State of Indiana 2018 Annual Action Plan

Housing and Community Development

FINAL REPORT

Final Report

June 2018

State of Indiana 2018 Annual Action Plan for Housing and Community Development, July 1, 2018 – June 30, 2019

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

1. Introduction

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

The Indiana Office of Rural and Community Affairs (OCRA) receives and administers CDBG. The Indiana Housing & Community Development Authority (IHCDA) receives and administers HOME, ESG, HOPWA and HTF. The state is eligible to receive these funds on an annual basis.

As a condition for receiving HUD block grant funding, the State must complete a five-year strategic plan called a Consolidated Plan for Housing and Community Development (Consolidated Plan). The Consolidated Plan identifies the State's housing and community development needs and sets five-year goals for how block grant funds will be used to address the needs. Each year, the state completes an Annual Action Plan which determines how the funds will be spent in the coming program year (PY).

The 2015-2019 five-year Consolidated Plan was approved by HUD in July 2015. This document, the 2018 Annual Action Plan, is the fourth action plan in the Consolidated Plan cycle. It describes how OCRA and IHCDA plan to allocate HUD block grant funds during the 2018 program year (PY18), which runs from July 1, 2018 through June 30, 2019.

2. Summarize the objectives and outcomes identified in the Plan

During the 2015-2019 strategic planning period the top-level goals that will guide funding allocations include:

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

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

For the 2018 program year, the State proposes to allocate funding to the following activities:

CDBG:

- $3.0 million for owner-occupied rehabilitation (allocated to IHCDA, referred to as CDBG OOR in this Action Plan)—*no change in funding proportion from PY2017; increase in dollar amount of $200,000 consistent with overall increase in CDBG*
- $4 million for Stellar Communities Program. *In PY2017, prior year funds were used for Stellar Communities. In PY2018, current program year funds will be used.*
- $1.7 million for Planning Fund—up *$700,000 from PY2017*
- $2 million for Main Street Revitalization Program—*down $500,000 from PY2017*
- $11.5 million for Wastewater/ Drinking Water Improvements Program *down $500,000 from PY2017*
- $500,000 for Blight Clearance Program—*up $100,000 from PY2017*
- $2.4 million for Public Facilities Program, Program *down $1.6 million from PY2017*
- $4.5 million for Storm Water Improvements Program—*same as in PY2017*
- $0 Workforce Development Program. *Note, this program is being discontinued after a 2017 evaluation by OCRA.*
- $0 Urgent Need Fund—*no change in funding from PY2017*
- $280,000 Technical Assistance—*no change in funding from PY2017*
- $640,000 Administration—*slightly less than in PY2017*

HOME:

- $11 million rental projects/construction
- $1 million homeownership projects/construction
- $500,000 for CHDO operating and predevelopment
- $1.456 administrative uses ($900,000 internal and $560,000 organizational capacity building)
- $600,000 Tenant Based Rental Assistance (TBRA) (if not utilized, will be converted to rental construction). TBRA may be used in other Participating Jurisdictions.
- Any Program Income collected during FY 2018 will be made available for rental, homebuyer or CHDO operating funds (up to the allowable cap).

HTF:

- $3.65 million rental projects
- $289,000 administration

ESG:

- $2 million for emergency shelters with operations and essential services and street outreach
- $1.3 million for rental assistance associated with homeless prevention
- $272,000 for sub recipient and grantee administration

HOPWA:

- $486,000 in TBRA
- $257,000 for housing information activities
- $215,000 short-term rental, utilities and mortgage assistance
- $125,000 support facility operations and supportive services
- $47,000 Permanent Housing Placement.
- $120,500 sub recipient and grantee administration $37,500 IHCDA admin and $83,000 project admin)

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

Contingency Plans

At the time this document was prepared, HUD's budget for PY2018 had not been determined. Contingency plans were developed to adjust the allocation if PY2018 funding is different than that estimated. The PY2018 funds were higher than had been planned; as such, the contingency plans were not implemented. These are summarized below because they appeared in the Draft Action Plan and may be used in future periods of funding uncertainty.

CDBG contingency plan:

If cuts are less than 25%:

- IHCDA CDBG OOR remains at 10% of the total CDBG allocation
- Admin and Technical Assistance remain at allowable percentages
- Spread remaining percentage reduction throughout all remaining programs

If cuts are greater than 25%: Housing program will not be funded, admin and Technical Assistance remain at allowable percentages, a substantial amendment is issued to reprogram other funds.

HOME contingency Plan:

If IHCDA receives more HOME funding than stated under this proposed plan, the increase in funds would be applied to the admin set-aside (up to the allowable cap) and the remainder added to the rental construction activity.

If IHCDA receives less HOME funding than stated under this proposed plan, the set-asides for CHDO Operating and Pre-Development and Admin will decrease by the proportional percentage of allocation reduction to ensure those line-items are within the required caps. If the remaining reduction is less than $500,000, IHCDA will reduce the amount set-aside for rental activities. If the remaining reduction is greater than $500,000 a proportional decrease will be set for Rental Construction, TBRA and Homeownership Contraction.

HTF contingency plan:

If IHCDA receives more HTF funding than stated under this proposed plan, the increase in funds would be applied to the admin set-aside and construction set-aside proportionally.

If IHCDA receives less HTF funding than stated under this proposed plan, the decrease in funds would be applied to the admin set-aside and construction set-aside proportionally.

3. Evaluation of past performance

During PY2017, OCRA and IHCDA evaluated and need/demand and effectiveness of several programs.

- OCRA continued evaluating the results of a CDBG Best Practices analysis that was conducted in PY2017.
- OCRA also began a review of their entire CDBG grant program and process with the goal of reducing redundancies, and unnecessary burdens placed on communities. This review has already resulted in numerous improvements to the grant programs and process. Some of those improvements can be seen within the PY 2018 MOD, such as the single scoring criteria.
- IHCDA gathered feedback from shelters and service providers about how programs could be adapted to meet the changing needs of the residents they serve. By far, the most significant challenge of shelters is the growing opioid crisis. Services have become a more critical component to ensure success in housing; some providers are questioning the effectiveness of housing first models for persons challenged by substance abuse.
- Similarly, for HOPWA clients, case management is viewed as a critical part of programming and the most effective way to ensure long-term solutions. The HOPWA program’s focus on more than rental assistance (i.e., assisting with other needs such as life services, connections to therapy, and food pantry connections) is highly valued.
- During PY 2016 and 2017, IHCDA conducted targeted trainings toward Community Housing Development Organizations to provide technical assistance on the HOME regulations and provide best practices on non-profit management. IHCDA also provided specific HOME training during their annual Housing Conference on HOME regulations, available to all non-profit Partners and other Participating Jurisdictions.

Changes made in PY2018 as a result of past performance include:

1) OCRA has discontinued the Workforce Development Program. OCRA reviewed this program in PYs17/18, comparing it to other programs offered by partners, and made the determination to discontinue the program.
2) OCRA revised the maximum grant amounts for the wastewater and drinking water improvement program. OCRA reduced the program funding categories from six to two and removed the tiered maximum funding amounts, which were previously tied to the percentages of households who were low and moderate income (LMI).
3) Applications for the Blight Clearance program will be accepted, and awards will be made, on a continuous basis. In prior years, these awards were done in grant cycles.
4) In the current program year, the Continuum of Care (CoC) will be working with ESG entitlement cities to establish a common methodology for project evaluation and a funding allocation that leverages and benefits entitlement funds.
5) ESG funds will be required to work in coordination with CoC funds to reduce the length of time people experiencing homelessness stay in shelters. Additionally, the state is working with the Family and Social Services Administration (FSSA) to leverage Temporary Aid for Needy Families (TANF) resources for Rapid Rehousing (RRH) funds for families in order to extend the impact of rapid rehousing in the overall system.
6) During 2018, the CoC Executive Board will look at strengthening the performance criteria and working to support projects to better prepare tenants to exit shelter to permanent destination.
7) IHCDA will continue to hold two HOME applications rounds a year to ensure funds are committed in a timely fashion.

Evaluation efforts that will continue include:

8) OCRA will continue to review their entire CDBG grant program and process, and make improvements.
9) HOPWA beneficiaries will continue to be evaluated on supportive housing counseling and connections to medical services, in addition to the number of people served.
10) IHCDA will work to host a landlord training in 2018-19 to continue to educate and support landlords while ensuring the support for clients in HOPWA and ESG RRH.
11) IHCDA will continue to evaluate the success of its programming through monitoring. IHCDA has a practice of monitoring the performance of 25 percent of ESG grantees every year. Desk monitoring is also completed by evaluating data quality through HMIS, with the goal of keeping missing and unknown data elements below 5 percent. Projects that are not meeting performance goals are offered technical assistance. IHCDA also provides statewide training to increase performance outcomes.

4. Summary of Citizen Participation Process and consultation process

The citizen participation and stakeholder consultation process for the 2018 Action Plan included the following components:

Listening sessions—Listening sessions were held in 13 communities across Indiana in the summer of 2017. Attendees participated in rating exercises to identify top community development needs.

- Tuesday, June 27: Bloomington
- Thursday, June 29: Winchester
- Tuesday, July 11: Jasper
- Wednesday, July 12: Auburn
- Thursday, July 13: Crawfordsville
- Tuesday, July 18: Delphi
- Wednesday, July 19: Rushville
- Thursday, July 20: Lowell
- Tuesday, July 25: Sullivan
- Wednesday, July 26: Lawrenceburg
- Tuesday, August 1: Sellersburg
- Wednesday, August 2: Plymouth
- Thursday, August 3: Oakland City

Community exchanges—OCRA's Main Street Community Exchanges are designed to bring communities from across the state to various locations to learn about best practices, new initiatives, and gain insight into other communities' unique approaches to implementing Main Street revitalization. During the development of the Consolidated Plan, Community exchanges were held to discuss economic vitality, economic transformation, and revitalization, design, and promotion of Main Street spaces:

Friday, August 25: Cambridge City (Wayne County) - **Economic Vitality**. OCRA Presentation on Economic Vitality

Friday, September 22: North Liberty (St. Joseph County) –**Transforming Main Street**. OCRA Presentation on Transformational Strategies

Friday, October 20: Jeffersonville (Clark County) –**Design** OCRA Presentation on Design

Friday, November 17: Terre Haute (Vigo County) –**Organization** OCRA Presentation on Organization

Friday, February 2: Auburn (DeKalb) -**Promotion**

Stakeholder survey – A survey to collect input about housing and community development needs was available to stakeholders throughout the month of December 2017. A total of 344 stakeholders responded to the survey.

Stakeholder interviews – During development of the 2018 Action Plan, interviews were conducted with local government officials, organizational leaders, housing and social service providers, emergency shelter staff, and affordable housing developers to elicit feedback on programming offered by OCRA and IHCDA, as well as current priorities.

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

Public comment period – A 45 day public comment period was held between February 15, 2018 and April 1, 2018. This comment period is longer than HUD requires (30 days) and was implemented in response to requests at the public hearings held for the 2015-2019 Consolidated Plan.

The draft plan was posted on both the OCRA and IHCDA website beginning on February 15, 2018.

Public hearing – Public hearings on the Draft 2018 Action Plan were held on March 15, 2018. The public hearings were hosted by Purdue Extension broadcast throughout the State using video conferencing capabilities, with additional staff at each location to answer questions and get feedback.

The hearings occurred in:

- Allen County, 4001 Crescent Avenue, Fort Wayne
- Lake County, 2293 North Main Street, Crown Point
- Marion County, 1202 East 38th Street, Indianapolis
- Spencer County, 1101 East County Road 800 North, Chrisney
- Tippecanoe County, 3150 Sagamore Parkway South, Lafayette
- Vigo County Public Library, One Library Square, Terre Haute

Notifications of the hearings began on February 12, 2018, more than 30 days before the public hearing. The notice was sent out through IHCDA and OCRA's website and distribution lists. These notifications reached more than 4,000 people.

Method of Distribution and application comment periods. In addition to the above consultation opportunities, OCRA and IHCDA also conducted outreach and held comment periods on program requirements and application processes individually. Information on these comment opportunities was provided through e-blasts. Examples of the notification of these processes are shown below.

2018 CDBG Round 1 application changes

INDIANAPOLIS – As a reminder, first round of Community Development Block Grants (CDBG) of 2018 is now open.

There are several changes to the application packet for Round 1. Here is a summary:

- Single application packet that covers both the proposal and application submissions. For the proposal, only a selection of sections are required and identified in the checklist with "RP".
- Clarified the purpose of the proposal and site visit. The multiple stages allow OCRA to provide technical assistance to communities and hopefully result in improved applications.
- Raised the maximum for Environmental Review to $5,000.
- Noted that digital signatures will be accepted. I hope this will continue our move to digital.
- Limited media/promotion to one page. It should just be a summary not the entire project description.
- Required census data on National Objective even if an Income Survey is used.
- Required the income survey be started by the due date of the proposal.
- Moved the legal section to the end.
- Added event and signage guidelines.

A recording of the informational webinar from today is posted on our website.

Real Estate Department (RED) Notice 18-09

IHCDA'S HOME Investment Partnership Program Supplemental Round Policy and Application are now available on IHCDA's HOME webpage. Dates for the HOME Supplemental funding round are below. Please note that this is an anticipated schedule and is subject to change.

IHCDA will host an additional webinar to answer questions prior to the application submittal deadline. The date for this webinar is to be determined and will be announced via RED Notice.

Please refer to RED Notice 18-04 for the tentative dates of other IHCDA funding rounds.

Please contact your regional analyst or Chris Nevels, HOME & CDBG Manager, at cnevels@ihcda.in.govwith questions or for more information.

Real Estate Department (RED) Notice 18-17

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

IHCDA will be accepting additional public comments on the draft until April 11, 2018. Comments may be sent to Chris Nevels, HOME & CDBG Manager at **cnevels@ihcda.in.gov**.

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

5. Summary of public comments

Public comments on the Draft 2018 Action Plan were received from February 15, 2018, through April 1, 2018.

IHCDA also posted their draft applications for comment between February 15 and April 1, 2018. Both were advertised through RED notices.

The state also conducted interviews with stakeholders during the public comment period to get their input on the Draft 2018 Action Plan. Altogether, 30 interviews were conducted with stakeholders, representing a variety of housing and community development interests and nonentitlement geographic areas.

