are the 100% general partner or managing member of the LP or LLC or whose wholly owned subsidiary is the 100% general partner or managing member of the LP or LLC.
3. Limited Partnerships (LP) or Limited Liability Companies (LLC) – For developments where a state-certified CHDO, not-for-profit organization, or PHA (or their wholly owned subsidiary) is not the 100% general partner or member, HOME funds will be loaned to the ownership entity. If the LP or LLC has not yet been formed, the applicant for HOME funds should be the general partner or member. If a HOME award is made to the development, the loan documents must be executed by the LP or LLC.

Form of Assistance

1. If the CHDO, not-for-profit, or PHA structures the HOME funds into the development as an amortized or deferred loan, they may be permitted to retain the repayments of principal and interest for use in other affordable housing developments at IHFA's discretion. The CHDO, not-for-profit, or PHA may use the repayment stream (both principal and interest): (1) to buy the property at the end of the partnership; (2) to pay the exit fees for other partners in the development at the end of the affordability period; (3) to provide services to the tenants of the particular development; (4) to exert influence over the conditions of sale of the property; or (5) for the organization's other affordable housing activities that benefit low-income families.

2. Alternatively, for developments where a CHDO or not-for-profit organization (or their wholly owned subsidiary) is not the 100%general partner or managing member, IHFA will provide the HOME funds as an amortized or deferred loan to the LP or LLC. If such an entity has not yet been formed, the applicant for the HOME funds should be the general partner or managing member, but all award documents must be executed by the LP or LLC. Principal and interest payments on these awards may be either deferred or amortized. The applicant may propose a loan term for up to 17 years (up to 2 years as a construction loan and 15 years as permanent financing). The interest rate is proposed by the applicant. The applicant must demonstrate in their application that the interest rate proposed is necessary in order to make the HOME-assisted units affordable. The HOME loan must be fully secured. .
   IHFA will subordinate to the point when the HOME loan plus other financing is at an amount not to exceed 100% of the costs of construction. Subordination beyond one hundred percent (100%) will be entertained on a case-by-case basis.

Eligible Activities

HOME funds are available statewide for the development of permanent supportive or transitional housing. Otherwise, applications for Developments located within the following participating jurisdictions are not eligible for HOME funds.

Anderson	Gary	St. Joseph County Consortium**
Bloomington	Hammond	Terre Haute
East Chicago	Indianapolis*	Tippecanoe County Consortium***
Evansville	Lake County	
Fort Wayne	Muncie	

*The Cities of Beech Grove, Lawrence, Speedway, Southport, and the part of the Town of Cumberland located within Hancock County are not considered part of the Indianapolis participating jurisdiction.

**St. Joseph County Consortium is made up of the cities of South Bend and Mishawaka and the unincorporated areas of the county. These areas are not eligible to receive funding from IHFA. Other incorporated areas are eligible to receive assistance.

***Tippecanoe County Consortium is made up of the cities of Lafayette and West Lafayette and the unincorporated areas of the county. These areas are not eligible to receive funding from IHFA. Other incorporated areas are eligible to receive assistance.

Additionally, HOME may not be used to assist properties located in the 100-year floodplain.

HOME funds may be used for acquisition, construction or rehabilitation hard costs, and testing for lead hazards for HOME-assisted units. HOME funds may not be used toward the refinancing of existing permanent debt.

HOME funds may assist rental, permanent supportive, or transitional housing. These units can be in the form of traditional apartments or single-room-occupancy units (SROs). SRO housing consists of single room dwelling units that are the primary residence of the occupant(s). If the Development consists of conversion of non-residential space or reconstruction, SRO units must contain either kitchen or bathroom facilities (they may contain both). For Developments involving acquisition or rehabilitation of an existing residential structure, neither kitchen nor bathroom facilities are required to be in the unit. However, if individual units do not contain bathroom facilities, the building must contain bathroom facilities that are shared by tenants.

HOME funds are generally not available for units identified as part of an approved RHTC lease-purchase program, unless the purchase will occur after the termination of the HOME affordability period. In such case, the assisted units will be considered rental for purposes of the HOME award. Prior to the HOME affordability period expiration, IHFA will consider requests to permit tenants to purchase HOME-assisted rental units on a case-by-case basis only.

Scoring Criteria

There are no scoring criteria for RHTC/HOME awards. Eligibility for the HOME funds will be determined based on:

1. Whether the development demonstrates a need for HOME funds in order to make a greater number of rental units affordable to lower income households.
2. Whether the development meets State and Federal requirements of all programs for which it is applying.
3. If the development ranking is sufficient for it to be awarded RHTCs pursuant to the RHTC or Bond process.
4. The availability of HOME funds.

Funds will be awarded only in amounts appropriate to the scope of the identified need. IHFA reserves the right to determine the exact amount and type of assistance needed for each individual housing activity.

Funding Limitations

The maximum HOME request is $500,000**.**

HOME-Assisted Units	AMI	Maximum Funding
100 %	< or = 60 % *	$300,000
75 %	< or = 50 %	$400,000
50 %	< or = 40 %	$500,000

*Federal regulations require development with 5 or more HOME-assisted units to have at least 20% of the HOME units set-aside for households with incomes at or below 50% AMI.

IHFA has established a per unit subsidy limitation for HOME-assisted units of $35,000 for 0-bedroom units, $40,000 for 1- and 2-bedroom units, and $50,000 for units with 3 or more bedrooms.

HOME Administrative Subrecipients

IHFA staff generally oversees the implementation of the HOME program; however, IHFA accepts proposals from organizations interested in participating in specific areas of administration that compliment and/or expand IHFA's efforts. Proposals are accepted on an as needed basis as determined by the needs of IHFA and their recipients.

IHFA reserves the right, however, to initiate subrecipient agreements with not-for-profit organizations or public agencies for specific HOME administrative activities. These subrecipient agreements will be made available throughout the year upon approval of the activity by the IHFA Board of Directors.

Eligible Applicants

- Not-for-profit corporations, as designated under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code
- Public agencies

Eligible Activities

- Only those activities allowed under the HOME regulations (24 CFR 92.207) are eligible for funding with IHFA's HOME administration funds.
- HOME subrecipient activities must comply with the requirements of 24 CFR 84 (a.k.a. OMB Circular A-110) "Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Not-for-profit Organizations."
- In general, IHFA looks for proposals that have a statewide impact and serve to further the Authority's efforts in one or more of the following areas:
  - General management, oversight, and coordination of the HOME program
  - Providing public information to residents and citizen organizations participating in the planning, implementation, or assessment of housing activities being assisted with HOME funds
  - Affirmatively furthering fair housing
  - Compiling data in preparation for the State Consolidated Plan
  - Complying with other Federal requirements such as affirmative marketing; minority outreach; environmental review; displacement, relocation, and acquisition; labor standards; lead-based paint; and conflicts of interest.

Scoring Criteria

There are no scoring criteria for HOME Administrative Subrecipient awards. Eligibility for these funds will be determined based on:

1. Whether proposed activities have a statewide impact.
2. Whether the proposal demonstrates a need for HOME funds.
3. Whether proposed activities meet the HOME regulatory requirements of an administrative subrecipient.
4. Whether proposed activities serve to further IHFA staff efforts.
5. The availability of HOME administrative funds.

Funding Limitations

As allowed by HOME regulations (24 CFR 92.207), IHFA may expend up to 10% of the annual allocation for payment of reasonable administrative and planning costs of the HOME program.