Common themes from the interviews include: 1) Strong and consistent demand for rental housing that serves extremely low income residents (0-30% AMI); 2) Transitional and permanent housing for special needs residents, including seniors, youth transitioning from foster care, persons recovering from substance abuse, and victims of domestic violence; 3) Recognition of the struggle between finding affordable sites and incorporating equitable locational elements in development scoring; 4) Concern about the state providing loans when grants are needed.

Altogether, 17 written comments about the Draft Plan were received. Many of the commenters complimented the state for expanding programs to increase housing options for persons with disabilities and seniors who desire to age in place. Commenters offered many ideas for additional programmatic and policy solutions to meet housing and community development needs. These suggestions largely concerned expanding housing choice for persons with disabilities, persons experiencing homelessness, and addressing the economic challenges in rural communities by support infrastructure improvements and planning grants.

A summary of commenters' concerns are shown in the matrix below.

Letter No.	Last Name/Organization	Organization type	Concern 1	Concern 2	Concern 3	Other comments
1	Curry & Associates	Engineers and architects	Maintaining funding for water and wastewater program	Maintain funding for stormwater program	Maintain funding for public facilities program	OCRA should review timeframe and effectiveness of Stellar Communities and consider increasing funding for water/wastewater/stormwater/public facilities programs which have a large economic impact
2	Prosperity Indiana	Housing, community development, services trade organization	Increased HOME funding should be allocated to TBRA. Encourage allocation of a portion of trust fund dollars to projects that serve larger families	PSH and rapid rehousing (Housing First) are not always effective in serving families fleeing domestic violence, families who have difficulty finding housing and must rely on shelters, and youth transitioning out of foster care.	CDBG funding for blight clearance is too low and funds for planning grants should not have been reduced. Workforce development program should not have been discontinued.	Support moving HOME to a rolling application. Applaud longer timeframe for survey responses and direct questions about needs of ELI households and households experiencing homelessness
3	ATTIC	Center for Independent Living	Expand the Ramp Up program to include persons with disabilities who are renting	RHTC: 1) Ensure accessible units are being rented to those who need them (through preferences and lease agreements); 2) Require a minimum level of accessible modifications (grab bars) and a certain time period to make other reasonable accommodations; 3) Work to lower rents to make the developments more affordable to persons living on SSDI.		Consider conducting education and outreach activities to inform the private rental market/landlords of the Section 8/Housing Choice Voucher program and to hopefully counter the stigma and discrimination sometimes experienced by those with rental subsidies
4	Purkhiser	Citizen	Modify Ramp Up to allow ramps to be built on mobile homes or on rental housing, where most people with disabilities live	Severe shortage of affordable and accessible housing in the French Lick/West Baden Springs area	Severe shortage of affordable and accessible housing in general	Thank you for the RAMP UP program for homeowners and for efforts to increase visitability
5	PathStone Corporation	Housing developer/provider	Reinstate funding for migrant farmworker housing			
6	accessABILITY-1	Independent Living Advocacy/Hispanic Outreach	Expand the Ramp Up program to include persons with disabilities who are renting	RHTC: 1) Ensure accessible units are being rented to those who need them (through preferences and lease agreements); 2) Require a minimum level of accessible modifications (grab bars) and a certain time period to make other reasonable accommodations; 3) Work to lower rents to make the developments more affordable to persons living on SSDI. 4) Address barrier to access for persons with disabilities with past convictions.		Consider conducting education and outreach activities to inform the private rental market/landlords of the Section 8/Housing Choice Voucher program and to hopefully counter the stigma and discrimination sometimes experienced by those with rental subsidies
7	Independent Living	Independent Living Advocacy	Funding: 1) Do not cut OOR program if CDBG funds are decreased. 2) Maintain TBRA funding levels. 3) Do not reduce home trust funds.	Expand the Ramp Up program to include persons with disabilities who are renting	Create a simple tool to inform potential landlords about the benefits (and minimal requirements) of participating in the housing choice voucher program	
8	Back Home Indiana Alliance	Independent Living Advocacy	Expand the Ramp Up program to include persons with disabilities who are renting	RHTC: 1) Ensure accessible units are being rented to those who need them (through preferences and lease agreements); 2) Require a minimum level of accessible modifications (grab bars) and a certain time period to make other reasonable accommodations; 3) Work to lower rents to make the developments more affordable to persons living on SSDI. 4) Address barrier to access for persons with disabilities with past convictions.		Consider conducting education and outreach activities to inform the private rental market/landlords of the Section 8/Housing Choice Voucher program and to hopefully counter the stigma and discrimination sometimes experienced by those with rental subsidies
9	Ability Indiana	Independent Living Advocacy	Expand the Ramp Up program to include persons with disabilities who are renting	RHTC: 1) Ensure accessible units are being rented to those who need them (through preferences and lease agreements); 2) Require a minimum level of accessible modifications (grab bars) and a certain time period to make other reasonable accommodations; 3) Work to lower rents to make the developments more affordable to persons living on SSDI. 4) Address barrier to access for persons with disabilities with past convictions.		Consider conducting education and outreach activities to inform the private rental market/landlords of the Section 8/Housing Choice Voucher program and to hopefully counter the stigma and discrimination sometimes experienced by those with rental subsidies
10	ATTIC, Inc.	Independent Living Advocacy	Significant need for affordable and accessible housing, especially for adult children who are living with their parents			Thank you for the RAMP UP program for homeowners and for efforts to increase visitability
11	Vaughn	Citizen	Expand the Ramp Up program to include persons with disabilities who are renting	Provide notification to tenants occupying RHTC developments with accessibility features that they may need to move into a non-accessible unit if a person who needs the modifications applies for housing.		Compliments to IHCDA for efficiencies in how the housing choice voucher program is administered
12	accessABILITY-2	Independent Living Advocacy	Expand the Ramp Up program to include persons with disabilities who are renting	RHTC: 1) Ensure accessible units are being rented to those who need them (through preferences and lease agreements); 2) Require a minimum level of accessible modifications (grab bars) and a certain time period to make other reasonable accommodations; 3) Work to lower rents to make the developments more affordable to persons living on SSDI. 4) Address barrier to access for persons with disabilities with past convictions.		Consider conducting education and outreach activities to inform the private rental market/landlords of the Section 8/Housing Choice Voucher program and to hopefully counter the stigma and discrimination sometimes experienced by those with rental subsidies
13	Strand Associates	Engineering firm	Increase planning grant amounts to $60,000, the amount required to complete a study			Thank you for tying grant amonts to user rates
14	accessABILITY-3	Independent Living Advocacy	Expand the Ramp Up program to include persons with disabilities who are renting	Conduct outreach to landlords about the benefits of participating in the housing choice voucher program	Fund modest home modifications in rental housing	Thank you for the RAMP UP program for homeowners and for efforts to increase visitability
15	Milestone Ventures					Feedback concerned technical aspects of IHCDA Draft HOME Rental Policies
16	SICIL	Independent Living Advocacy	Expand the Ramp Up program to include persons with disabilities who are renting. Most people with SSI incomes are unable to afford to purchase a home and live in rental housing. They are on extremely limited incomes and this will allow them to be able to live independently in the community.	Remember that people with disabilities have families and need affordable medium to large size units		
17	SICIL	Independent Living Advocacy	Continue to fund home modification programs. Reductions would increase costs associated with medical care, transportation, and other components involved with the injuries.	Expand funding to include people residing in mobile homes	Expand the Ramp Up program to include persons with disabilities who are renting	Conduct outreach to landlords about the benefits of participating in the housing choice voucher program, especially for tenants with disabilities, who benefit greatly from living in single family home environments

One commenter asked for clarification about CDBG funding for Blight Clearance. The commenter asked 1) How in-kind match notifications are treated in a continuous application process; and 2) If the scoring rubric was changed to accommodate the continuous application process.

The revised MOD was adjusted to address to provide more clarity.

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

All comments all accepted.

7. Summary

Please see above.

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

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

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

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

Table 1 – Responsible Agencies

Narrative

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

Consolidated Plan Public Contact Information

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

Introduction

The 2018 Action Plan engaged stakeholders and residents statewide through a survey of housing and community development professionals and past grantees of CDBG, HOME, ESG, and HOPWA; listening sessions in 13 communities; and Main Street Community Exchanges.

Respondents represented a wide variety of organizations and interests, including:

- Units of local government—141 respondents (41% of responses),
- Economic development officials—89 respondents (26%),
- Social service providers representing low income households—50 respondents (15%),
- Business owners and managers—37 respondents (11%),
- Education professionals—37 respondents (11%),
- Regional planners—37 respondents (11%),
- Service providers representing persons with disabilities—37 respondents (11%),
- Service providers representing seniors—32 respondents (9%).
- A wide variety of other organizations and industries.

The respondents represented all 92 counties in the State of Indiana.

Note: Because respondents often represented more than one organization or industry, the above proportions add to more than 100%.

Listening sessions—Listening sessions were held in 13 communities across Indiana in the summer of 2017. These sessions were sponsored by OCRA and, as such, were focused on economic challenges. Attendees participated in rating exercises to identify top community development needs.

- Tuesday, June 27: Bloomington
- Thursday, June 29: Winchester
- Tuesday, July 11: Jasper
- Wednesday, July 12: Auburn
- Thursday, July 13: Crawfordsville
- Tuesday, July 18: Delphi
- Wednesday, July 19: Rushville
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The figure below summarizes the main comments from those listening sessions. As the figure indicates, top needs vary considerably by location and are closely linked to community and regional economic health. The most common needs across all areas included limited broadband access, job growth, improved community amenities to attract new workers, and skill development of existing workforce.

Date of Session, all 2017	Location	Highest ranked community concerns	Secondary concerns	Lowest ranked concerns
June 27	Bloomington	Broadband access. Crumbling infrastructure. Skills gaps.	Housing gaps. Public health/obesity.	Few college graduates staying in state. Opioid epidemic. Affordable housing.
June 29	Winchester	Opioid epidemic; drug issues. Broadband access.		Sustained community capacity and spirit.
July 11	Jasper	Opioid epidemic; drug issues. Broadband access. Affordable market rate housing. Skilled workforce.	Mental health of residents and lack of mental health resources. Well trained workforce.	
July 12	Auburn		Lack of involvement of local schools. Broadband access.	Rural infrastructure. Lack of involvement of youth; concerns about volunteer capacity as the community ages.
July 13	Crawfordsville	Community attraction and marketing. Broadband access. Housing.	Few jobs to attract millennials. Limited child care. Lack of mental health services.	
July 18	Delphi	Lack of development. Opioid epidemic.	Lack of skilled workforce.	Child care; schools. Small business development.
July 19	Rushville	Community drug treatment instead of jails. Lack of qualified workforce. Transportation connectivity. Rehabilitation/expansion of housing.	Mental health services. Inactive youth; population decline. Housing.	
July 20	Lowell		Water and sewer infrastructure.	
July 25	Sullivan	Quality child care. Public transportation. Broadband access.	Mental health services. Workforce development does not align with business needs. Job growth and livable wages.	
July 26	Lawrenceburg		Broadband access. Challenges with accepting growth.	Housing and community development.
August 01	Sellersburg	Workforce doesn't align with business needs.	Opioid epidemic.	Housing. Broadband access. Infrastructure improvements.
August 02	Plymouth	Lack of skilled workforce; no votech programs in schools. Lack of community development, including arts development.	Lack of jobs to retain residents and support community growth. Challenges with creating community to attract young professions and better wage jobs. Broadband access.	Food deserts. Child care.
August 03	Oakland City	Sewer, water infrastructure demands.	Limited jobs to retain local talent.	

Community exchanges—OCRA's Main Street Community Exchanges are designed to bring communities from across the state to various locations to learn about best practices, new initiatives, and gain insight into other communities' unique approaches to implementing Main Street revitalization. During the development of the Consolidated Plan, Community exchanges were held to discuss economic vitality, economic transformation, and revitalization, design, and promotion of Main Street spaces:

- Friday, August 25: Cambridge City (Wayne County) - **Economic Vitality**. OCRA Presentation on Economic Vitality
- Friday, September 22: North Liberty (St. Joseph County) –**Transforming Main Street**. OCRA Presentation on Transformational Strategies

- Friday, October 20: Jeffersonville (Clark County) –**Design** OCRA Presentation on Design
- Friday, November 17: Terre Haute (Vigo County) –**Organization** OCRA Presentation on Organization
- Friday, February 2: Auburn (DeKalb) -**Promotion**

During February and March 2018, interviews were conducted with stakeholders to gather information about top housing and community development needs; receive feedback on funding priorities; and to discuss the proposed Methods of Distribution (MOD) and funding allocations. Interviewees represented:

- The Association of Indiana Counties,
- Prosperity Indiana,
- Indiana Association of Cities and Towns,
- Indiana Civil Rights Commission,
- Ball State University,
- USDA Rural Development,
- Regional economic development and planning commissions,
- Mayors of five towns,
- A shelter for survivors of domestic violence,
- Five emergency shelters, also providing RRH,
- Five service providers, and
- Five affordable housing developers.

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

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

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

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Consistent with past years, when funding rounds were open, webinars and regional visits were held to educate potential grantees about the application process.

IHCDA has also continued to partner with the State Department of Heath on Lead based Paint, and is partnering with ISDOH on the Lead Hazard Reduction Demonstration Grant. Additionally, the Continuum of Care and ESG recipients are taking Lead Based Paint training to be able to better assist clients with identifying health concerns in units older than 1978. Brochures and guidance are provided to clients to support them in caring for their families when it comes to lead based paint exposure.

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

In 2018 the Continuum of Care will work with Formula cities that receive ESG funds to provided consultation and review project performance. Specific metrics will be identified to help cities measure the effectiveness of city and state funded ESG projects. The is a collaboration between the Cities, State and the HUD CPD office to begin the process of utilizing funding with efficiency and to meet the most pressing needs state-wide.

In 2017, all HOPWA grantees attended the national conference to discuss changes to HOPWA funding going forward. During that time HOPWA grantees were able to communicate with IHCDA about support needs and provide input on funding priorities. Additionally, one sub-grantee had considered not providing HOPWA funding in 2018 but due to support from IHCDA, the decision was reversed and that large provider will continue to play a critical role with HOPWA funding.

In 2018, ESG and HOPWA grantees will be invited to attend a host of learning opportunities including Fair Housing, Rapid ReHousing (RRH), Housing First and other case management trainings to support their work statewide.

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

The IN-502 Continuum of Care (CoC) Board serves and acts as the oversight and planning body on preventing and ending homelessness for the CoC General Membership Body. The Board comprises a diverse set of geographically representative stakeholders with the knowledge and expertise to create policy priorities and make funding decisions related to homelessness. The CoC Board or the Executive Committee meets 10 times per year. IN-502 covers every county in the state except for Marion County (equivalent to the City of Indianapolis).

The CoC Board members represent populations in the homeless community, as well as subpopulations including chronic homeless, seriously mentally ill, chronic substance abuse, families, domestic violence, youth and veterans. There are two representatives from the Regional Planning Councils on Homelessness across the Balance of the State.

The State ESG program presents their program plans to the CoC Board, in addition to entitlement cities at their annual round table meeting. This year further collaboration will begin to build a more efficient and performance based system to end homelessness. Metrics for performance will be considered and as appropriate will become CoC policy.

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

The Resource & Funding Committee oversees local, state, and federal funding for the CoC and seeks new opportunities for funding to end homelessness, such as Section 811 PRAD, McKinney Vento Competitive Applications and the Consolidated State Plan Application for the ESG funding. The Committee works with the Interagency Council, Indiana Department of Corrections, Family of Social Service Administration, Division of Mental Health and Addictions, Veterans Administration, Department of Education, and the Department of Child Services. The objective is to ensure integration of CoC and ESG under the same performance standards, meeting all the needs and gaps in the CoC.

The Performance & Outcome Committee oversees the Homeless Management Information System (HMIS) grant to provide oversight and help to develop, maintain, and update the statewide HMIS including the development and implementation of data protocols, reporting, policies and problem solving measures, and meeting all HUD benchmarks.

The Veterans Committee works collaboratively to end veterans homelessness. In late 2017 the committee was instrumental in folding the by name list process into the coordinated entry system. As a result more individuals are being housed. In at least two regions, state-wide, claims to have reached functional zero will take place in 2018.

The Youth and Families committee has met intermittently. In 2018 IHCDA will consider applying for the Youth NOFA for the Continuum of Care. The committee will be instrumental in the process of working with rural communities to do a demonstration project to show how youth homelessness can be impacted and eliminated. The committee will provide youth leadership and direction as the state CoC attempts to address the homeless needs of our youth.

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

In determining the ESG Allocation, a request for proposals is distributed to all the Regional Planning Councils on the Homeless throughout the Balance of State, to the current sub-recipients of the ESG program and current permanent supportive housing rental assistance programs who have had experience with rental assistance. Each proposal is reviewed by at least one IHCDA Community Services staff person and by a member of a Committee under the CoC Board. Each reviewer completes a scoring tool, assigning points based on the following program design components: outreach system, commitment to the coordinated access intake point, systems coordination, organizational capacity, permanent housing placement strategy, history of administering the rental assistance programs, amount of match provided and coordination with ESG Entitlement City funds (as applicable).

The performance standards for ESG were developed in conjunction with the governing body for the Balance of State CoC Board and the Funding & Resource Committee and approved by the Balance of State CoC Board by using the national standards outlined in Section 427 of the McKinney-Vento Act, as amended by the HEARTH Act. In 2018 the board will look at strengthening the performance criteria and working to support projects to better prepare tenants to exit shelter to permanent destination.

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

Table 2 – Agencies, groups, organizations who participated

Survey respondents represented a wide variety of organizations and interests, including:

- Units of local government—141 respondents (41% of responses),
- Economic development officials—89 respondents (26%),
- Social service providers representing low income households—50 respondents (15%),
- Business owners and managers—37 respondents (11%),
- Education professionals—37 respondents (11%),
- Regional planners—37 respondents (11%),
- Service providers representing persons with disabilities—37 respondents (11%),
- Service providers representing seniors—32 respondents (9%).
- A wide variety of other organizations and industries.

The respondents represented all 92 counties in the State of Indiana.

Note: Because respondents often represented more than one organization or industry, the above proportions add to more than 100%.

During February and March 2018, interviews were conducted with stakeholders to gather information about top housing and community development needs; receive feedback on funding priorities; and to discuss the proposed Methods of Distribution (MOD) and funding allocations. Interviewees represented:

- The Association of Indiana Counties,
- Prosperity Indiana,
- Indiana Association of Cities and Towns,
- Indiana Civil Rights Commission,
- Ball State University,
- USDA Rural Development,
- Regional economic development and planning commissions,
- Mayors of five towns,

- A shelter for survivors of domestic violence,
- Five emergency shelters, also providing RRH,
- Five service providers, and
- Five affordable housing developers.

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

None; all agency types had the opportunity to participate in development of the 2018 Annual Action Plan and Method of Distributions through listening sessions, the 30-day public comment period and public hearing.

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

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	State CoC Board; Regional planning councils	The goal of reducing homelessness and increasing housing stability for special needs populations supports the goals of the Continuum of Care.

Table 3 - Other local / regional / federal planning efforts

AP-12 Participation - 91.115, 91.300(c)

Summary of citizen participation process/Efforts made to broaden citizen participation

The State of Indiana alternates citizen participation and stakeholder consultation efforts between program years to maximize the opportunity for a diverse set of stakeholders and residents to participate in the process, and to coordinate with community meetings about the MODs, as well as potential grantee training and technical assistance. During development of the PY2018 Plan, participation was invited through a survey marketed to more than 4,000 stakeholders, and telephone interviews of stakeholders representing interests of economic and community development, affordable housing creation, emergency and domestic violence shelters, and social service providers. Residents and stakeholders also attended 13 listening sessions held across the state in summer 2017.

The survey was modified this year to ask more direct questions about the needs of extremely low income individuals and persons experiencing homelessness. These modifications were based on stakeholder feedback about the challenges of serving a growing population of residents struggling to overcome substance abuse and addiction.

To broaden citizen participation, the survey was made available earlier in the Action Plan process (December 2017). The interviews followed the survey analysis, which allowed the interview questions to be tailored to the needs and priorities identified in the survey. Reasonable accommodations and language translations were offered to any participant requesting them.

Summarize citizen participation process and how it impacted goal-setting

OCRA and IHCDA reviewed the preliminary survey results in early January and considered the priorities identified by stakeholders in modifying their MODs and allocation plans. Those priorities included:

Housing priorities. Stakeholders participating in the 2018 survey identified homeownership opportunities for moderate income residents, housing for poverty-level and low income households, and emergency shelters as top needs.

Infrastructure priorities. Stakeholders were asked their perceptions on “successful outcomes” for their communities if HUD funds were allocated to meet top infrastructure priorities. Top answers were: Improvements to water and wastewater infrastructure, improvements to streets and sidewalks, historic building preservation, and Main Street improvements.

In 2017, the top ranked infrastructure priority of stakeholders was sidewalk improvements, followed by road improvements, storm and wastewater improvements, and improvements to bridges.

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Economic development priorities. Job training programs and business expansion initiatives (including infrastructure for Internet access) were identified as the top economic development needs by survey respondents.

Similarly, in 2017, stakeholders identified top priorities of workforce development and training, business attraction, brownfield redevelopment and broadband internet were identified as the top economic development.

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

- More opportunities for businesses/startups to relocate to Indiana’s towns and cities,
- Additional and higher quality child care centers,
- Rehabilitation of existing housing,
- Community centers,
- Energy efficiency improvements, and
- Improvements to emergency services (fire, police).

The above, “other,” needs, were very similar to those identified in the listening sessions.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearing	Non-targeted/broad community	TBD		Responses to comments are summarized in AP 10. Full comments are included in the appendix.	
2	Notifications via social media, State agency websites, emails/listservs and in local newspapers	Non-English Speaking - Specify other language: Spanish Non-targeted/broad community	N/A	N/A	N/A	www.in.gov/ihcda; www.in.gov/ocra

Table 4 – Citizen Participation Outreach

Newspapers where the availability of the Draft Action was posted and date of publication include:

Newspaper	Date of Publication
Brown County Democrat	February 21, 2018
Chronicle-Tribune	February 15, 2018
Daily Journal	February 15, 2018
Daily Reporter	February 15, 2018

Elkhart Truth	February 15, 2018
Evansville Courier and Press	February 15, 2018
Fort Wayne Journal Gazette	February 14, 2018
Fort Wayne News-Sentinel	February 14, 2018
Herald Bulletin	February 15, 2018
Indianapolis Star	February 15, 2018
Jeffersonville/New Albany News and Tribune	February 15, 2018
Journal and Courier	February 15, 2018
Kokomo Tribune	February 15, 2018
Muncie Star Press	February 15, 2018
News and Tribune	February 15, 2018
Northwest Indiana Times	February 15, 2018
Richmond Palladium-Item	February 15, 2018
South Bend Tribune	February 13, 2018
Terre Haute Tribune Star	February 15, 2018
The Goshen News	February 15, 2018
The Herald	February 14, 2018
The Herald Times	February 15, 2018
The Republic	February 15, 2018
Times-Union	February 14, 2018
Hoosier Times	February 15, 2018

Expected Resources

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

Introduction

This section specifies the expected amount of resources for the PY2018 Action Plan, based upon sources of funds. The Expected Amount Available for the Remainder of the ConPlan is based on PY2018 expected funding for one year, PY2019.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
CDBG	public – federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	30,613,848	0	0	30,613,848	28,000,000	

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	14,568,483	1,500,000	0	16,068,483	10,000,000	
HOPWA	public - federal	Permanent housing in facilities Permanent housing placement Short term or transitional housing facilities STRMU Supportive services TBRA	1,250,586	0	0	1,250,586	1,100,000	

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1 Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $	Expected Amount Available Remainder of ConPlan $	Narrative Description
ESG	public - federal	Financial Assistance Overnight shelter, street outreach, Rapid re-housing (rental assistance) Rental Assistance Services	3,634,870	0	0	3,634,870	3,600,000	
HTF	public - federal	Rental housing	3,648,000	0	0	3,648,000	3,600,000	

Table 5 - Expected Resources – Priority Table

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

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

IHCDA match. Recent influxes of program funding from the federal government, along with several new initiatives that expand IHCDA's vision and overall mission into more comprehensive developments, sometimes pose an issue with obtaining the required level of match/leveraging funds. IHCDA will thus create a match pool, which is a collection of resources taken from closed HOME-funded projects that documented match in excess of the required 25 percent. These eligible sources of match are kept on record and may be used as match for future IHCDA-funded projects. The pool allows applicants that, after exploring all possible avenues of meeting the requirement, are left with a shortfall to still proceed with an award application.

ESG match. ESG subrecipients are required to match 100 percent of the ESG award, and can include cash, grants and in-kind donations. IHCDA will match administrative funds with bond revenue.

HOME match. The HOME program requires a 25 percent match, which is a federal requirement. Applicants must demonstrate eligible matching funds equal to 25 percent of the amount of HOME funds requested, less administration, environmental review and CHDO operating costs. If the applicant is proposing to utilize banked match for the activity:

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

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

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

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

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

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

N/A

Discussion

Please see above.

Annual Goals and Objectives

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

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Improve Community Water and Wastewater Systems	2015	2019	Non-Housing Community Development		Community Development Priority Needs	CDBG: $11,500,000	Other: 60 Other
2	Support Community Revitalization: Stellar Communities, Main Street Revitalization; Blight Clearance	2015	2019	Non-Housing Community Development		Community Development Priority Needs	CDBG: $4,000,000 Stellar Communities; $2,000,000 Main Street; $500,000 Blight Clearance	Other: 20 Other
3	Improve and Construct Public Facilities	2015	2019	Non-Housing Community Development		Community Development Priority Needs	CDBG: $2,400,000	Other: 17 Other
4	Improve Storm water Systems	2015	2019	Non-Housing Community Development		Community Development Priority Needs	CDBG: $4,500,000	Other: 30 Other
5	Support Workforce Development	2015	2019	Non-Housing Community Development		Community Development Priority Needs	CDBG: $0	N/A
6	Provide Planning Grants to Local Government/CHDOs	2015	2019	Non-Housing Community Development		Community Development Priority Needs	CDBG: $1,734,049	Other: 200 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
7	Support Community Development Activities—Admin and TA	2015	2019	Non-Housing Community Development		Community Development Priority Needs	CDBG: $638,415 Admin; $280,000 TA	Other: 1 Other
8	Create and Preserve Affordable Rental Housing	2015	2019	Affordable Housing		Housing Priority Needs	HOME: $11,011,635; HTF $3,648,000	Rental units constructed: 400 Household Housing Unit Rental units rehabilitated: 250 Household Housing Unit
9	Create/Preserve Affordable Owner Occupied Housing	2015	2019	Affordable Housing		Housing Priority Needs	HOME: $1,000,000	Homeowner Housing Added: 125 Household Housing Unit
10	Preserve Affordable Owner Occupied Housing	2015	2019	Affordable Housing		Housing Priority Needs	CDBG: $3,061,384	Homeowner Housing Rehabilitated: 1100 Household Housing Unit
11	Build Nonprofit Housing Developer Capacity	2015	2019	Affordable Housing		Housing Priority Needs	HOME: $500,000	Other: 50 Other
12	Create Permanent Supportive Housing Opportunities	2015	2019	Homeless Non-Homeless Special Needs		Homeless and Special Needs	HOME: $0	Fulfilled through rental construction

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
13	Provide Tenant-Based Rental Assistance	2015	2019	Homeless Non-Homeless Special Needs		Homeless and Special Needs	HOME: $600,000	Tenant-based rental assistance / Rapid Rehousing: 1000 Households Assisted
14	Support Housing Activities	2015	2019	Internal Support and capacity building		Housing Priority Needs	HOME: $896,848 internal support; $560,000 organizational capacity building	Other: 1 Other
15	Provide Operating Support for Shelters	2015	2019	Homeless Non-Homeless Special Needs		Homeless and Special Needs	ESG: $2,017,353	Homeless Person Overnight Shelter: 50000 Persons Assisted
16	Provide Rapid Re-Housing	2015	2019	Non-Homeless Special Needs Non-Housing Community Development		Homeless and Special Needs	ESG: $1,334,902	Tenant-based rental assistance / Rapid Rehousing: 8000 Households Assisted
17	Provide Outreach to Persons who are Homeless	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	ESG:	N/A
18	Prevent Homelessness	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	ESG: $0	Fulfilled through rental assistance
19	Support Homeless Activities	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	ESG: $0	N/A

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Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
20	Assist HIV/AIDS Residents Remain in Housing - TBRA	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	HOPWA: $485,995	**20**
21	Assist HIV/AIDS Residents with Housing - STRUM	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	HOPWA: $215,000	**21**
22	Provide Housing Information and Placement Services	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	HOPWA: $257,000	**22**
23	Support Facilities Serving HIV/AIDS Residents	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	HOPWA: $ 125,000	**23**
24	Provide Services to HIV/AIDS Residents	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	HOPWA: $0	**24**
25	Support Program Delivery--TBRA	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	HOPWA: $0	**25**
26	Support Program Delivery--STRUM	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	HOPWA: $0	**26**
27	Permanent Housing Placement	2015	2019	Non-Homeless Special Needs		Homeless and Special Needs	HOPWA: $47,000	**27**
28	Address Disaster Affected Community Needs	2015	2019	Affordable Housing Non-Homeless Special Needs Non-Housing Community Development		Community Development Priority Needs	CDBG: $0	N/A

Table 6 – Goals Summary

Goal Descriptions

1	**Goal Name**	Improve Community Water and Wastewater Systems
	Goal Description	Create livable and revitalized communities through supporting improvements to wastewater and drinking water projects.
2	**Goal Name**	Support Community Revitalization
	Goal Description	Support community development through Main Street Revitalization projects; Stellar Communities projects; and Blight Clearance.
3	**Goal Name**	Improve and Construct Public Facilities
	Goal Description	Create livable and revitalized communities through supporting improvements to and construction of public facilities.
4	**Goal Name**	Improve Stormwater Systems
	Goal Description	Create livable and revitalized communities through supporting improvements to stormwater systems.
5	**Goal Name**	Support Workforce Development
	Goal Description	This goal is not being funded in the PY2018 Action Plan.
6	**Goal Name**	Provide Planning Grants to Local Government/CHDOs
	Goal Description	Support local community planning projects.
7	**Goal Name**	Support Community Development Activities
	Goal Description	CDBG funds will be used as follows: - $638,415 for administration; - $280,000 technical assistance
8	**Goal Name**	Create and Preserve Affordable Rental Housing
	Goal Description	HOME funds will be utilized to provide affordable housing opportunities through new construction and rehabilitation of rental units. Rental opportunities will include competitive HOME rounds, Stellar Communities, Housing First and RHTC combinations.
9	**Goal Name**	Create/Preserve Affordable Owner Occupied Housing
	Goal Description	HOME funds will be used to provide affordable housing opportunities through the construction of affordable housing units.