INTR City

IHFA is developing a pilot program called Improving Neighborhoods Through Revitalization (INTR City). The program will provide funding for strategic planning and the redevelopment of vacant lots in blighted neighborhoods into single-family homes.

INTR City program will focus on the following:

- Development of vacant lots in blighted neighborhoods;
- Linkage between planning and redevelopment;
- Neighborhood change by concentrating funding; and
- Comprehensive approach – housing plus other neighborhood issues.

Form of Assistance

Redevelopment Loans: IHFA will provide three year, zero-percent, revolving construction loans for the acquisition, demolition and/or construction costs of single-family homes. In blighted areas, development costs often exceed the fair market value of the completed single-family housing. In this case, the development subsidy (development cost in excess of fair market value) will be forgiven. Otherwise, loans will be repaid through the sale of rehabilitated or newly constructed single-family homes to low- or moderate-income homebuyers.

Eligible Applicants

A city, public agency, not-for-profit organization or for-profit developer may serve as the borrower of redevelopment loan funds.

Eligible Homebuyers

Buyers of rehabilitated or newly constructed homes financed through INTR City must be sold to persons earning no more than 80% of the Area Median Income.

Pilot Locations

The pilot will be held in up to 12 geographically diverse cities. An RFP will be issued to solicit applications for the program.

Homeownership Counseling

IHFA is developing a program for homeownership counseling. The program will have the goal of providing funding for homeownership education and counseling on a statewide basis.

HOME OOR

The HOME OOR program provides funding for owner-occupied rehabilitation on a statewide basis via a formula allocation plan process to the 24 Community Action Agencies (CAAs).

Geographic Distribution

Anderson	Gary	St. Joseph County Consortium**
Bloomington	Hammond	Terre Haute
East Chicago	Indianapolis*	Tippecanoe County Consortium***
Evansville	Lake County	
Fort Wayne	Muncie	

*The Cities of Beech Grove, Lawrence, Speedway, Southport, and the part of the Town of Cumberland located within Hancock County are not considered part of the Indianapolis participating jurisdiction.

**St. Joseph County Consortium is made up of the cities of South Bend and Mishawaka and the unincorporated areas of the county. These areas are not eligible to receive funding from IHFA. Other incorporated areas are eligible to receive assistance.

***Tippecanoe County Consortium is made up of the cities of Lafayette and West Lafayette and the unincorporated areas of the county. These areas are not eligible to receive funding from IHFA. Other incorporated areas are eligible to receive assistance.

Eligible Beneficiaries

An assisted household must meet one of the following criteria:

- Elderly
- Persons with disabilities
- Children under the age of six

Subsidy Limitations

HOME funds used for rehabilitation, program delivery, relocation and demolition combined cannot exceed:

- $25,000 per unit
- On a case-by-case basis, IHFA will entertain requests to exceed the per unit subsidy limitations
- Minimum amount of HOME funds to be used for rehabilitation is $1,000 per unit.

Affordability Requirements

- The amount of subsidy per unit includes: rehabilitation, program delivery, relocation assistance and demolition.
- The affordability periods are as follows:

Amount of HOME subsidy per unit	Affordability Period
Under $25,000 per unit	3 years
Over $25,000 per unit (with prior IHFA approval)	5 years

3-Year Affordability Period

Number of Years Fulfilled	% of HOME Funds Recaptured
Year 1	66%
Year 2	33%
Year 3	0%

5-Year Affordability Period

Number of Years Fulfilled	% of HOME Funds Recaptured
Year 1	80%
Year 2	60%
Year 3	40%
Year 4	20%
Year 5	0%

First Home/Plus

Difficulty in coming up with cash for a down payment is often the biggest obstacle for first-time homebuyers. Subsequently, IHFA has developed the First Home/Plus program, through which IHFA links HOME/ADDI funds in the form of down payment assistance with its Mortgage Revenue Bond (MRB) program.

Eligible Applicants

The borrower must meet the following eligibility requirements:

1. Must be a first-time homebuyer (i.e. has not, at any time during the three years preceding the date of loan closing had an ownership interest in his/her principal residence), unless the buyer is purchasing a home located in a targeted area as published in IHFA's First Home/Plus Program Guide.
2. Must be income-eligible as published in IHFA's First Home/Plus Program Guide.
3. If a borrower is separated from their spouse, a legal separation agreement or a petition for the dissolution is required prior to preliminary approval.
4. Must reasonably expect to reside in the property as his/her principal residence within 60 days after the loan closing date on existing homes and within 60 days of completion for a newly constructed home.
5. Must currently be or intend to become a resident of the State of Indiana.
6. Must successfully complete a homeownership training program.

Eligible Activities

Income-eligible homebuyers can receive up to 10% of the home purchase price in down payment assistance in conjunction with a below-market interest rate mortgage through IHFA. The First Home/Plus program is operated through a partnership between IHFA and participating local lending institutions throughout Indiana. HOME/ADDI down payment assistance is provided as a 0%, forgivable second mortgage. If the buyer resides in the property for five years and does not refinance, the second mortgage is forgiven. For the purchase of an existing home, for three months prior to the sale, the home must have been vacant, occupied by the seller, or rented to the household that is buying the home.

Funds are allocated on a first-come, first-served basis. Interested borrowers must contact a participating lender to apply for the program. Borrowers are encouraged to contact a participating lender for loan "pre-approval" before they begin looking for a house.

Borrowers must successfully complete a homeownership training program. The participating lender may choose the type of training the borrower receives; however, IHFA strongly recommends a face to face or classroom course given by a HUD approved counselor. A certificate of completion or achievement is required in the loan application package.

Funding Limitations

Depending upon their income, borrowers receive HOME/ADDI funded down payment assistance of 5% or 10% (capped at $3,500 and $7,000, respectively) of the sales price or the appraised value of the property, whichever is less. Acquisition cost of the home may not exceed the lesser of the maximum as set forth in IHFA's First Home/Plus Program Guide or FHA 203(b) Mortgage Limits as published periodically by HUD.

First Home INTR City

Mortgage Program: Homes will likely require additional subsidies to make them affordable for these buyers. IHFA's First Home mortgage program would be encouraged for all eligible homebuyers purchasing homes financed with INTR City funds. The program will also be available for all other eligible homebuyers purchasing within the RRA. The first-time homebuyer requirement would be waived for these borrowers. This program will be available for homebuyers who earn up to 125% of Area Median Income. Down payment assistance would also be available to eligible borrowers under the terms of our current programs.

First Home 100

The First Home 100 program combines IHFA's First Home program and Rural Development's Direct Loans to stretch resources and reach a broader number of eligible borrowers. It is available in areas that are served by Rural Development. Hoosiers can apply for the program through Rural Development offices.

IHFA and Rural Development have combined their income and purchase price limits to make it simpler to determine eligibility for the program. Under First Home 100, an eligible borrower would receive two mortgages, one from IHFA's First Home program, with a below market interest rate, and one from Rural Development, with an interest rate based on the applicant's ability to pay. In some cases, a borrower may also qualify for IHFA's HOME/ADDI funded down payment assistance, which would result in a forgivable third mortgage to further reduce the borrower's monthly payments.

While IHFA's First Home programs are primarily restricted to first-time homebuyers, this requirement is waived in 30 rural Indiana counties that are designated as targeted areas by the U.S. Department of Housing and Urban Development. These areas largely coincide with the areas served by Rural Development.