10	**Goal Name**	Preserve Affordable Owner Occupied Housing
	Goal Description	CDBG funds will be utilized for owner- occupied housing rehabilitation (OOR) to preserve affordable owner occupied housing, to improve Aging-in-Place and Visitable and Accessible housing.
11	**Goal Name**	Build Nonprofit Housing Developer Capacity
	Goal Description	Support capacity of CHDOs.
12	**Goal Name**	Create Permanent Supportive Housing Opportunities
	Goal Description	
13	**Goal Name**	Provide Tenant-Based Rental Assistance
	Goal Description	Provide funds for tenant based rental assistance. .
14	**Goal Name**	Support Housing Activities
	Goal Description	HOME funds of $550,000 will be utilized for HOME program administration.
15	**Goal Name**	Provide Operating Support for Shelters
	Goal Description	ESG Funds will support the operations of emergency shelters.
16	**Goal Name**	Provide Rapid Re-Housing
	Goal Description	ESG funds will be used to assist with homeless prevention through rental assistance.
17	**Goal Name**	Provide Outreach to Persons who are Homeless
	Goal Description	
18	**Goal Name**	Prevent Homelessness
	Goal Description	
19	**Goal Name**	Support Homeless Activities
	Goal Description	
20	**Goal Name**	Assist HIV/AIDS Residents Remain in Housing – TBRA
	Goal Description	

21	**Goal Name**	Assist HIV/AIDS Residents with Housing - STRUM
	Goal Description	
22	**Goal Name**	Provide Housing Information and Placement Services
	Goal Description	
23	**Goal Name**	Support Facilities Serving HIV/AIDS Residents
	Goal Description	
24	**Goal Name**	Provide Services to HIV/AIDS Residents
	Goal Description	
25	**Goal Name**	Support Program Delivery--TBRA
	Goal Description	
26	**Goal Name**	Support Program Delivery--STRUM
	Goal Description	
27	**Goal Name**	Permanent Housing Placement
	Goal Description	

AP-25 Allocation Priorities – 91.320(d)

Introduction:

This section summarizes the estimated allocation of funds among activities for PY2018.

Funding Allocation Priorities

	Improve Community Water and Wastewater Systems (%)	**Support Community Revitalization (%) *(Main Street)***	**Improve and Construct Public Facilities (%)**	**Improve Stormwater Systems (%)**	**Support Workforce Development (%)**	**Provide Planning Grants to Local Government/CHDOs (%)**	**Support Community Development Activities (%) *(Main St, Blight Clearance)***	**Create and Preserve Affordable Rental Housing (%)*(IHCDA***	**Create/Preserve Affordable Owner Occupied Housing (%)**	**Preserve Affordable Owner Occupied Housing (%)**	**Build Nonprofit Housing Developer Capacity (%)**	**Create Permanent Supportive Housing Opportunities (%)**	**Provide Tenant-Based Rental Assistance (%)**	**Support Housing Activities (%)**	**Provide Operating Support for Shelters (%)**	**Provide Rapid Re-Housing (%)**	**Provide Outreach to Persons who are Homeless (%)**	**Prevent Homelessness (%)**	**Support Homeless Activities (%)**	**Assist HIV/AIDS Residents Remain in Housing - TBRA (%)**	**Assist HIV/AIDS Residents with Housing - STRUM (%)**	**Provide Housing Information and Placement Services (%)**	**Support Facilities Serving HIV/AIDS Residents (%)**	**Provide Services to HIV/AIDS Residents (%)**	**Support Program Delivery--TBRA (%)**	**Support Program Delivery--STRUM (%)**	**Permanent Housing Placement (%)**	**Address Disaster Affected Community Needs (%)**	**Total (%)**
CDBG	38	7	8	15	0	6	16	0	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**100**
HOME	0	0	0	0	0	0	0	76	7	0	6	0	6	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	**100**
HOPWA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	39	15	17	10	0	0	15	4	0	**100**
ESG	0	0	0	0	0	0	0	0	0	0	0	0	0	0	56	37	0	0	7	0	0	0	0	0	0	0	0	0	**100**
HTF								92						8															**100**

Table 7 – Funding Allocation Priorities

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Reason for Allocation Priorities

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

IHCDA includes a preference for application that attempts to reach low- and very low-income levels of area median income.

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

The HOPWA grant does rely on a geographic allocation, determined through the Continuum of Care regions because IHCDA allocates HOPWA to all ISDH-established care coordination regions except Washington, Harrison, Floyd, Scott and Clark counties. These four counties are served by KY. It was determined that IHCDA will fund one HOPWA project sponsor per every care coordination region. This will remain true for all care coordination regions. If a distinct eligible population with specific needs exists in a region (for example, homeless men in Lake County), IHCDA will work with the regional subrecipient to tailor services to meet the needs of the population. In instances where the subrecipient cannot meet these needs, the subrecipient will have the ability to sub-grant a portion of its HOPWA award to another service provider.

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

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

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

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

Introduction:

This section summarizes the Methods of Distribution for CBBG, HOME, ESG, and HOPWA for PY2018. Full MODs are appended to this Action Plan.

Distribution Methods

Table 8 - Distribution Methods by State Program

1	**State Program Name:**	CDBG -OOR
	Funding Sources:	CDBG
	Describe the state program addressed by the Method of Distribution.	This program consists of CDBG funding that is allocated to IHCDA for administration of an owner occupied rehabilitation program (OOR).
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Scoring is located in the final portion of the OOR MOD (attached). In sum, each application is evaluated based on: Population served (14 points), Needs Analysis (15 points), Readiness (8 points) Capacity (14 points), Leveraging (6 points), Unique Features (3 points) and Completeness Bonus (5 points). Total possible points = 65. The scoring incorporates points for projects that serve below 50% AMI households, persons with disabilities, seniors and families with children.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Please see the attached MOD for the CDBG OOR program. IHCDA offers training and webinars to partner organizations on topics ranging from program application requirements to funds management to weatherization courses. IHCDA maintains a Resource Center on its website with detailed manuals that instruct its partners on how to develop and administer programs. The Lt. Governor and IHCDA's My Community, My Vision pilot program encourages high school students to become involved in their communities by collaborating with local government officials and civic leaders to envision community development projects.

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
	Describe how resources will be allocated among funding categories.	$3.0 million of CDBG is allocated to IHCDA to use for owner occupied rehabilitation of units occupied by low and very low income households. See above MOD for description of the contingency plan.
	Describe threshold factors and grant size limits.	The maximum request amount per application is $350,000. Funds must not exceed $25,000 per unit. All subsidies are secured through an affordability period. Detailed subsidy limitations and eligible activity costs are located in the attached CDBG OOR MOD.
	What are the outcome measures expected as a result of the method of distribution?	The Housing program is designed to improve the quality of existing housing stock in Indiana through owner occupied rehabilitation of properties occupied by low and very low income households. Secondary benefits will include neighborhood revitalization, enabling seniors to age in place, providing accessible, quality housing for persons with disabilities, promoting healthy families, and improving energy efficiency in housing.
2	**State Program Name:**	Emergency Solutions Grant (ESG)
	Funding Sources:	ESG
	Describe the state program addressed by the Method of Distribution.	Funding through the Emergency Solutions Program assists persons and families who are homeless find shelter, avoid homelessness and transition into permanent housing.

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

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	IHCDA plans to allocate funding to approximately 10-12 agencies to administer the ESG Rapid Rehousing and Homeless Prevention Components of the ESG program for line items: Housing Relocation & Services (financial and services), Rental assistance and administration. There will be approximately 60 agencies that will apply for emergency shelter component that includes operations, essentials, and financial assistance and approximately one-two agencies that may apply for an outreach component. No more than the maximum allowed 60 percent of ESG funds will be allocated to operations, essentials and street outreach. A request for proposals will be distributed to all the Regional Planning Councils on the Homeless throughout the State, to the current subrecipients of the ESG program, current permanent supportive housing rental assistance programs (mental health centers, housing agencies, community action agencies, non-profits) who have had experience with rental assistance. Each proposal will be reviewed by at least one IHCDA Community Services staff person and by a member of a Committee under the CoC Board. Each reviewer will complete a scoring tool, assigning points based on the following program design components: outreach system, commitment to the coordinated access intake point, systems coordination, organizational capacity, permanent housing placement strategy, history of administering the rental assistance programs, amount of match provided and coordination with ESG Entitlement City funds (as applicable). Each subrecipient will be awarded based upon the average of their proposal score and the amount of funding that will be available.

	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	IHCDA will facilitate a request for qualifications (RFQ), advertised through the CoC network and posted online, for HIV/AIDS service providers. The RFQ will gather information on the number of persons/households they plan to serve, housing plans, housing services, organizational capacity, performance goals, supportive services, and their proposed budget. The RFQ applicants need to meet the following thresholds: • Required to be a non-profit organization • Required to be a current Indiana State Department of Health Care Coordination Site. • Previous experience providing HOPWA assistance. Actively attending the local Regional Planning Council/Committees/Leadership roles within their Region by having all subrecipients to be current Indiana State Department of Health - Care Coordination Site, we are providing a one stop shop for persons to access level of care that is needed. Persons will be able to receive testing, diagnosis, medical information, supportive services and housing if needed.
	Describe how resources will be allocated among funding categories.	No more than the maximum allowed of 60 percent of ESG funds will be allocated to operations, essentials and street outreach.
	Describe threshold factors and grant size limits.	The amount of each award could be between $50,000 - $350,000
	What are the outcome measures expected as a result of the method of distribution?	The ultimate goal of ESG is to prevent homelessness and assist families and individuals experiencing homelessness to find housing as quickly as possible.
3	**State Program Name:**	HOME
	Funding Sources:	HOME
	Describe the state program addressed by the Method of Distribution.	HOME Partnership Investments Program, which is used to fund affordable rental unit construction and rehabilitation, develop affordable owner occupied housing, assist special needs and homeless residents with housing needs (including through TBRA) and support the work of CHDOs.

	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Scoring appears in the HOME MODs for rental and homeownership programs – scoring is not required for Stellar Designees, though they must pass threshold. Those going through the Indiana Permanent Supportive Housing Institute or the Rental Housing Tax Credit Program must meet the requirements of those applications to be eligible as well as HOME regulations. HOME rental applications are evaluated based on: Development characteristics (28 points), Development Features (29 points), Readiness (8 points), Capacity (21 points), Leveraging Other Sources (6 points), Unique Features/Bonus (10 points). The scoring incorporates points for accessibility and visitability features in housing developments. HOME homebuyer applications will be accepted on a rolling basis. If there are not eligible homebuyer applications, these funds may revert to rental. The scoring incorporates points for accessibility and visitability features, as well as units with 3+bedrooms in housing developments.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	N/A
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A

	Describe how resources will be allocated among funding categories.	For the 2018 program year, the approximately $14.5 million expected HOME funding will be allocated among the following programs: • $11,011,635 million rental construction projects • $1 million homebuyer construction projects • $500,000 CHDO Operating and CHDO Pre-Development loans • $1.46 million administrative ($896,848 internal) and $560,000 organizational capacity building. If IHCDA does not receive eligible homebuyer applications, that set-aside will revert to rental construction. If the final HOME allocation is either increased or decreased from the above proposed amount, the set aside for rental will increase or decreased. If the HOME allocation decreases to where the set-aside for the administrative set-aside is above the allowable 10%, IHCDA will decrease the amount for administration to equal the 10% allowable.

	Describe threshold factors and grant size limits.	The maximum request amount per application is $1,000,000 for Rental, $500,000 for homebuyer projects and $850,000 for Stellar Designees. HOME funds used for acquisition, rehabilitation, new construction, soft costs, relocation, rent-up reserve, and developer's fee combined cannot exceed the following for units designated 50% AMI or higher: $66,000 for a studio, $75,000 for a 1 bedroom unit, $92,000 for a 2 bedroom unit, $117,000 for a 3 bedroom unit and $128,000 for a 4+ bedroom unit; or the following for units designated 40% or lower: $69,000 for a studio, $79,000 for a 1 bedroom unit, $96,000 for a 2 bedroom unit, $122,000 for a 3 bedroom unit and $134,000 for a 4+ bedroom unit The minimum amount of HOME funds to be used for rehabilitation or new construction is $1,001 per unit. HOME funds cannot be used for reserve accounts for replacement or operating costs, but may be used as a Rent-Up Reserve. Lead hazard and homebuyer counseling are limited to $1,000 per homeowner/buyer. Tenant Based Rental Assistance will be made available to Partners through a Request for Qualifications. TBRA may pay for rent, security deposits and utility deposits. Eligible participants under this program are households in which at least one household member was formerly incarcerated. TBRA is available state-wide. Information on the TBRA Administration Plan and the RFQ may be accessed here: https://www.in.gov/myihcda/2676.htm
	What are the outcome measures expected as a result of the method of distribution?	Actual outcomes will depend on the types of applications received. All programs have the same goal of improving the quality of existing housing stock in Indiana.