HomeChoice

The HomeChoice program was created by Fannie Mae to provide affordable housing for low- to moderate-income individuals who are disabled or who have disabled dependents living with them. Fannie Mae has approved Indiana's HomeChoice Program, and a public announcement was made on January 24, 2001. The availability of this program in Indiana is the result of a team effort among IHFA, Fannie Mae and the Back Home in Indiana Alliance.

The program is tailored to meet the unique needs of people with disabilities by offering lower down payment requirements; flexible qualifying and underwriting standards; and use of non-traditional credit histories.

To be eligible for the HomeChoice, program applicants must meet certain requirements. Borrowers must be classified as disabled as established in the Americans with Disabilities Act of 1990 or be defined as handicapped by the Fair Housing Amendments of Act of 1988. Also, borrowers must be low- or moderate-income as defined by the U.S. Department of Housing and Urban Development (HUD), which varies by county. In addition, the borrower must occupy the home within 60 days of the loan's closing or completion.

Initially, HomeChoice was offered in three counties: Bartholomew, Knox, and Marion, and is now being offered in all counties of the state. IHFA has earmarked $1 million in revenues from its non-taxable mortgage revenue bonds (MRBs) to finance the first mortgages. Additionally, borrowers receive HOME/ADDI funded down payment assistance of 10% of the sales price or the appraised value of the property, whichever is less, up to $14,999. Momentive Credit Counseling markets, screens applicants, and coordinates counseling for the program. They also make referrals to participating lenders.

Community Mortgage 100% Option

My Community Mortgage 100% is a partnership program with Fannie Mae that offers affordable homeownership opportunities for borrowers that are low to very low-income. The program offers a minimum contribution of $500 from the borrower's own funds. The seller may contribute up to 3% of the sales price to help with closing costs. This program has greater flexibility in qualifying and underwriting standards. In addition, borrowers may qualify for IHFA's down payment assistance.

HOME/ADDI down payment assistance of 5% or 10% (capped at $3,500 and $7,000, respectively), depending upon the buyer's income, is provided in the form of a 0% forgivable second mortgage.

Community Solutions 100

Community Solutions 100 is a partnership program with Fannie Mae that enables Teachers, Fire Fighters, Law Enforcement, and State and Municipal workers to purchase a home with as little as $500 of their own funds. The program allows for higher loan-to-value options, lower our-of-pocket costs and more flexible underwriting criteria. The seller may contribute up to 3% of the sales price to help with closing costs. In addition, borrowers may qualify for IHFA's down payment assistance.

HOME/ADDI down payment assistance of 5% or 10% (capped at $3,500 and $7,000, respectively), depending upon the buyer's income, is provided in the form of a 0% forgivable second mortgage.

HOME Investment Partnerships Program – Funds Transfer

IHFA, at its discretion, may authorize HUD to transfer a portion of the State's allocation of HOME Investment Partnerships Program funds to qualifying communities to meet a $500,000 threshold funding level.

HOME Investment Partnerships Program - Resale/Recapture Guidelines

In accordance with the HOME Investment Partnerships Program, 24 CFR Part 92.254(a)(4), the State of Indiana is establishing policy guidelines to ensure affordability for low-income homebuyers. Because of the diversity of program designs throughout the State, recapture provisions will be appropriate for some housing activity designs and resale provisions will be appropriate for others.

Affordability Periods

HOME-assisted housing must meet the affordability requirements listed below, beginning after project completion. Project completion, as defined by HUD, means that:

- all necessary title transfer requirements and construction work have been performed;
- the project complies with the HOME requirements, including the property meets the stricter of the Indiana State Building Code and/or local rehabilitation standards;
- the final drawdown has been disbursed for the project; and
- the project completion information has been entered into HUD's IDIS system.

Homeownership Assistance HOME amount per unit	Minimum period of affordability
under $15,000	5 years
$15,000 - $40,000	10 years
over $40,000	15 years

Termination of Affordability Period

The affordability restrictions must terminate upon occurrence of any of the following termination events: foreclosure, transfer in lieu of foreclosure, or assignment of an FHA insured mortgage to HUD. The housing provider of HOME funds may use purchase options, rights of first refusal, or other preemptive rights to purchase the housing before foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the termination event, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the development.

Resale Guidelines

Where the program design calls for no recapture (home received only a development subsidy), the guidelines for resale will be adopted in lieu of recapture guidelines. Resale restrictions will require the seller to sell the property only to a low-income family that will use the property as their principal residence. The term "low-income family" shall mean a family whose gross annual income does not exceed 80% of the median family income for the geographic area as published annually by HUD.

The purchasing family should pay no more than 29% of its gross family income towards the principal, interest, taxes, and insurance for the property on a monthly basis. Individual grantees may, however, establish guidelines that better reflect their mission and clientele. Such guidelines should be described in the application, program guidelines, or award agreement. The housing shall remain affordable to a reasonable range of low-income buyers for the period described in the HOME regulations, as from time to time may be amended.

The homeowner selling the property will be allowed to receive a fair return on investment, which will include the homeowner's investment and any capital improvements made to the property.

Recapture Guidelines

The maximum amount of HOME funds subject to recapture is based on the amount of HOME assistance that enabled the homebuyer to buy or lease the dwelling unit. This includes any HOME assistance that reduced the purchase price from the fair market value to an affordable price, but excludes the amount between the cost of producing the unit and the market value (i.e., development subsidy).

The amount to be recaptured is based on a prorata shared net sale proceeds calculation. If there are no proceeds, there is no recapture. Any net sale proceeds that exist would be shared between the recipient and the beneficiary based on the number of years of the affordability period that have been fulfilled, not to exceed the original HOME investment.

The net proceeds are the total sales price minus all loan and/or lien repayments. The net proceeds will be split between the IHFA recipient and borrower as outlined according to the forgiveness schedule below for the affordability period associated with the property. The IHFA recipient must then repay IHFA the recaptured funds.

5 Year Affordability Period

Number of Years Fulfilled	% of HOME Funds Recaptured
Year 1	80%
Year 2	60%
Year 3	40%
Year 4	20%
Year 5	0%

10 Year Affordability Period

Number of Years Fulfilled	% of HOME Funds Recaptured
Year 1	90%
Year 2	80%
Year 3	70%
Year 4	60%
Year 5	50%
Year 6	40%
Year 7	30%
Year 8	20%
Year 9	10%
Year 10	0%

15 Year Affordability Period

Number of Years Fulfilled	% of HOME Funds Recaptured
Year 1	93%
Year 2	87%
Year 3	80%
Year 4	73%
Year 5	67%
Year 6	60%
Year 7	53%
Year 8	47%
Year 9	40%
Year 10	33%
Year 11	27%
Year 12	20%
Year 13	13%
Year 14	7%
Year 15	0%

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Property Disposition

In situations in which units assisted by IHFA are not brought to completion or fail to meet their affordability commitment, IHFA may acquire these properties or assist other organizations in acquiring. Properties IHFA purchases would then be available for sale through a disposition program outside of the typical funding rounds on an as needed basis.

The disposition goals include:

- Selling assisted units quickly.
- Ensuring that all applicable HOME or CDBG requirements/regulations are met.

IHFA would negotiate the final terms of any and all contracts or agreements with buyers selected to successfully meet the needs of IHFA.

In situations in which an activity has been completed, IHFA may choose to seek a waiver from HUD for the use of additional HOME funds in the development.

HOPWA

Method of Distribution

IHFA will allocate HOPWA funds through a non-competitive renewal process. Program Year 2004 HOPWA Project Sponsors in good standing will be invited to submit an annual plan detailing their use of the HOPWA funds for their region for the period of July 1, 2005 – June 30, 2006.