4		
	State Program Name:	HOPWA
	Funding Sources:	HOPWA
	Describe the state program addressed by the Method of Distribution.	Housing Opportunities for Persons with HIV/AIDS assists persons with HIV and/or AIDS and who also have an income below 80% of AMI with housing placement and rental subsidies.
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	IHCDA will facilitate a request for qualifications (RFQ), advertised through the CoC network and posted online, for HIV/AIDS service providers. The RFQ will gather information on the number of persons/households they plan to serve, housing plans, housing services, organizational capacity, performance goals, supportive services, and their proposed budget. The RFQ applicants need to meet the following thresholds: - Required to be a non-profit organization - Required to be a current Indiana State Department of Health Care Coordination Site. - Previous experience providing HOPWA assistance. Actively attending the local Regional Planning Council/Committees/Leadership roles within their Region.
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	N/A

	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A
	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	IHCDA will facilitate a request for qualifications (RFQ), advertised through the CoC network and posted online, for HIV/AIDS service providers. The RFQ will gather information on the number of persons/households they plan to serve, housing plans, housing services, organizational capacity, performance goals, supportive services, and their proposed budget. The RFQ applicants need to meet the following thresholds: - Required to be a non-profit organization - Required to be a current Indiana State Department of Health Care Coordination Site. - Previous experience providing HOPWA assistance. Actively attending the local Regional Planning Council/Committees/Leadership roles within their Region. By having all subrecipients to be current Indiana State Department of Health - Care Coordination Site, we are providing a one stop shop for persons to access level of care that is needed. Persons will be able to receive testing, diagnosis, medical information, supportive services and housing if needed.

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	Describe how resources will be allocated among funding categories.	Funds will be made available in the following percentages of the total awards made to project sponsors: - At least 60 percent to direct housing assistance: long-term rental assistance, short term rental assistance, and facility based operations; - No more than 7 percent to subrecipient administration and 3 percent to grantee/recipient administration; - No more than 35 percent to housing information and permanent housing placement activities; - No more than 35 percent to supportive services that positively affect recipients' housing stability. Once the federal budget is determined, IHCDA will made adjustments proportionally increased or decreased to the above HOPWA allocation MOD.
	Describe threshold factors and grant size limits.	Because IHCDA allocates HOPWA to all ISDH-established care coordination regions except Region 7 and parts of Region 11, it was determined that IHCDA will fund one HOPWA project sponsor per every care coordination region. This will remain true for all care coordination regions. If a distinct eligible population with specific needs exists in a region (for example, homeless men in Lake County), IHCDA will work with the regional subrecipient to tailor services to meet the needs of the population. In instances where the subrecipient cannot meet these needs, the subrecipient will have the ability to sub-grant a portion of its HOPWA award to another service provider.
	What are the outcome measures expected as a result of the method of distribution?	For HOPWA, IHCDA will use the following indicators to measure a subrecipient's ability to achieve the desired outcomes: - Rental Assistance households/units - Short-term rent, mortgage and utility assistance households/units - Facility based housing operations support units - Housing information services households - Permanent housing placement services households Supportive services - households

5		
	State Program Name:	Housing Trust Fund (HTF)
	Funding Sources:	Housing Trust Fund (HTF)
	Describe the state program addressed by the Method of Distribution.	National Housing Trust Fund
	Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	HTF will be offered exclusively to developments that are accepted into the Indiana Permanent Supportive Housing Institute and complete the Institute. IHCDA will have one MOD for FY2018. Use of the HTF will be open to successful graduates of the 2018 Permanent Supportive Housing Institute. These applicants will apply for a set-aside of HTF and RH Low Income Housing Tax Credits threshold and minimum scoring requirements to be eligible for the HTF. IHCDA will not entertain stand-alone applications. IHCDA developed five (5) categories of scoring criteria within its QAP, based on the needs assessment conducted and established housing goals. Those include: Rents Charged (16 points), Development Characteristics (63 points), Sustainable Development (14 points), Financing & Market (17 points), Other (33 points).
	If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	N/A
	Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A

	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
	Describe how resources will be allocated among funding categories.	$3,648,000 of HTF will be used for projects that successfully complete the Indiana Permanent Supportive Housing Institute. Approximately $500,000 will be used for program administration.
	Describe threshold factors and grant size limits.	For projects requesting RHTC and HTF, the maximum request amount per application is $400,000 – however, IHCDA will accept waivers. HTF funds for acquisition/rehab, acquisition/new construction, rehabilitation, or new construction cannot exceed: $90,000 for a studio, $105,000 for a 1 bedroom unit, $120,000 for a 2 bedroom unit, $145,000 for a 3 bedroom unit and $160,000 for a 4+ bedroom unit. Each application must address only one development. See the attached policy for threshold and scoring criteria.
	What are the outcome measures expected as a result of the method of distribution?	Actual outcomes will depend on the types of applications received. All programs have the same goal of improving the quality of existing housing stock in Indiana and developing rental housing for extremely low-income persons.
6	**State Program Name:**	State Allocation of CDBG
	Funding Sources:	CDBG

Describe the state program addressed by the Method of Distribution.	The CDBG MOD discusses the allocation of funds to subrecipients within the State programs of: - Owner -Occupied Rehab Program (also in IHCDA MOD), - Stellar Communities, - Planning Fund, - Main Street Revitalization, - Wastewater/Drinking Water Improvements Program, - Blight Clearance, - Public Facilities Program, and - Storm Water Systems Program.
Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Program criteria vary. In general, applications are accepted and awards are made on a competitive basis throughout the program year. Criteria to select applications are located in Attachments to the CDBG MOD.
If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	Please see the MOD attached to this Action Plan. In addition, during the program year, OCRA held regional conferences throughout the state. Regional conferences were an opportunity to host events for communities to learn best practices, new OCRA programming and provide feedback to the agency. Topics focused on best practices for Main Street Revitalization and economic vitality initiatives.
Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A

Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
Describe how resources will be allocated among funding categories.	For the 2018 program year, the $30.6 million expected CDBG funding will be allocated among the following programs: Stellar Communities Program $4 million Planning Fund $1.7 million Main Street Revitalization Program $2 million Wastewater/Drinking Water Improvements Program $11.5 million Blight Clearance Program $500,000 (now continuous application process) Public Facilities Program $2.4 million Storm Water Improvements Program $4.5 million An additional $280,000 will be used for technical assistance and $638,415 will be allocated to cover administrative costs associated with the programs. Contingency Plan for CDBG: If cuts are less than 25%: - IHCDA CDBG OOR remains at 10% of the total CDBG allocation - Admin and Technical Assistance remain at allowable percentages - Spread remaining percentage reduction throughout all remaining programs - If cuts are greater than 25%: Housing program will not be funded, admin and Technical Assistance remain at allowable percentages, a substantial amendment is issued to reprogram other funds.
Describe threshold factors and grant size limits.	Please see the program specific grant limits and factors located in the CDBG MOD.

	What are the outcome measures expected as a result of the method of distribution?	The expected outcomes vary by program; full details are contained in the CDBG MOD. For example, the Stellar Communities Program will make grants to communities for comprehensive revitalization strategies. In these strategies, communities will identify areas of interest and types of projects, produce a schedule to complete the projects, produce cost estimates, identify local match amounts and additional funding, indicate the level of community impact and describe the significance each project will have on the overall revitalization of the town/city. These strategies will be used to produce a three-year community investment plan to identify capital and quality of life projects to be completed.

Discussion:

Please see above.

AP-35 Projects – (Optional)

Introduction:

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

CDBG:

- $3.0 million for owner-occupied rehabilitation (allocated to IHCDA, referred to as CDBG OOR in this Action Plan)—*no change in funding proportion from PY2017; increase in dollar amount of $200,000 consistent with overall increase in CDBG*
- $4 million for Stellar Communities Program. *In PY2017, prior year funds were used for Stellar Communities. In PY2018, current program year funds will be used.*
- $1.7 million for Planning Fund—up *$700,000 from PY2017*
- $2 million for Main Street Revitalization Program—*down $500,000 from PY2017*
- $11.5 million for Wastewater/ Drinking Water Improvements Program *down $500,000 from PY2017*
- $500,000 for Blight Clearance Program—*up $100,000 from PY2017*
- $2.4 million for Public Facilities Program, Program *down $1.6 million from PY2017*
- $4.5 million for Storm Water Improvements Program—*same as in PY2017*
- $0 Workforce Development Program. *Note, this program is being discontinued after a 2017 evaluation by OCRA.*
- $0 Urgent Need Fund—*no change in funding from PY2017*
- $280,000 Technical Assistance—*no change in funding from PY2017*
- $640,000 Administration—*slightly less than in PY2017*

HOME:

- $11 million rental projects/construction
- $1 million homeownership projects/construction
- $500,000 for CHDO operating and predevelopment
- $1.456 administrative uses ($900,000 internal and $560,000 organizational capacity building)
- $600,000 Tenant Based Rental Assistance (TBRA) (if not utilized, will be converted to rental construction). TBRA may be used in other Participating Jurisdictions.
- Any Program Income collected during FY 2018 will be made available for rental, homebuyer or CHDO operating funds (up to the allowable cap).

HTF:

- $3.65 million rental projects
- $289,000 administration

ESG:

- $2 million for emergency shelters with operations and essential services and street outreach
- $1.3 million for rental assistance associated with homeless prevention
- $272,000 for sub recipient and grantee administration

HOPWA:

- $486,000 in TBRA
- $257,000 for housing information activities
- $215,000 short-term rental, utilities and mortgage assistance
- $125,000 support facility operations and supportive services
- $47,000 Permanent Housing Placement.
- $120,500 sub recipient and grantee administration $37,500 IHCDA admin and $83,000 project admin)

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

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

OCRA and IHCDA reviewed the preliminary survey results in early January and considered the priorities identified by stakeholders in modifying their MODs and allocation plans. Those priorities included:

Housing priorities. Stakeholders participating in the 2018 survey identified homeownership opportunities for moderate income residents, housing for poverty-level and low income households, and emergency shelters as top needs.

Infrastructure priorities. Stakeholders were asked their perceptions on “successful outcomes” for their communities if HUD funds were allocated to meet top infrastructure priorities. Top answers were: Improvements to water and wastewater infrastructure, improvements to streets and sidewalks, historic building preservation, and Main Street improvements.

In 2017, the top ranked infrastructure priority of stakeholders was sidewalk improvements, followed by road improvements, storm and wastewater improvements, and improvements to bridges.

Economic development priorities. Job training programs and business expansion initiatives (including infrastructure for Internet access) were identified as the top economic development needs by survey respondents.

Similarly, in 2017, stakeholders identified top priorities of workforce development and training, business attraction, brownfield redevelopment and broadband internet were identified as the top economic development.

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

- More opportunities for businesses/startups to relocate to Indiana’s towns and cities,
- Additional and higher quality child care centers,
- Rehabilitation of existing housing,
- Community centers,
- Energy efficiency improvements, and
- Improvements to emergency services (fire, police).

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

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

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

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

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

OCRA has started developing a Section 108 program that could become available during PY2018. The program will focus on providing nonentitlement communities loan guarantees on funds for infrastructure projects. This program is still in its infancy, so specifics are not yet available.

Available Grant Amounts

N/A

Acceptance process of applications

N/A

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

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

Not directly. Community revitalization will be carried out through other programs.

Local governments can apply for planning grants through the Stellar Communities program, the first step in facilitating revitalization. Other CDBG and HOME programs have revitalization components: Improvements to public infrastructure enables small communities to accommodate the needs of businesses (especially industries with high water demands); home modifications preserve affordable housing for workers; and Main Street revitalization grants sustain downtown environments, where many small businesses locate.

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

N/A

AP-50 Geographic Distribution – 91.320(f)

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

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

IHCDA includes a preference for application that attempts to reach low- and very low-income levels of area median income.

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

The HOPWA grant does rely on a geographic allocation, determined through the Continuum of Care regions because IHCDA allocates HOPWA to all ISDH-established care coordination regions except Washington, Harrison, Floyd, Scott and Clark counties. These four counties are served by KY. It was determined that IHCDA will fund one HOPWA project sponsor per every care coordination region. This will remain true for all care coordination regions. If a distinct eligible population with specific needs exists in a region (for example, homeless men in Lake County), IHCDA will work with the regional subrecipient to tailor services to meet the needs of the population. In instances where the subrecipient cannot meet these needs, the subrecipient will have the ability to sub-grant a portion of its HOPWA award to another service provider.

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

HOME Tenant Based Rental Assistance is allocated statewide to eligible applicants.

Rationale for the priorities for allocating investments geographically

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

Discussion

Please see above.

Affordable Housing

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

Introduction:

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

One Year Goals for the Number of Households to be Supported	
Homeless—shelter operating support and RRH	5,000
Non-Homeless	500
Special-Needs	500
Total	6,000

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

One Year Goals for the Number of Households Supported Through	
Rental Assistance	200
The Production of New Units	200
Rehab of Existing Units—rental 25, HO 25	50
Acquisition of Existing Units	0
Total	450

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

Discussion:

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

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

Introduction:

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

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

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

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

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

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

IHCDA is a High Performing Section 8 Only PHA.

Discussion:

Please see above.

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

For the 2018 Action Plan, the state considered feedback from service providers and shelters about the growing challenges of assisting residents experiencing homelessness. One in five stakeholders statewide consider "Housing for persons with substance abuse/chemical addictions" to be one of the five most urgent housing needs in their community.

Stakeholders are increasingly concerned about Housing First models that do not consider the need for supportive services. Funding for supportive services is critical to address needs and prevent recurring homelessness. Housing First without supportive services, especially mental illness and trauma informed care sets a lot of people up for failure in living independently. Case management is often the difference between success and failure (return to the streets). For those trying to get/stay sober, living in housing without sobriety requirements undermines sobriety, leads to relapse and back to homelessness.

Stakeholders also commented that:

- "We cannot ignore the opiate problems which mitigate the unemployment problems and housing and family housing problems."
- In response to "how to better serve" residents experiencing homelessness: "Medical rehab for meth and other drug addicts which does not involve felony convictions. Jail renders recovering addicts unemployable."