Notwithstanding the submission of the annual plan described above, IHFA reserves the right and shall have the power to allocate funds irrespective of the submission of the annual plan, if such intended allocation is (1) in compliance with the applicable statutes; (2) in furtherance of promoting affordable housing; and (3) determined by IHFA's Board of Directors to be in the interests of the citizens of the state of Indiana.

In order to ensure statewide access to HOPWA funds, IHFA utilizes the Indiana State Department of Health (ISDH) HIV Care Coordination Regions. IHFA has assigned a maximum funding amount available in each of the eleven regions of the state served by the Indiana HOPWA funds.

2005 Regional Allocation

HOPWA funds will be allocated to the HOPWA Care Coordination Regions on a formula basis assigned by utilizing ISDH's most current epidemiological data (December 2004) showing the current number of reported HIV/AIDS cases in each county. Each Care Coordination Region will receive their applicable amount of HOPWA funding based on the total number of reported HIV/AIDS cases in their service area.

However, the following counties are not served under the State program: Boone, Brown, Clark, Dearborn, Floyd, Franklin, Hamilton, Hancock, Harrison, Hendricks, Johnson, Marion, Morgan, Ohio, Putnam, Scott, Shelby and Washington

Eligible Applicants

Non-profit organizations that:

- Are organized under State or local laws;
- Have no part of its net earnings inuring to the benefit of any member, founder, contributor or individual;
- Have a functioning accounting system that is operated in accordance with generally accepted accounting principles, or had designated an entity that will maintain such an accounting system;
- Have among its purposes significant activities related to providing services or housing to persons with acquired immunodeficiency syndrome (AIDS) or related diseases;
- Can demonstrate integration, or the willingness to partner, with the existing HIV/AIDS Continuum of Care in the local region;
- Are eligible to participate in HUD programs (not on HUD's debarred list)
- Are in good standing with IHFA (not on the suspension list or otherwise precluded from applying for funding) and current HOPWA project sponsors from PY2004.

Eligible Activities

- Housing Information
- Resource Identification
- Rental Assistance
- Rental Assistance Program Delivery
- Short-term Rent, Mortgage and Utility Assistance
- Short-term Rent, Mortgage and Utility Assistance Program Delivery
- Supportive Services
- Operating Costs
- Technical Assistance
- Administration

Indiana Housing Finance Authority
2005 Proposed CDBG, HOME, and ADDI Allocations

	Proposed PY 03		Awards During PY 03 7/1/03 - 6/30/04		Proposed PY 04		Awards During PY 04 7/1/04 - 1/31/05		Proposed PY 05	
Community Development Block Grant (CDBG)										
Foundations	**$500,000**	**10%**	**$485,000**	**11%**	**$500,000**	**10%**	**$458,725**	**9%**	**$500,000**	**10%**
-Housing Needs Assessments	$400,000	8%	$395,000	9%	$400,000	8%	$338,725	7%		
-Site-Specific Feasibility Studies	$100,000	2%	$90,000	2%	$100,000	2%	$120,000	2%		
Housing from Shelters to Homeownership	**$4,500,000**	**90%**	**$3,755,000**	**89%**	**$4,500,000**	**90%**	**$4,657,220**	**93%**	**$4,500,000**	**90%**
-Emergency Shelters	$500,000	10%	$500,000	12%	$500,000	10%	$500,000	10%		
-Youth Shelters	$400,000	8%	$200,000	5%	$300,000	6%	$0	0%		
-Transitional Housing	$400,000	8%	$0	0%	$400,000	8%	$0	0%		
-Migrant/Seasonal Farmworker Housing	$500,000	10%	$0	0%	$300,000	6%	$1,000,000	20%		
-Permanent Supportive Housing	NA		NA		$300,000	6%	$0	0%		
-Rental Housing	$500,000	10%	$355,000	8%	$300,000	6%	$257,856	5%		
-Owner-Occupied Units	$2,200,000	44%	$2,700,000	64%	$2,200,000	44%	$2,899,364	58%		
-Voluntary Acquisition/Demolition	NA		NA		$200,000	4%	$0	0%		
Total [2]	**$5,000,000**	**100%**	**$4,240,000**	**100%**	**$5,000,000**	**100%**	**$5,000,000**	**102%**	**$5,000,000**	**100%**
HOME Investment Partnerships Program (HOME)										
Foundations	**$500,000**	**3%**	**$202,700**	**1%**	**$400,000**	**2%**	**$60,100**	**0%**	**$400,000**	**2%**
-CHDO Predevelopment Loans	$350,000	2%	$141,700	1%	$300,000	2%	$39,250	0%		
-CHDO Seed Money Loans	$150,000	1%	$61,000	0%	$100,000	1%	$20,850	0%		
Housing from Shelters to Homeownership	**$7,836,870**	**47%**	**$8,976,485**	**57%**	**$6,400,000**	**38%**	**$6,922,897**	**44%**	**$4,569,820**	**28%**
-Transitional Housing	$1,400,000	8%	$498,000	3%	$500,000	3%	$0	0%		
-Permanent Supportive Housing	NA		NA		$500,000	3%	$241,000	2%		
-Rental Housing	$1,900,000	11%	$5,319,650	34%	$3,700,000	22%	$5,264,700	34%		
-Homebuyer Units	$2,000,000	12%	$1,086,422	7%	$1,700,000	10%	$1,417,197	9%		
-Owner-Occupied Units	$800,000	5%	$0	0%	NA		NA			
-Homeownership Counseling/Downpayment Assistance	$1,736,870	10%	$2,072,413	13%	NA		NA			
HOME/RHTC/Bond	**$2,400,000**	**14%**	**$2,200,000**	**14%**	**$2,400,000**	**14%**	**$0**	**0%**	**$2,400,000**	**15%**
-Transitional Housing	$400,000	2%	$0	0%	$500,000	3%	$0	0%		
-Permanent Supportive Housing	$400,000	2%	$0	0%	$500,000	3%	$0	0%		
-Rental Housing	$1,600,000	10%	$2,200,000	14%	$1,400,000	8%	$0	0%		
CHDO Works - CHDO Operating Grants	**$669,000**	**4%**	**$180,000**	**1%**	**$670,765**	**4%**	**$979,500**	**6%**	**$652,806**	**4%**
First Home Downpayment Assistance Programs [2]	**$3,500,000**	**21%**	**$2,746,485**	**17%**	**$1,500,000**	**9%**	**$1,551,968**	**10%**	**$1,665,509**	**10%**
INTR City Program	NA		NA		**$500,000**	**3%**	**$0**	**0%**	**$0**	**0%**
Homeownership Counseling	NA		NA		**$1,000,000**	**6%**	**$0**	**0%**	**$0**	**0%**
HOME Owner-Occupied Rehabilitation Program	NA		NA		**$2,221,488**	**13%**	**$5,000,000**	**32%**	**$5,000,000**	**31%**
Administration [3]	**$1,656,208**	**10%**	**$1,528,207**	**10%**	**$1,676,917**	**10%**	**$1,167,822**	**7%**	**$1,632,014**	**10%**
-IHFA Administrative Expenses and Professional Contracts			$1,332,657	8%			$917,822	6%		
-Administrative Subrecipient Agreements			$195,550	1%			$250,000	2%		
Total [1]	**$16,562,078**	**100%**	**$15,833,877**	**100%**	**$16,769,170**	**100%**	**$15,682,287**	**100%**	**$16,320,149**	**100%**
American Dream Down Payment Assistance (ADDI)										
First Home Downpayment Assistance Programs [3]	**$943,118**	**100%**	**$0**	**0%**	**$948,380**	**100%**	**$1,271,990**	**134%**	**$634,491**	**100%**

Notes:

[1] Total amount awarded may differ from amount available due to deobligations and reallocations of prior year funding.

[2] Award column includes houses funded with HOME Program Income. Data reflects obligations during period.

[3] Proposed amount includes total admin for IHFA, grantees, subrecipients, & other professional administrative contracts. Award column excludes grantee admin funds.

Indiana Housing Finance Authority

2005 Proposed HOPWA Allocation

Housing Opportunities for Persons with AIDS (HOPWA)

FY 2005 Formula Allocation	Formula Awards during PY04 7/1/04 - present		Supplemental Awards during PY04 7/1/04 - present		Proposed [4] PY 05		Estimated PY 05 Units [5]
Rental Assistance	$399,569	48%	$206,971	17%	$403,549	47%	142 households/units
Short-term Rent, Mortgage and Utility Assistance	$206,953	25%	$86,680	7%	$214,653	25%	464 households/units
Supportive Services	$117,886	14%	$184,188	15%	$120,206	14%	264 households
Housing Information	$34,290	4%	$69,805	6%	$34,345	4%	32 households
Project Sponsor Administration [1]	$44,170	5%	$71,030	6%	$53,621	6%	N/A
Resource Identification	$0	0%	$120,000	10%	$242	0%	N/A
Operating Costs	$8,052	1%	$103,000	9%	$7,818	1%	5 units
Technical Assistance	$0	0%	$0	0%	$0	0%	N/A
IHFA Administration [2]	$25,080	3%	$34,038	3%	$24,180	3%	N/A
Acquisition, Rehabilitation and Conversion [3]	$0	0%	$330,186	27%	$0	0%	
Total	**$836,000**	100%	**$1,205,898**	100%	**$858,614**	100%	**902 households** **611 HOPWA-assisted units**

Notes:

[1] HOPWA regulations allow project sponsors to use up to 7% of the allocation for administration.

[2] HOPWA regulations allow grantees to use up to 3% of the allocation for administration. This 3% is based off of the state's estimated FY05 Formula Award of $806,000

[3] IHFA funded this activity for the first time in 2004, with supplemental funds. We did not include this line-item in our 2005 allocation.

[4] The allocation percentages are based on actual 2003 HOPWA expenditures, IHFA is estimating that our FY05 allocation is $806,000 in addition we have $28,434 in previous unexpended HOPWA funds to allocate

[5] The estimates are based on information from the 2003 CAPER and performance of current recipients to date.

EMERGENCY SHELTER GRANT 2005-2006

NAME	Allocation
ADAMS WELLS CO. CRISIS SHELTER	$ 10,224.00
AIDS MINISTRIES	$ 16,795
ALBION FELLOW BACON	$ 10,224
ALTERNATIVES	$ 35,224
ANCHOR HOUSE, INC.	$ 15,224
ARCHDIOCESE OF INDPLS, ST. ELIZABETH	$ 29,249
CATHOLIC SOCIAL SERVICE OF CENTRAL IN	$ 29,613
CENTER FOR WOMEN AND FAMILY	$ 25,224
*CHILDREN'S BUREAU	$ 10,224
CHRISTIAN COMM ACTION OF PORTER CO	$ 15,224
CHRISTIAN LOVE HELP CENTER	$ 13,359
COBURN PLACE	$ 10,424
COLUMBUS REG SHEL 4 WOMEN (TURNING P	$ 10,224
COMMUNITY & FAMILY SERVICES, INC.	$ 14,224
COMMUNITY ACTION PORTER-EVAN & VAND CO	$ 34,322
COMMUNITY ANTI-VIOLENCE ALLIANCE	$ 10,224
COMMUNITY SERVICE CENTER - MORGAN CO	$ 40,224
COUNCIL ON DOMESTIC ABUSE	$ 10,224
CRISIS CENTER/A YOUTH SVICE BUREAU	$ 10,224
CRISIS CONNECTION	$ 14,724
DAYSPRINGS CENTER	$ 26,199
DISMAS INC.	$ 17,148
ECHO HOUSE CORP	$ 28,624
*ELIJAH HAVEN CRISIS	$ 10,224
EVANSVILLE GOODWILL INDUSTRIES	$ 24,415
FAM. CRISIS SHELTER OF MONTGOM CO	$ 10,724
FAMILY SERVICE SOCIETY (HANDS OF HOPE	$ 25,020
FAMILY SERVICES OF DELAWARE COUNTY	$ 22,224
FAMILY SERVICES OF ELKHART COUNTY	$ 20,055
*FAMILY SERVICES ASSOC. OF HOWARD CO.	$ 10,224
FORT WAYNE WOMEN'S BUREAU	$ 16,724
GARY COMM ON THE STAT OF WOM/ARK	$ 28,224
GENESIS OUTREACH, INC	$ 15,124
GENESIS PLACE, INC.	$ 25,608
GENNESARET FREE CLINIC	$ 14,324
GOSHEN INTERFAITH HOSP NETWORK	$ 26,457
HANCOCK HOPE HOUSE	$ 29,153
HAVEN HOUSE SERVICES	$ 39,724
HAVEN HOUSE, INC.	$ 10,224
HEART HOUSE, INC.	$ 14,224
HOPE HOUSE INC.	$ 14,224
HORIZON HOUSE, INC	$ 39,859

HOUSE OF BREAD AND PEACE	$	12,224
*HOUSE OF HOPE - MADISON COUNTY	$	18,224
HOUSING AUTHORITY OF GREENCASTLE	$	19,183
HOUSING OPPORTUNITY	$	12,224
HUMAN SERVICES	$	33,359
INDIANAPOLIS INTERFAITH HOSPITALITY	$	12,224
*INTERFAITH HOSPITALITY OF FT. WAYNE	$	16,224
INTERFAITH MISSION, INC.	$	15,024
KNOX.CTY.DV.	$	10,224
KOS.CTY.SHEL.ABUSE	$	29,977
LAFAYETTE TRANSITION HOUSING CENTER	$	40,224
LAFAYETTE URBAN MINISTRIES	$	25,359
LIFE CHOICE, INC.	$	19,356
LIFE TREATMENT	$	27,374
MARGARET ALEXANDER C.H.I.L.D. CENTER	$	13,359
MARION HOME FOUNDATION	$	19,224
*MARTHA'S HOUSE	$	12,224
MIDDLE WAY HOUSE	$	15,908
NOBLE HOUSE	$	17,024
NORTH CENTRAL IND. RURAL	$	10,224
OPEN DOOR COMMUNITY SERVICES,INC	$	40,224
*OZANAM FAMILY SHELTER	$	14,359
PRISONER & COMMUNITY TOGETHER	$	10,224
*PROJECT HELP OF STEUBEN CO.	$	12,224
PROJ STEPPING STONE OF MUNCIE	$	11,224
PROVIDENCE SELF SUFF. MINISTRIES, INC	$	11,224
QUEST FOR EXCELLENCE	$	17,157
RICHMOND/WAYNE CO. HALFWAY HOUSE	$	13,224
ROOSEVELT MISSION, INC.	$	25,657
SAFE PASSAGE	$	10,224
SALVATION ARMY - RUTH LILLY SOCIAL SE	$	24,320
**** SHELTERING WINGS***	$	10,224
ST. JUDE, INC.	$	10,224
STEPPING STONE 4 VET. INC.	$	14,924
STEPPING STONE SHELTER 4 WOMEN	$	10,424
THE CARING PLACE	$	19,724
THE CENTER FOR THE HOMELESS	$	37,633
THE JULIAN CENTER	$	30,224
THE MENTAL HEALTH ASSOCIATION	$	30,219
THE SALVATION ARMY EVANSVILLE	$	21,151
THE SALVATION ARMY HARBOR LIGHT	$	29,401
THE SALVATION ARMY KOKOMO	$	14,224
THE SALVATION ARMY LAFAYETTE	$	14,374
THE UNITED CARING SHELTER	$	21,224