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

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

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

- Require all HUD McKinney Vento Funded programs to utilize HMIS for all shelter or transitional housing or permanent supportive housing programs serving homeless individuals and families.
- Require all HUD McKinney Vento Funded programs to participate in the annual, statewide homeless Point-in-Time Count in late January and timely submission of this data to IHCDA.
- Require all HUD McKinney Vento Funded programs subrecipients actively participate in their Regional Planning Council on the Homeless meetings regularly (minimum 75% attendance).
- Require all HUD McKinney Vento Funded programs to participate in the Coordinated Access in their Region as it is implemented in their area.

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Addressing the emergency shelter and transitional housing needs of homeless persons

In addition to the allocation of ESG to meet the needs of persons who are homeless (see AP-20), emergency shelter needs are addressed through the ESG's participation in their local Regional Planning Council on Homeless in their Region but also through each Committee under the CoC Board. The Committees have been updated by the new CoC Board. They are: Executive Committee, Resources and Funding Committee, Strategic Planning Committee, Veterans Committee, Youth & Families committee, Performance and Outcomes Committee and Ad Hoc Committees as needed. The State ESG program is part of the work of each committee in some way or another.

The strategic objectives of the CoC Board are:

- Decrease shelter stays by increasing rapid rehousing to stable housing.
- Reduce recidivism of households experiencing homelessness.
- Decrease the number of Veterans experiencing homelessness.
- Decrease the number of persons experiencing Chronic Homelessness.
- Create new permanent supportive housing beds for chronically homeless persons.
- Increase the percentage of participants remaining in CoC funded permanent housing projects for at least six months to 86 percent or more.
- Decrease the number of homeless households with children.
- Increase the number of rental assistance programs and services.
- Increase the percentage of participants in ESG-funded rental assistance programs that move into permanent housing to 82 percent or more.
- Increase the percentage of participants in all CoC funded transitional housing that move into permanent housing to 70 percent or more.
- Increase the percentage of participants in CoC funded projects that are employed at exit to 38 percent or higher.
- Increase persons experiencing homelessness access to mainstream resources.
- Collaborate with local education agencies to assist in the identification of homeless families and inform them of their eligibility for McKinney-Vento education services.
- Improve homeless outreach and coordinated access to housing and services.
- Improve HMIS data quality and coverage, and use data to develop strategies and policies to end homelessness.
- Increase portfolio of new HUD TH/RRH projects to meet the needs of those experiencing substance abuse disorders and those experiencing family violence.
- Develop effective discharge plans and programs for individuals leaving State Operated Facilities at risk of homelessness.

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

Please see above.

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

Please see above.

Discussion

Please see above.

AP-70 HOPWA Goals – 91.320(k)(4)

One year goals for the number of households to be provided housing through the use of HOPWA for:	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	200
Tenant-based rental assistance	100
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	10
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	10
Total	320

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

Introduction:

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

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

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

Housing Issues

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

Economic Opportunity Issues

- Gaps in educational attainment for Hispanic residents.
- Residents with disabilities face challenges finding employment and those who are employed earn less than those without a disability.
- Economic differences contributing to segregation, mostly in urban areas. In some areas, systemic steering, lack of opportunity and lack of available housing perpetuate racially homogenous neighborhoods.
- Limitations (property tax caps) on state and local tax revenue generation.
- Severe lack of services and trained staff to deliver mental health and supportive services.

The factors contributing to these issues are:

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

Discussion:

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

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

AP-85 Other Actions – 91.320(j)

Introduction:

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

Actions planned to address obstacles to meeting underserved needs

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

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

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

Actions planned to foster and maintain affordable housing

The primary activities to foster and maintain affordable housing are the State's CDBG, HOME and HTF funded activities that include the production of new units, homeownership opportunities, home rehabilitation and capacity support for affordable housing developers. Through the CDBG Program, IHCDA seeks to improve the quality of existing housing stock in Indiana. This program is designed to give preference in allocating Community Development Block Grant Owner- Occupied Repair (CDBG OOR) funding among selected developments that meet IHCDA's goals:

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

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

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

- Pre-development and seed financing – limited to eligible nonprofits
- Operating capacity grants – limited to eligible nonprofits
- Permanent Supportive Housing – Applicants must participate in the Indiana Permanent Supportive Housing Institute to be considered for an IHCDA investment. In 2018, a waiver will be considered for projects that need new service providers that have not gone through an immediate PSH Housing Institute.
- Rental assistance
- Acquisition, rehabilitation, guarantees, refinance, or (re)construction of rental housing
- Homeownership counseling and down payment assistance
- Acquisition, rehabilitation, guarantees, refinance, or (re)construction of homebuyer housing
- Rehabilitation, modification, and energy improvements to owner occupied housing.
- Additionally the State utilizes other programs (summarized earlier in this section) to help foster and maintain affordable housing and include:
- Affordable Housing and Community Development Fund;
- Indiana Foreclosure Prevention Network;
- Low Income Housing Tax Credits (LIHTC); and
- Section 8 voucher program.

Actions planned to reduce lead-based paint hazards

Lead-based paint hazards will primary be addressed through CDBG and HOME funded rehabilitation activities. In addition, IHCDA has been awarded the Lead Hazard Reduction Demonstration Grant through HUD. In partnership with the Indiana State Department of Health, IHCDA will use the funds will for the identification of lead hazards in units occupied by children who have been lead poisoned or are at-risk of becoming lead poisoned; the remediation of the lead hazards through appropriate control or abatement procedures; and ancillary activities such as training, outreach, and casework. Healthy Homes funding will promote and develop coordination of the lead hazard control actives with other healthy homes steps. These and other activities include providing smoke detectors, providing carbon monoxide detectors, installing anti-scald devices on bathtubs and installing and/or checking handrails.

Actions planned to reduce the number of poverty-level families

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

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

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

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

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

Actions planned to develop institutional structure

During PY2018, the state intends to continue current practices of providing planning grants, technical assistance and training, regional workshops and access to community liaisons and regional representatives.

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

Please see above.

Discussion:

Please see above.

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

Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.320(k)(1)

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

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

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

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

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

Homebuyer Resale Provisions

When a homebuyer property is constructed, redeveloped, rehabilitated, or acquired, in whole or in part, with HOME funds and the HOME funds are provided to the homebuyer property in the form of a development subsidy and there is no direct homebuyer subsidy the recipient must implement resale requirements. A direct homebuyer subsidy consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidizes the purchase ("direct homebuyer subsidy"). The development subsidy consists of the difference between the cost of producing the unit and the market value of the property.

There are two different consequences that may be associated with a resale provisions (1) the resale provision can be triggered and its requirements must be met (as described below) or (2) an event of non-compliance can occur (as described further below).

The resale provisions are triggered if any of the following occur during the Affordability Period:

(1) the homebuyer transfers or conveys the property by deed, land contract, or otherwise;

(2) foreclosure proceedings are commenced against the property;

(3) the property is transferred by an instrument in lieu of foreclosure; or

(4) the title to the property is transferred from the homebuyer through any other involuntary means.

The resale provision requires that the property: (1) must be resold to another individual or family, whose income is at or below eighty percent (80%) of the area median income and (2) must be occupied by that individual or family as its primary residence for the remainder of the Affordability Period; and (3) must be resold at a price that is affordable, therefore a family between fifty percent (50%) and eighty percent (80%) of AMI would not pay more than twenty-nine percent (29%) of its gross income towards the principal, interest, taxes and insurance for the Real Estate on a monthly basis ("Affordable Price");; and (4) must be affordable for a reasonable range of low income families between fifty percent (50%) and eighty percent (80%) of the median area income for the geographic area published annually by HUD. The homebuyer is entitled to a fair return on its investment (as described below) upon the sale of the property. The fair return will be based on the percentage change in the Consumer Price Index for All Urban Consumers Owners' Equivalent Rent of Primary Residence category in Table I of the CPI Detailed Report (the "CPI Index") during the period of the homebuyer's ownership of the property. Accordingly, the CPI Index during the month the residence was completed (the month during which the completion reports were received by and approved by IHCDA) will be compared to the CPI Index during the month the homebuyer sells the residence to determine the percentage of the return. This percentage will be multiplied by the homebuyer's investment. Here is an example:

Original sales price=$100,000

initial homebuyer investment=$5,000

capital investment=$9,000

Percentage change in CPI=3.5%

($5,000 + $9,000) x 3.5%= $490 fair return

$5,000 + $9,000 + $490=$14,490 total return to original homebuyer at sale

$100,000 + $14,490= maximum allowable subsequent sales price.

The homebuyer's investment will include any down payment, plus any capital improvements. A capital improvement is any property enhancement that increases the overall value of the property, adapts it to new uses, or extends its life such as: adding windows, insulation, a new drive way, a new furnace, a garage, bedroom, new roof, remodeling kitchen, etc. Any capital improvement will be valued based on actual cost as documented by the homebuyer's receipts. Generally, replacing worn or dated components such as appliances or carpet would not be considered an improvement that adds value or adapts it to new uses. In certain circumstances, such as a declining housing market where home values are depreciating, the homebuyer may not receive a return on his or her investment because the home sold for less or the same price as the original purchase price and a loss on investment may constitute a fair return.

IHCDA will provide HOME assistance to the subsequent homebuyer to ensure that the original homebuyer received a fair return and that the unit is affordable to the defined low-income population.

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

Non-compliance. Non-compliance occurs during the Affordability Period when an owner (1) vacates the unit or rents the unit to another household, (2) sells the unit to a buyer that is not income-eligible, (3) sells the unit to a buyer that will not agree to use the property as its principle residence for the remainder of the Affordability Period (will not sign a lien and restrictive covenant agreement), or (4) does not sell it to the buyer at a reasonable price. In the event of noncompliance, the recipient must repay the entire amount of HOME funds invested in the housing.

Under resale guidelines the Affordability Period is based upon the total amount of HOME funds invested into the property.

Total Amount of HOME Funds **Invested into the Property**	**Affordability Period**
Under $15,000	5 years
$15,000 to $40,000	10 years
Over $40,000	15 years

Homebuyer Recapture Guidelines

The recipient must implement recapture restrictions for any homebuyer property purchased, in whole or in part, by a homebuyer that received a direct subsidy from the recipient from HOME funds. A direct homebuyer subsidy consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidizes the purchase (e.g., down-payment or closing cost assistance, subordinate financing). **Developers, other than CHDO's, are not allowed to provide down-payment or closing cost assistance, however a developer may provide a direct subsidy by reducing the purchase price from fair market value to an affordable price.**

There are two different consequences that may be associated with a recapture provision (1) the recapture provision can be triggered (as described just below) or (2) an event of non-compliance can occur (as described further below).

The recapture provisions are triggered, if, any of the following occur during the Affordability Period:

(1) the homebuyer transfers or conveys the property by deed, land contract, or otherwise;

(2) foreclosure proceedings are commenced against the property;

(3) the property is transferred by an instrument in lieu of foreclosure; or

(4) the title to the property is transferred from the homebuyer through any other involuntary means.

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

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

In accordance with CPD Notice 12-003, the recipient must also execute a HOME written agreement with the homebuyer before or at the time of sale. The purpose of the agreement is to ensure that all parties

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are aware of the provisions related to the lien and restrictive covenant agreement and HOME requirements applicable to the HOME-assisted unit (i.e., period or affordability, principal residency requirement, etc.). The recipient will be required to use IHCDA's form of Homebuyer Recapture Agreement.

If there is both a development subsidy and a direct homebuyer subsidy or just a direct homebuyer subsidy, a recapture provision must be implemented. In cases where a direct homebuyer subsidy was not provided and there is only a development subsidy, resale restrictions must be executed on the property.

Non- compliance. Non-compliance occurs during the Affordability Period when any of the following occur: 1) the original homebuyer no longer occupies the unit as his or her principal residence (i.e., unit is rented or vacant), or 2) the home was sold during the Affordability Period and the recapture provisions were not enforced. In the event of noncompliance, the recipient must repay the entire amount of the HOME funds invested in the property. Net Proceeds ("as defined above") and the Forgiven Ratio ("as defined above") are not applicable when there is non-compliance.

Under recapture guidelines the Affordability Period is based upon the total amount of the direct homebuyer subsidy that the homebuyer received in HOME funds. A direct homebuyer subsidy consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidizes the purchase (e.g., down-payment or closing cost assistance, subordinate financing).

Amount of Homebuyer Subsidy	**Affordability Period**
Under $15,000	5 years
$15,000 to $40,000	10 years
Over $40,000	15 years

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

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

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

Written Standards for Provision of ESG Assistance

This section includes written standards for providing the proposed assistance and describes the requirements for subrecipients to establish and implement written standards.

1) Describe the standard policies and procedures for evaluating individuals' and families' eligibility for assistance under ESG.

ESG subrecipients serving households experiencing literal homelessness as defined under paragraph (1) of the "homeless" definition in 24 CFR § Part 576.2 or who meet the criteria under paragraph (4) of the "homeless" definition and live in an emergency shelter or other place described in paragraph (1) of the "homeless "definition are encouraged to utilize the Arizona Matrix Tool that is embedded in HMIS as well as completion of a Housing Plan to provide a guide for case management and evaluation of a person or family's needs.

2) Describe the policies and procedures for coordination among emergency shelter providers, essential service providers, homelessness prevention and rapid re-housing assistance providers, other homeless assistance providers, and mainstream service and housing providers.

ESG subrecipients are expected to create MOU's with all shelter providers, housing agencies, community action agencies, township trustees, mental health centers, health clinics and homeless service providers in their proposed service area. Once available in their area, each ESG subrecipient will be required to partner with the Coordinated Access point by providing immediate housing to those persons who are unsheltered, if space is available. Additionally, as part of the proposal process, subrecipients are required to develop a program design that is inclusive not only of other targeted homeless services, but also of other mainstream resources such as public housing programs, programs receiving project-based or tenant-based Section 8, Supportive Housing for persons with disabilities (Section 811), HOME Investment Partnerships Program, Temporary Assistance for Needy Families (TANF), State Children's Health Insurance Program, Head Start, Mental Health and Substance Abuse Block Grants and services funded under the Workforce Investment Act. IHCDA encourages programs to be strategic and comprehensive in their program design by requiring applicants to include all available resources to the maximum extent practicable.

3) Describe the policies and procedures for determining and prioritizing which eligible families and individuals for homelessness prevention assistance and for rapid re-housing assistance.