*TURNING POINT OF STEUBEN CO.	***$***	***12,224***
TWIN OAKS HOUSING CORPORATION	***$***	***15,224***
VINCENT HOUSE	***$***	***17,724***
YOUTH SERVICE BUREAU OF ST. JOSEPH	***$***	***11,475***
YWCA EVANSVILLE	***$***	***10,224***
YWCA FT. WAYNE	***$***	***10,224***
YWCA GREATER LAFAYETTE	***$***	***10,224***
YWCA RICHMOND	***$***	***11,224***
YWCA ST. JOE.	***$***	***10,423***

ESG, PERFORMANCE BASED OPTIONS for SHELTERS

Case Management/Care Plans

1. ___% (Minimum 80%) Provide information/education materials for client needs and services within 3-7 days of assessments.
2. ___% (Minimum 50%) of the adult domestic violence clients will complete a safety plan.
3. ___% (Minimum 50%) of the clients will establish a case/care plan within 7 days of admission.
4. ___% (Minimum 75%) of children ages 5 and older will have a case/care/safety plan within 7 days of admission.
5. ___% (Minimum 30%) will access transitional or permanent housing upon exit from the program (for clients who stay 30 days or more).
6. ___% (Minimum 60%) of children will reunite and be housed with their family/guardian.
7. ___% (Minimum 80%) will offer and/or be referred to an educational and job training program.
8. ___% (Minimum 50%) will increase their income or be employed upon exit from the program (for clients who stay 30 days or more in the program).
9. ___% (Minimum 80%) Inform and refer to mainstream programs. (E.g. Food Stamps, Medicaid, Medicare, VA benefits, SSI, etc.)
10. ___% (Minimum 80%) of school age children will be enrolled in school within 72 hours.
11. ___% (Minimum 50%) of the transitional residents will move from transitional to permanent housing for families/individuals that stay at least 24 months.

Homeless Prevention/Outreach

12. ___ % (Minimum 80%) completes client assessments/intake within 72 hours.
13. Conduct a community outreach program at least one per quarter (four a year).

Operations

14. ___% (Minimum 75%) of clients will be provided with food and/or personal care items and other necessities.
15. ___% (Minimum 50%) Grantee agrees that the adult clients will participate in evaluating the shelter's services.

APPENDIX G.
Public Comments

APPENDIX G.
Public Comments

The 30-day public comment period for the FY2005-2009 State of Indiana Consolidated Plan was held between April 1 and April 30, 2005. Two public hearings were conducted on April 18 and 19 in the cities of Lebanon and Shelbyville. Summaries of the public comments received are included below.

Comments at Public Hearings

The forum held on April 18 in Lebanon had 9 attendees; the forum held in Shelbyville on April 19 had 5 attendees. The attendees had the following comments concerning housing and community development needs and the Consolidated Plan process:

- Owner-occupied rehabilitation is very important and should be continued and incrreased;
- Migrant and seasonal farmworker housing is needed;
- The State should work to coordinate the goals and research of the State Consolidated Plan with the Consolidated Plans of the entitlement cities;
- The State should continue to use CDBG for economic development in rural areas that need job growth; and
- Downtown revitalization is needed in rural areas.

Written Comments

The State received several letters from the public advocating increasing the amount of CDBG funding that is allocated to housing activities. The letters encouraged the State to increase the amount of CDBG funds allocated to IHFA from $5 million to $10 million.

The State received one written comment at the April 19 public hearing which encouraged the State to continue to "allocate a minimum of $2 million per year of CDBG funds for special economic development projects (e.g., infrastructure and capital equipment) in support of new job creation…and low-moderate job training."

Another written comment received in letter form encouraged the State to "include provisions for the continuation of planning funds, as well as funds for community improvement projects such as fire stations, fire trucks, drinking water, wastewater and storm water."

The State also received three written comments that were submitted via IHFA's website.

- The first comment encouraged the State to use CDBG funding to help rural communities "build capacity…to be able to attract business and investment."

- The second comment encouraged the State to keep intact the existing downpayment assistance program offered through nonprofit organizations.

- The third comment offered numerous suggestions to "increase the availability of individualized and dispersed, affordable and accessible housing (rental or ownership) for persons with disabilities." These suggestions included:

  - Using a portion of HOME funding for a tenant-based rental assistance (TBRA) program and increasing the proportion of HOPWA used for TBRA;

  - Providing incentives for housing developers to leverage HUD 811 dollars (in combination with HOME and CDBG funds) and to construct more than the minimum required accessible units;

  - Leveraging project-based Section 8 funds with HOME funds;

  - Increasing the amount of CDBG funds available for the development of accessible and integrated housing units.

  - Increasing the amount of downpayment assistance to up to $15,000 for persons with low incomes and disabilities;

  - Directing a portion of HOME funds to assist persons with disabilities become first-time homebuyers;

  - Increasing investment in homeownership education and counseling for first time homebuyers, including those with disabilities;

  - Providing administrative funding for nonprofit housing organizations that develop affordable and accessible housing;

  - Continuing to invest in home repairs and modifications for current homeowners and expanding the availability of home repair funds; and

  - Developing a home modification program as a new funding source to provide grants to local entities to administer home modification programs.

APPENDIX H.
HUD Regulations Cross-Walk

APPENDIX H.
HUD Regulations Cross-Walk

This appendix refers the reader to those sections in the 2005 Consolidated Plan Update that are intended to fulfill Sections 91.300 through 91.330 of HUD's regulations governing the contents of the state-level consolidated submission for community planning and development programs. Specifically, the bold and italicized text following each subsection refers to a textual location in the Consolidated Plan Update.

Subpart D – State Governments; Contents of Consolidated Plan

Sec. 91.300 General

(a) A complete consolidated plan consists of the information required in Sections 91.305 through 91.330, submitted in accordance with instructions prescribed by HUD (including tables and narratives), or in such other format as jointly agreed upon by HUD and the State.
See Appendix H, all.

(b) The State shall describe the lead agency or entity responsible for overseeing the development of the plan and the significant aspects of the process by which the consolidated plan was developed, the identity of the agencies, groups, organizations and others who participated in the process, and a description of the State's consultations with social service agencies and other entities. It also shall include a summary of the citizen participation process, public comments, and efforts made to broaden public participation in the development of the consolidated plan. *See Section I and Appendices B, C, D and G.*

Sec. 91.305 Housing and homeless needs assessment

(a) General. The consolidated plan must describe the State's estimated housing needs projected for the ensuing five-year period. Housing data included in this portion of the plan shall be based on U.S. Census data, as provided by HUD, as updated by any properly conducted local study, or any other reliable source that the State clearly identifies and should reflect the consultation with social service agencies and other entities conducted in accordance with Sec. 91.110 and the citizen participation process conducted in accordance with Sec. 91.115. For a State seeking funding under the HOPWA program, the needs described for housing and supportive services must address the needs of persons with HIV/AIDS and their families in areas outside of eligible metropolitan statistical areas. *See Sections II III, IV, and V, all.*

(b) Categories of persons affected. The consolidated plan shall estimate the number and type of families in need of housing assistance for extremely low-income, low-income, moderate-income, and middle-income families, for renters and owners, for elderly persons, for single persons, for large families, for persons with HIV/AIDS and their families, and for persons with disabilities. The description of housing needs shall include a discussion of the cost burden and severe cost burden, overcrowding (especially for large families), and substandard housing conditions being experienced by extremely low-income, low-income, moderate-income and middle-income renters and owners compared to the State as a whole. *See Section III, IV and V, all.*

For any of the income categories enumerated in paragraph (b)(1) of this section, to the extent that any racial or ethnic group has disproportionately greater need in comparison to the needs of that category as a whole, assessment of that specific need shall be included. For this purpose, disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least 10 percentage points higher than the percentage of persons in the category as a whole. *See Section III, IV and V, all.*

(c) Homeless needs. The plan must describe the nature and extent of homelessness (including rural homelessness) within the State, addressing separately the need for facilities and services for homeless individuals and homeless families with children, both sheltered and unsheltered, and homeless subpopulations, in accordance with a table prescribed by HUD. This description must include the characteristics and needs of low-income individuals and families with children (especially extremely low-income) who are currently housed but threatened with homelessness. The plan also must contain a narrative description of the nature and extent of homelessness by racial and ethnic group, to the extent information is available. *See Section V, especially "Persons Experiencing Homelessness."*

(d) Other special needs. The State shall estimate, to the extent practicable, the number of persons who are not homeless but require supportive housing, including the elderly, frail elderly, person with disabilities (mental, physical, developmental), persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and any other categories the State may specify, and describe their supportive housing needs. *See Section V, all.*

With respect to a State seeking assistance under the HOPWA program, the plan must identify the size and characteristics of the population with HIV/AIDS and their families within the area it will serve. *See Section V, especially "Persons with HIV/AIDS."*

Lead-based paint hazards. The plan must estimate the number of housing units within the State that are occupied by low-income families or moderate-income families that contain lead-based paint hazards, as defined in this part. *See Section IV, especially the section on lead-based paint hazards.*

Sec. 91.310 Housing market analysis

(a) General characteristics. Based on data available to the State, the plan must describe the significant characteristics of the State's housing markets (including such aspects as the supply, demand and condition and cost of housing). *See Sections III and IV, all.*

(b) Homeless facilities. The plan must include a brief inventory of facilities and services that meet the needs for emergency shelter and transitional housing needs of homeless persons within the State. *See Section V, especially "Persons Experiencing Homelessness."*

(c) Special needs facilities and services. The plan must describe, to the extent information is available, the facilities and services that assist persons who are not homeless but who require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing. *See Section V, all.*

(d) Barriers to affordable housing. The plan must explain whether the cost of housing or the incentives to develop, maintain, or improve affordable housing in the State are affected by its policies, including tax policies affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on residential investment. *See Section VI, especially "Barriers to Affordable Housing."*

Sec. 91.315 Strategic plan

(a) General. For the categories described in paragraphs (b), (c), (d), and (e) of this section, the consolidated plan must do the following:

Indicate the general priorities for allocating investment geographically within the State and among priority needs.

Describe the basis for assigning the priority (including the relative priority, where required) given to each category of priority needs. *See Section VII.*

Summarize the priorities and specific objectives, describing how the proposed distribution of funds will address identified needs.

For each specific objective, identify the proposed accomplishments the State hopes to achieve in quantitative terms over a specific time period (i.e., one, two, three or more years), or in other measurable terms as identified and defined by the State. *See Section VII and Appendix F, all.*

(b) Affordable housing. With respect to affordable housing, the consolidated plan must do the following:

The description of the basis for assigning relative priority to each category of priority need shall state how the analysis of the housing market and the severity of housing problems and needs of extremely low-income, low-income, and moderate-income renters and owners identified in accordance with Sec. 91.305 provided the basis for assigning the relative priority given to each priority need category in the priority housing needs table prescribed by HUD. Family and income types may be grouped together for discussion where the analysis would apply to more than one of them; *See Section VII.*

The statement of specific objectives must indicate how the characteristics of the housing market will influence the use of funds made available for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units. *See Section VII, and Sections III and IV for supporting market analysis and needs.*

The description of proposed accomplishments shall specify the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined in Sec. 92.252 of this subtitle for rental housing and Sec. 92.254 of this subtitle for homeownership over a specific time period. *See Section VII.*

(c) Homelessness. With respect to homelessness, the consolidated plan must include the priority homeless needs table prescribed by HUD and must describe the State's strategy for the following:

Helping low-income families avoid becoming homeless;

Reaching out to homeless persons and assessing their individual needs;

Addressing the emergency shelter and transitional housing needs of homeless persons; and,

Helping homeless persons make the transition to permanent housing and independent living.

For all of the above, see Section V, "Persons Experiencing Homelessness," Section VII for related strategies, and Appendix F for allocated funds.

(d) Other special needs. With respect to supportive needs of the non-homeless, the Consolidated Plan must describe the priority housing and supportive service needs of persons who are not homeless but require supportive housing (i.e., elderly, frail elderly, persons with disabilities (mental, physical, developmental), persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and public housing residents). *See Section V, all, Section VII for related strategies, and Appendix F for allocated funds.*

(e) Non-housing community development plan. If the State seeks assistance under the Community Development Block Grant program, the consolidated plan must describe the State's priority non-housing community development needs that affect more than one unit of general local government and involve activities typically funded by the State under the CDBG program. These priority needs must be described by CDBG eligibility category, reflecting the needs of persons of families for each type of activity. This community development component of the plan must state the State's specific long-term and short-term community development objectives (including economic development activities that create jobs), which must be developed in accordance with the statutory goals described in Sec. 91.1 and the primary objective of the CDBG program to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities, principally for low-income and moderate-income persons. *See Section III, Section VII for related strategies, and actions, and Appendix F for allocated funds.*

(f) Barriers to affordable housing. The consolidated plan must describe the State's strategy to remove or ameliorate negative effects of its policies that serve as barriers to affordable housing, as identified in accordance with Sec. 91.310. *See Section VII, especially "Barriers to Affordable Housing."*

(g) Lead-based paint hazards. The consolidated plan must outline the actions proposed or being taken to evaluate and reduce lead-based paint hazards, and describe how the lead-based paint hazard reduction will be integrated into housing policies and programs. *See Section IV, especially the section on lead-based paint hazards.*

(h) Anti-poverty strategy. The consolidated plan must describe the State's goals, programs, and policies for reducing the number of poverty level families and how the State's goals, programs, and policies for reducing the number of poverty level families and how the State's goals, programs, and policies for producing and preserving affordable housing, set forth in the housing component of the consolidated plan, will be coordinated with other programs and services for which the State is responsible and the extent to which they will reduce (or assist in reducing) the number of poverty level families, taking into consideration factors over which the State has control. *See Section VII, "Anti-Poverty Strategy."*

(i) Institutional structure. The consolidated plan must explain the institutional structure, including private industry, nonprofit organizations, and public institutions, through which the State will carry out its housing and community development plan, assessing the strengths and gaps in that delivery system. The plan must describe what the State will do to overcome gaps in the institutional structure for carrying out its strategy for addressing its priority needs. *See Section VII.*