Persons who are utilizing Rapid Rehousing Funds must meet the criteria under paragraph (1) of the "homeless" definition in 24 CFR § Part 576.2 or meet the criteria under paragraph (4) of the "homeless" definition and live in an emergency shelter or other place described in paragraph (1) of the "homeless "definition to be eligible to receive rapid re-housing assistance.

Those persons who will be utilizing homeless prevention funds must meet the criterion under the interim rule that clarifies the definition of ‘‘at risk of homelessness’’ under section 401(1) of the McKinney-Vento Act. The definition includes three categories under which an individual or family may qualify as ‘‘at risk of homelessness.’’ For an individual or family to qualify as ‘‘at risk of homelessness’’ under the first category of the definition, the individual or family must meet two threshold criteria and must exhibit one or more specified risk factors. The two threshold criteria, as provided in the statute, are:

1. The individual or family has income below 30 percent of median income for the geographic area; and (2) the individual or family has insufficient resources immediately available to attain housing stability. Under the interim rule, the first criterion refers specifically to annual income and to median family income for the area, as determined by HUD.

2. The second criterion is interpreted as, ‘‘the individual or family does not have sufficient resources or support networks, e.g., family, friends, faith based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the homeless definition in 24 CFR § Part 576.2.

For homeless prevention, the risk categories to further ensure consistency of interpretation, the interim rule also clarifies several of the risk factors that pertain to the first category of individuals and families who qualify as ‘‘at risk of homelessness.’’ As provided under the statute, the pertinent risk factors are as follows:

1. Has moved frequently because of economic reasons;

2. Is living in the home of another because of economic hardship;

3. Has been notified that their right to occupy their current housing or living situation will be terminated;

4. Lives in a hotel or motel;

5. Lives in severely overcrowded housing;

6. Is exiting an institution; or

7. Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness.

4) ***Describe the standards for determining the share, if any, of rent and utilities costs that each program participant must pay, if any, while receiving homeless prevention or rapid re-housing assistance.***

Participants who receive rental assistance through rapid rehousing or homeless prevention are expected to pay 30 percent of their income for rent and utilities if they have income. IHCDA provides an Excel based worksheet which automatically calculates the tenant rent and utility portion allowable when household income is entered. Subrecipients will be responsible for ensuring that assisted rental units meet reasonable rent standards, are at or below fair market rent and meet habitability standards before any rental payments are approved. The tenant's portion and ESG subsidy will be calculated based upon acceptance into the program and determination of need for rental assistance.

The tenant portion of rent is calculated on the basis of allowable household income. Tenant rents are paid directly to the landlord and are subject to the same timeliness requirements as the overall rent. Any late fees incurred while receiving ESG will be the responsibility of the tenant to pay.

5) ***Describe the standards for determining the duration of rental assistance and whether and how the amount of assistance will be adjusted over time.***

Participants can receive up to 12 months of rental assistance per award year, and up to a maximum of 24 months of rental assistance in a three year period. The award term to subrecipients is 12-18 months. All funds associated with that award year must be expended upon completion of the award term. Program participants receiving rental assistance must pay 30 percent of their household income each month towards rent and utilities throughout the duration of their participation with ESG. Tenant payments will not be adjusted if income has increased. Payment of rental arrears consisting of a one-time payment for up to six months of rental arrears, including any late fees on those arrears is also an eligible expense. All persons assisted with program will qualify for up to 12 months of rental assistance and up to 18 months of services. Case managers will utilize the Arizona Self Sufficiency Matrix tool, which is built into the HMIS, to ensure participants receive the appropriate level of assistance. The Housing Plan is available for case managers to utilize for each household.

6) ***Describe the standards for determining the type, amount, and duration of housing stabilization or relocation services to provide a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive. Limits should include the maximum amount of assistance, maximum number of months the program participant is eligible to receive assistance; and the maximum number of times the program participants may apply for assistance.***

Participants can receive up to 12 months of housing relocation and stabilization services during the award term. Participants cannot receive more than 24 months of these services within a three (3) year period. Housing relocation and stabilization services includes financial assistance activities such as moving costs, rental application fees, security deposits, last month's rent, utility deposits and utility payments; and services such as housing search and placement, housing stability case management, mediation, legal services and credit repair. No limit will be placed on the amount or type of services provided per participant as subrecipients are encouraged to spend the funds as needed by the tenant through active engagement with the participant. The amount and type of services will be determined largely at the time of intake when the housing case manager completes a housing assessment on the participant. The assessment consists primarily of using the Arizona Self-Sufficiency Matrix tool, which uses a vulnerability index to determine the most urgent needs as it relates to housing. This tool is also built into the HMIS. Participants can be assisted with housing stability case management for up to 30 days during the period the program participant is seeking permanent housing and cannot exceed 18 months total during the period the program participant is living in permanent housing.

Training through ESG program Analyst and other formats provided by the CoC Board (CoC Development Day) have been provided to ESG subrecipients and other McKinney Vento funded programs. These trainings have covered areas such as: housing first best practices, motivational interviewing, rule reductions, how to assist in employment, mainstream resources, bed bug prevention, fair housing, best practices for ESG RRH and case management best practice.

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

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

   The Coordinated Assessment Committee of the Balance of State Continuum of Care Board is working with the State ESG program to develop and coordinate regional centralized intake and triage centers to ensure access to assistance is driven by the needs of persons experiencing homelessness. IHCDA is the collaborative applicant within the CoC and IHCDA was awarded the Coordinated Access Grant. With the assistance of the CoC Board, IHCDA has ~~will~~ developed and improves upon the coordinated access system. **Access:** The Coordinated Assessment will be in the HMIS system and utilized by the Coordinated Access agency within the Region within the Balance of State CoC whether they are an ESG subrecipient or other programs funded by McKinney Vento. Each Region will determine if their Coordinated Access will be a centralized or decentralized system. **Assessment:** Each homeless person will be assessed and triaged based on their needs in order to prioritize the most vulnerable and those with the highest barriers for first assistance. This first priority would include the chronic homeless population. **Assign:** Once assessed the person/family then will be assigned to the right type of housing that best suits their needs whether it is permanent supportive housing, rapid rehousing or VASH voucher and whether it is available in that area or Region.

2. Identify the process for making sub-awards and describe how the ESG allocation available to

private nonprofit organizations (including community and faith-based organizations).

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

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

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

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

   The State program strongly encourages subrecipients of the ESG program to incorporate this participation, to the maximum extent practicable, in a policy-making function of both the organization and the respective regional Planning Council on the Homeless. The State ESG program application requires subrecipients to demonstrate how participation and input of people experiencing homelessness is utilized at both an organizational level and within their regional Planning Councils on Homelessness. For 2018-19 applications, this will be a threshold item and will require the subrecipient to provide documentation around their policies for verification. This issue is also reviewed during program monitoring visits.

4. Describe performance standards for evaluating ESG.

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

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

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

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

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

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

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

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

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

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

1. How will the grantee distribute its HTF funds? Applications will be submitted by eligible recipients.

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

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

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

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

   Eligibility will be determined based on:

   1. Whether the development demonstrates a need for HTF in order to make a greater number of units affordable to extremely-low and very low households;

   2. Whether the development meets State and Federal requirements of all programs for which the applicant is applying, including the threshold requirements;

   3. Successful completion of the Permanent Supportive Housing Institute;

   4. If the development ranking is sufficient for it to be awarded RHTC pursuant to the RHTC process as outlined in the 2018/2019 QAP; and,

   5. The availability of HTF funds.

   b. Describe the grantee's application requirements for eligible recipients to apply for HTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A". Application requirements are described in Parts V, VI, and VIII in the HTF Policy, which is part of Appendix A.

   c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A". The Selection Criteria to select eligible recipients is described in Parts V and VI of the HTF Policy, which is part of Appendix A.

   d. Describe the grantee's required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A". Eligible developments can be located in any city, town or county located in Indiana. There is no geographic preference to the use of the HTF.

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

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

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

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

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

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

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

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

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

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

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

Priority Housing Needs of Indiana – high priority: Through the 2015-2019 Consolidated Plan, the State of Indiana includes extremely low income households and permanent supportive housing/integrated supporting housing as "housing priority needs" (see AP-25 Allocation Priorities).

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

In addition, IHCDA may award additional scoring of 140 points under Sections 7.1 Rents Charged; 7.2 Development Characteristics; and 7.3 Sustainable Development to prioritize projects which best serve their residents.

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

Extent of Non-Federal Funding – moderate priority: As stated under the Threshold Items Section 6.3 (c), the applicant must demonstrate all subsidy sources. IHCDA may also award up to 14 points for projects that meet the criteria as outlined in Sections 7.2 (o) Tax Credit Per Unit; 7.2 (p) Tax Credit per Bedroom; 7.4 (a) Firm Commitment; and 7.4 (b) Previous Funding in a Local Government.

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

5. **Performance Goals and Benchmarks.** The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee's goals established under 24 CFR 91.315(b)(2), by including HTF in its

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housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.
Yes

6. **Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds.** Enter or attach the grantee's maximum per-unit development subsidy limits for housing assisted with HTF funds. The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.
   If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME's maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

   See Part 4.1 Subsidy and Budget Limitations of the HTF Policy for the per unit subsidy limits. A description of how the limits were determined by be found on page 15 of the HTF policy.

8. **Rehabilitation Standards.** The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.
   In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; and Capital Needs Assessments (if applicable).

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

- Developments must use Uniform Physical Condition Standards (UPCS). A listing of those standards can be found in the Multi-Family Checklist. Beyond the UPCS standards, projects must also comply with:
  - IHCDA Rehabilitation Standards (see Exhibit A); and,
  - The stricter of the local rehabilitation standards or the Indiana State Building Code.
- The development must meet the accessibility requirements at 24 CFR Part I, which implements Section 504 of the Rehabilitation Act of 1973.

- Covered multi-family units, as defined at 24 CFR 100.201, must meet the design and construction requirements at 24 CFR 100.205, which implements the Federal Fair Housing Act Amendments of 1988.
- Any units utilizing gas appliances must provide carbon monoxide detectors in addition to standard smoke detectors.
- Newly constructed units must meet additional energy efficiency standards for new construction pursuant to section 109 of the Cranston-Gonzalez National Affordable Housing Act.
- Where relevant, the housing must be constructed to mitigate the impacts of potential disaster, in accordance with State and local codes, ordinances, or other State and local requirements, or such other requirements as HUD may establish.

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

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

11. **Grantee Limited Beneficiaries or Preferences.** Describe how the grantee will limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population to serve unmet needs identified in its consolidated plan or annual action plan. If the grantee will not limit the beneficiaries or give preferences to a particular segment of the extremely low- or very low-income population, enter "N/A."
    Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3) only if such limitation or preference is described in the action plan.

The purpose of this Housing Trust Fund (HTF) application is to provide subsidies in the form of grants to selected applicants for the acquisition, rehabilitation and/or new construction of supportive housing for persons with extremely low-income (at or below 30% of area median income). For this funding cycle, a portion of the HTF funds will be offered exclusively to Rental Housing Tax Credit developments that (1) apply for funding under the 2018/2019 Qualified Allocation Plan (QAP) for the Rental Housing Tax Credit Program (RHTC) and (2) successfully completed the 2018 Indiana Supportive Housing Institute.

Eligible applicants for tax credits and HTF funds must have successfully fulfilled all requirements and demonstrated meaningful and successful participation in the 2018 Indiana Supportive Housing Institute for the specific development for which they are applying. The Indiana Supportive Housing Institute provides training and support to organizations that plan to create supportive housing. Tenant outreach, selection, property management and service plans must be approved as part of the Institute process and prior to submission of a RHTC application. Participation in the Institute is based on a competitive RFP selection process.

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

APPENDIX A.

Methods of Distribution and Funding Application Policies

CDBG Method of Distribution

STATE OF INDIANA

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

INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS

FY 2018 PROGRAM DESIGN AND METHOD OF DISTRIBUTION

GENERAL BACKGROUND INFORMATION AND NATIONAL CDBG OBJECTIVES

The State of Indiana, through the Indiana Office of Community and Rural Affairs, assumed administrative responsibility for Indiana's Small Cities Community Development Block Grant (CDBG) Program in 1982, under the auspices of the U.S. Department of Housing and Urban Development (HUD). In accordance with 570.485(a) and 24 CFR Part 91, the State must submit a Consolidated Plan to HUD by May 15th of each year following an appropriate citizen participation process pursuant to 24 CFR Part 91.325, which prescribes the State's Consolidated Plan process as well as the proposed method of distribution of CDBG funds for 2017. **The State of Indiana's anticipated allocation of federal Community Development Block Grant (CDBG) funds for FY 2018 is $30,613,848.**

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

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

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

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

PROGRAM AMENDMENTS

The Indiana Office of Community and Rural Affairs reserves the right to transfer up to ten percent (10%) of each fiscal year's available allocation of CDBG funds (i.e. FY 2018 as well as prior-years' reversions balances) between the programs described herein in order to optimize the use and timeliness of distribution and expenditure of CDBG funds, without formal amendment of this Consolidated Plan.

The Office of Community and Rural Affairs will provide citizens and general units of local government with reasonable notice of, and opportunity to comment on, any substantial change proposed to be made in the use of FY 2018 CDBG as well as reversions and residual available balances of prior-years' CDBG funds. "Substantial Change" shall mean the movement between programs of more than ten percent (10%) of the total allocation for a given fiscal year's CDBG funding allocation, or a major modification to programs described herein. The Office of Community and Rural Affairs, in consultation with the Indianapolis office of the US Department of Housing and Urban Development (HUD), will determine those actions, which may constitute a "substantial change".

The State (OCRA) will formally amend its FY 2015 Consolidated Plan if the Office of Community and Rural Affairs' **Method of Distribution for FY 2018 and prior-years' funds** prescribed herein are to be significantly changed. The OCRA will determine the necessary changes, prepare the proposed amendment, provide the public and units of general local government with reasonable notice and opportunity to comment on the proposed amendment, consider the comments received, and make the amended FY 2015 Consolidated Plan available to the public at the time it is submitted to HUD. In addition, the Office of Community and Rural Affairs will submit to HUD the amended Consolidated Plan before the Department implements any changes embodied in such program amendment.