(j) Coordination. The consolidated plan must describe the State's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health, and service agencies. With respect to the public entities involved, the plan must describe the means of cooperation and coordination among the State and any units of general local government in the implementation of its consolidated plan. *See Section VII.*

(k) Low-income housing tax credit use. The consolidated plan must describe the strategy to coordinate the Low-income Housing Tax Credit with the development of housing that is affordable to low-income and moderate-income families. *See Section VII.*

(l) Public housing resident initiatives. For a State that has a State housing agency administering public housing funds, the consolidated plan must describe the State's activities to encourage public housing residents to become more involved in management and participate in homeownership. *See Section VII for strategies for increasing homeownership and Appendix F for other related strategies.*

Sec. 91.320 Action plan

The action plan must include the following:

(a) Form application. Standard Form 424. *See Appendix A.*

(b) Resources

Federal resources. The consolidated plan must describe the federal resources expected to be available to address the priority needs and specific objectives identified in the strategic plan, in accordance with Sec. 91.315. These resources include grant funds and program income. *See Section VII and Appendix F, all.*

Other resources. The consolidated plan must indicate resources from private and non-federal public sources that are reasonably expected to be made available to address the needs identified in the plan. The plan must explain how federal funds will leverage those additional resources, including a description of how matching requirements of the HUD programs will be satisfied. Where the State deems it appropriate, it may indicate publicly owned land or property located within the State that may be used to carry out the purposes stated in Sec. 91.1.

(c) Activities. A description of the State's method for distributing funds to local governments and nonprofit organizations to carry out activities, or the activities to be undertaken by the State, using funds that are expected to be received under formula allocations (and related program income) and other HUD assistance during the program year and how the proposed distribution of funds will address the priority needs and specific objectives described in the consolidated plan. *See Appendix F.*

(d) Geographic distribution. A description of the geographic areas of the State (including areas of minority concentration) in which it will direct assistance during the ensuing program year, giving the rationale for the priorities for allocating investment geographically. *See Section VII for the State's overall distribution plan and Appendix F for program distribution plans.*

(e) Homeless and other special needs activities. Activities it plans to undertake during the next year to address emergency shelter and transitional housing needs of homeless individuals and families (including subpopulations), to prevent low-income individuals and families with children (especially those with incomes below 30 percent of median) from becoming homeless, to help homeless persons make the transition to permanent housing and independent living, and to address the special needs of persons who are not homeless identified in accordance with Sec. 91.315(d). *See Section VII for related strategies.*

(f) Other actions. Actions it plans to take during the next year to address obstacles to meeting underserved needs, foster and maintain affordable housing (including the coordination of Low-Income Housing Tax Credits with the development of affordable housing), remove barriers to affordable housing, evaluate and reduce lead-based paint hazards, reduce the number of poverty level families, develop institutional structure, and enhance coordination between public and private housing and social service agencies and foster public housing resident initiatives. (See Sec. 91.315 (a), (b), (f), (g), (h), (i), (j), (k) and (l).) *See Section VII for related strategies.*

(g) Program-specific requirements. In addition, the plan must include the following specific information:

CDBG. *See Appendix F, CDBG documentation.*

HOME. *See Appendix F, HOME documentation.*

ESG. The State shall state the process for awarding grants to State recipients and a description of how the State intends to make its allocation available to units of local government and nonprofit organizations. *See Appendix F, ESG documentation.*

HOPWA. The State shall state the method of selecting project sponsors. *See Appendix F, HOPWA documentation.*

Sec. 91.325 Certifications

See Appendix A for all Certifications.

(a) General. *For all items in 91.325 (a)-(d), see Appendix A.*

Affirmatively furthering fair housing. Each State is required to submit a certification that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the State, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

Anti-displacement and relocation plan. The State is required to submit a certification that it has in effect and is following a residential anti-displacement and relocation assistance plan in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug-free workplace. The State must submit a certification with regard to drug-free workplace required by 24 CFR part 24, subpart F.

Anti-lobbying. The State must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

Authority of State. The State must submit a certification that the consolidated plan is authorized under State law and that the State possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan. The State must submit a certification that the housing activities to be undertaken with CDBG, HOME, ESG and HOPWA funds are consistent with the strategic plan.

Acquisition and relocation. The State must submit a certification that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR part 24.

Section 3. The State must submit a certification that it will comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

(b) Community Development Block Grant program. For States that seek funding under CDBG, the following certifications are required:

Citizen participation. A certification that the State is following a detailed citizen participation plan that satisfies the requirements of Sec. 91.115, and that each unit of general local government that is receiving assistance from the State is following a detailed citizen participation plan that satisfies the requirements of Sec. 570.486 of this title. *Also see Appendix B.*

Consultation with local governments.

Community development plan. A certification that this consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the statute authorizing the CDBG program, as described in 24 CFR 570.2, and requirements of this part and 24 CFR part 570.

Use of funds.

Compliance with anti-discrimination laws. A certification that the grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

Excessive force.

Compliance with laws. A certification that the State will comply with applicable laws.

(c) Emergency Shelter Grant program.

For States that seek funding under the Emergency Shelter Grant program, a certification is required by the State that it will ensure that its State recipients comply with the following criteria:

In the case of assistance involving major rehabilitation or conversion, it will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for not less than a 10-year period;

In the case of assistance involving rehabilitation less than that covered under paragraph (d)(1) of this section, it will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for not less than a three-year period;

In the case of assistance involving essential services (including but not limited to employment, health, drug abuse or education) or maintenance, operation, insurance, utilities and furnishings, it will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure as long as the same general population is served;

Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary;

It will assist homeless individuals in obtaining appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living, and other federal, State, local and private assistance available for such individuals;

It will obtain matching amounts required under Sec. 576.71 of this title;

It will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project except with the written authorization of the person responsible for the operation of that shelter;

To the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining and operating facilities assisted under this program, in providing services assisted under the program, and in providing services for occupants of facilities assisted under the program; and

It is following a current HUD-approved consolidated plan.

(d) HOME program. Each State must provide the following certifications:

If it plans to use program funds for tenant-based rental assistance, a certification that rental-based assistance is an essential element of its consolidated plan.

A certification that it is using and will use HOME funds for eligible activities and costs, as described in sections 92.205 through 92.209 of this subtitle and that it is not using and will not use HOME funds for prohibited activities, as described in Sec. 92.214 of this subtitle.

A certification that before committing funds to a project, the State or its recipients will evaluate the project in accordance with guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other federal assistance than is necessary to provide affordable housing.

Housing Opportunities for Persons With AIDS. For States that seek funding under the Housing Opportunities for Persons With AIDS program, a certification is required by the State.

Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Any building or structure purchased, leased, rehabilitated, renovated or converted with assistance under that program shall be operated for not less than 10 years specified in the plan, or for a period of not less than three years in cases involving non-substantial rehabilitation or repair of a building or structure.

(e) HOPWA program. For States that seek funding under the Housing Opportunities for Persons with AIDS program, a certification is required by the State that:

Activities funded under the program will meet the urgent needs that are not being met by available public and private sources; and

Any building or structure purchased, leased, rehabilitated, renovated, or converted with assistance under that program shall be operated for not less than 10 years specified in the plan, or for a period of not less than three years in cases involving non-substantial rehabilitation or repair of a building or structure.

Sec. 91.330 Monitoring

The consolidated plan must describe the standards and procedures that the State will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including the comprehensive planning requirements.
See Appendix F.

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