ELIGIBLE ACTIVITIES/FUNDABILITY

All activities, which are eligible for federal CDBG funding under Section 105 of the Federal Housing and Community Development Act of 1974, as, amended (Federal Act), are eligible for funding under the Indiana Office of Community and Rural Affairs' FY 2018 CDBG program. However, the Indiana Office of Community and Rural Affairs reserves the right to prioritize its method of funding; the Office of Community and Rural Affairs prefers to expend federal CDBG funds on activities/projects which will produce tangible results for principally low and moderate income persons in Indiana. Funding decisions will be made using criteria and rating systems, which are used for the State's programs and are subject to the availability of funds. It shall be the policy under the state program to give priority to using CDBG funds to pay for actual project costs and not to local administrative costs. **The State of Indiana certifies that not less than seventy-percent (70%) of FY 2018 CDBG funds will be expended for activities principally benefiting low and moderate income persons, as prescribed by 24 CFR 570.484, et. seq.**

ELIGIBLE APPLICANTS

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

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

In order to be eligible for CDBG funding, applicants may not be suspended from participation in the

HUD-funded CDBG Programs or the Indiana Office of Community and Rural Affairs due to findings/irregularities with previous CDBG grants or other reasons. In addition, applicants may be suspended from participation in the state CDBG-funded projects administered by the Indiana Housing & Community Development Authority (IHCDA), such funds being subcontracted to the IHCDA by the Office of Community and Rural Affairs.

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

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

FY 2017 FUND DISTRIBUTION

Sources of Funds:

FY 2017 CDBG Allocation	**$30,613,848**
CDBG Program Income	$0
, **Total:**	**$30,613,848**

Uses of Funds:

1.	Housing Programs (IHCDA)	$3,061,384	
2.	Stellar Communities Program		$4,000,000
3.	Blight Clearance Program 2.0		$ 500,000
4.	Main Street Revitalization Program		$2,000,000
5.	Public Facilities Program		$2,400,000
6.	Storm Water Improvements Program		$4,500,000
7.	Wastewater/Drinking Water Improvements Program		$11,500,000
8.	Workforce Development Program		$ 0
9.	Urgent Need Fund		$ 0
10.	Planning Fund		$1,734,049
11.	Technical Assistance		$ 280,000
12.	Administration		$ 638,415
	Total:		**$30,613,848**

(a) The State of Indiana (Office of Community and Rural Affairs) does not project receipt of any CDBG program income for the period covered by this FY 2018 Action Plan. In the event the Office of Community and Rural Affairs receives such CDBG Program Income, such moneys will be placed in the Wastewater/Drinking Water Program (WDW) for the purpose of making additional competitive grants under that program. Reversions of other years' funding will be placed in the Wastewater/Drinking Water Program (WDW) for the specific year of funding reverted. The State will allocate and expend all CDBG Program Income funds received prior to drawing additional CDBG funds from the US Treasury.

However, the following exceptions shall apply:

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

2. Program income generated by CDBG grants awarded by the Office of Community and Rural Affairs (State) using FY 2018 CDBG funds must be returned to the Office of Community and Rural Affairs, however, such amounts of less than $35,000 per calendar year shall be excluded from the definition of CDBG Program Income pursuant to 24 CFR 570.489.

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

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

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

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

METHOD OF DISTRIBUTION

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

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

A. Housing Program: $3,061,384

The State (Office of Community and Rural Affairs) has contracted with the Indiana Housing & Community Development Authority (IHCDA) to administer funds allocated to the State's Housing Program. The Indiana Housing & Community Development Authority will act as the administrative agent on behalf of the Indiana Office of Community and Rural Affairs. Please refer to the Indiana Housing & Community Development Authority's portion of this FY 2018 Action Plan for the method of distribution of such subcontracted CDBG funds from the Office of Community and Rural Affairs to the IHCDA.

B. Stellar Communities Program: $ 4,000,000

The State of Indiana will to set aside $4,000,000 of its FY 2018 CDBG funds for the Stellar Communities Program. Funds will be allocated to designees in the Action Plan for the fiscal year an application is anticipated from each designee.

Indiana's Stellar Communities Program is a collaborative effort of the Office of Community and Rural Affairs (OCRA), the Indiana Housing and Community Development Authority (IHCDA), and the Indiana Department of Transportation (INDOT). The Stellar Communities Program seeks to engage two communities to achieve a three-year revitalization strategy that will leverage unified state investment and funding from the partnering agencies to complete projects comprehensively. In the revitalization strategy, communities will identify areas of interest and types of projects, produce a schedule to complete projects, produce cost estimates, identify local match amounts, sources, and additional funding resources, indicate the level of community impact, and describe the significance each project will have on the overall comprehensive revitalization of the community. From this revitalization strategy, communities will produce a three-year community investment plan which will identify capital and quality of life projects to be completed during that period.

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

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

- Capacity of the applicant to administer the funds;
- The long-term viability of the strategic community investment plan;

All projects funded by OCRA will be eligible for funding under a national objective of the Federal Act and requirements of 24 CFR 570.208 and 24 CFR 570.483 of applicable HUD regulations.

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

C. Planning Fund: $ 1,734,049

The State (Office of Community and Rural Affairs) will set aside $1,734,049 of its FY 2018 CDBG funds for planning-only activities, which are of a project-specific nature. The Office of Community and Rural Affairs will make planning-only grants to units of local government to carry out planning activities eligible under 24 CFR 570.205 of applicable HUD regulations. The Office of Community and Rural Affairs will award such grants on a competitive basis and grant the Office of Community and Rural Affairs will review applications monthly. The Office of Community and Rural Affairs will give priority to applications having planning activities designed to assist the applicable unit of local government in meeting its community development needs by reviewing all possible sources of funding, not simply the Office of Community and Rural Affair's grant programs..

CDBG-funded planning costs will exclude final engineering and design costs related to specific activities which are eligible activities/costs under 24 CFR 570.201-204.

The specific threshold criteria and basis for project point awards for PL grant awards are provided in Attachment D hereto. The Planning Fund (PL) program shall have a maximum grant amount of $60,000. The eligible plans and their specific maximum grant amounts shall be set by the Office of Community and Rural Affairs at the beginning of each program year. Matching funds of at least 10% are required for all this program.

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

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

The State of Indiana will set aside $2,000,000 of its FY 2018 CDBG funds for the Main Street Revitalization Program (MSRP).

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

1) Have a designated Indiana Main Street Organization;
2) The Main Street Organization is in good standing for meeting all the reporting requirements;
3) The Main Street Organization has attended all required workshops associated with the Indiana Main Street Program during past year;
4) The Main Street organization is functioning within the Main Street 4 Point Approach of Organization, Design, Economic Restructuring, and Promotion;
5) The Main Street organization has current Work Plans for each of its Committees that have been submitted to Indiana Main Street;
6) The Community has completed a downtown revitalization plan within the past five years that meets OCRA's Minimum Technical Requirements. If a community has an alternative plan that meets OCRA's Minimum Technical Requirements for a downtown revitalization plan, they can use that alternative plan with approval from the CDBG Program Director.
7) There is a letter of support documenting the Indiana Main Street Organization support and current approval of the plan and their willingness to be an active partner in the application process and proposed project.

Applications will be accepted and awards will be made on a competitive basis. The specific threshold criteria and basis for project point awards for MSRP grant awards are provided in Attachments C and D hereto. The Main Street Revitalization Program (MSRP) shall have a maximum grant amount of $600,000. Matching funds of at least 20% are required for all this program.

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

E. Wastewater/Drinking Water Improvements Program: $ 11,500,000

The State of Indiana will set aside $11,500,000 of its FY 2018 CDBG funds for the Wastewater Drinking Water (WDW) Improvements Program.

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

Maximum Grant Amounts	**Rates for 4,000 gallons**		
	User Rates (Over $50)	**User Rates ($30 to $50)**	**User Rates (Under $30)**
Projects over $1 million in total project cost	$700,000	$600,000	$550,000
Projects under $1 million in total project cost	$600,000	$550,000	$500,000

Matching funds of at least 20% are required for all this program.

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

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

All projects funded by OCRA will be eligible for funding under a national objective of the Federal Act and requirements of 24 CFR 570.208 and 24 CFR 570.483 of applicable HUD regulations.

F. Blight Clearance Program 2.0: $500,000

The State of Indiana will set aside $500,000 of its FY 2018 CDBG funds for the Blight Clearance Program (BCP). Applications will be accepted and awards will be made on a continuous competitive basis. The specific threshold criteria and basis for project point awards for BCP grant awards are provided in Attachments C and D hereto.

The Blight Clearance Program (BCP) shall have a maximum grant amount of $500,000 for each eligible applicant over a five (5) year period. Matching funds of at least 10% are required for all this program.

All projects funded by OCRA will be eligible for funding under a national objective of the Federal Act and requirements of 24 CFR 570.208 and 24 CFR 570.483 of applicable HUD regulations.

G. Public Facilities Program: $2,400,000

The State of Indiana will to set aside $2,400,000 of its FY 2018 CDBG funds for the Public Facilities Program (PFP).

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

For the PFP specifically, the amount of CDBG funds granted will be based on a $5,000 cost per project beneficiary. That maximum grant award for the Public Facilities Program is $500,000. Matching funds of at least 10% are required for all this program.

All projects funded by OCRA will be eligible for funding under a national objective of the Federal Act and requirements of 24 CFR 570.208 and 24 CFR 570.483 of applicable HUD regulations.

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

The State of Indiana will to set aside $4,000,000 of its FY 2018 CDBG funds for the Stormwater Improvements Program (SIP).

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

For the SIP Program specifically, the amount of CDBG funds granted will be based on a $5,000 cost per project beneficiary. That maximum grant award for the Stormwater Improvements Program is $600,000. Matching funds of at least 10% are required for all this program.

All projects funded by OCRA will be eligible for funding under a national objective of the Federal Act and requirements of 24 CFR 570.208 and 24 CFR 570.483 of applicable HUD regulations.

I. Workforce Development Program: $0

The Office of Community and Rural Affairs (OCRA) will set aside $0 of its FY 2018 CDBG funds for workforce development and skills training activities. OCRA reviewed this program in FY 2017, comparing it to other programs offered by our partners, and made the determination to discontinue the program.

J. The Urgent Need Fund: $0

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

The Urgent Need Fund will be available to eligible applicants to meet an imminent threat to the health and safety of local populations. The grants may be funded as made available through the Public Facilities Program or reversions when not budgeted from the annual allocation. Special selection factors include need, proof of recent threat of a catastrophic nature, statement of declared emergency and inability to fund through other means. Projects will be developed with the assistance of the Office of Community and Rural Affairs as a particular need arises. To be eligible, these projects and their activities must meet the "urgent need” national objective of Section 104(b)(3) of the Federal Act. Generally, projects funded are those, which need immediate attention and are, therefore, inappropriate for consideration under OCRA’s regular programs. The types of projects, which typically receive funding, are municipal water systems (where the supply of potable water has been threatened by severe weather conditions) and assistance with demolition or cleanup after a major fire, flood, or other natural disaster. Although all projects will be required to meet the "urgent need" national objective, the Office of Community and Rural Affairs may choose to actually fund the project under one of the other two national objectives, if it deems it expedient to do so. Applicants must adequately document that other financial resources are not available to meet such needs pursuant to Section 104(b)(3) of the Federal Act and 24 CFR 570.483 of HUD regulations.

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

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

K. Technical Assistance Set-aside: $280,000

Pursuant to the federal Housing and Community Development Act (Federal Act), specifically Section

106(d)(5), the State of Indiana is authorized to set aside up to one percent (1%) of its total allocation for technical assistance activities. The amount set aside for such Technical Assistance in the State's FY 2018 Consolidated Plan is $278,000, which constitutes approximately one-percent (1%) of the State's FY 2018 CDBG allocation of $27,891,732. The State of Indiana reserves the right to set aside up to one percent (1%) of open prior-year funding amounts for the costs of providing technical assistance on an as-needed basis.

The amount set aside for the Technical Assistance Program will not be considered a planning cost as defined under Section 105(a)(12) of the Federal Act or an administrative cost as defined under Section 105(a)(13) of the Federal Act. Accordingly, such amounts set aside for Technical Assistance will not require matching funds by the State of Indiana. The Department reserves the right to transfer a portion or all of the funding set aside for Technical Assistance to another program hereunder as deemed appropriate by the Office of Community and Rural Affairs, in accordance with the "Program Amendments" provisions of this document. The Technical Assistance Program is designed to provide, through direct Office of Community and Rural Affairs staff resources or by contract, training and technical assistance to units of general local government, nonprofit and for-profit entities relative to community and economic development initiatives, activities and associated project management requirements.

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

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

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

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

L. Administrative Funds Set-aside: $657,834

The State (Office of Community and Rural Affairs) will set aside up to $657,834of its FY 2018 CDBG funds for payment of costs associated with administering its State Community Development Block Grant (CDBG) Program (CFDA Number 14.228). This amount (657,834) constitutes slightly less than two-percent (2%) of the State's CDBG allocation ($27,891,732), plus an amount of $100,000 ($28,353,870 X 0.02 = $557,834.64 + $100,000 = $657,834). The amount constituted by the 2% set aside ($557,834) is subject to the $1-for-$1 matching requirement of HUD regulations. The $100,000 supplement is not subject to state match. These funds will be used by the Office of Community and Rural Affairs for expenses associated with administering its State CDBG Program, including direct personal services and fringe benefits of applicable Office of Community and Rural Affairs staff, as well as direct and indirect expenses incurred in the proper administration of the state's program and monitoring activities respective to CDBG grants awarded to units of local government (i.e. telephone, travel, services contractual, etc.). These administrative funds will also be used to pay for contractors hired to assist the Office of Community and Rural Affairs in its consolidated planning activities.

PRIOR YEARS' METHODS OF DISTRIBUTION

This Consolidated Plan, statement of Method of Distribution is intended to amend all prior Consolidated Plans for grant years where funds are still available to reflect the new program designs. The Methods of Distribution described in this document will be in effect commencing on July 1, 2018, and ending June 30, 2018, unless subsequently amended, for all FY 2018 CDBG funds as well as remaining residual balances of previous years' funding allocations, as may be amended from time to time subject to the provisions governing "Program Amendments" herein. The existing and amended program budgets for each year are outlined below (administrative fund allocations have not changed and are not shown below). Adjustments in the actual dollars may occur as additional reversions become available.

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

PROGRAM APPLICATION

The Planning Fund/Program (PL) will be conducted through a single-stage, continuous application process throughout the program year. Blight Clearance Program (BCP) 2.0 will be conducted through a two-stage, continuous application process throughout the program year. The application process for the Stellar Communities Program will be a single competitive application process. The application process for the Wastewater/Drinking Water Program (WDW), Public Facilities Program (PFP), Stormwater Improvements Program (SIP), and the Main Street Revitalization Program (MSRP), will be a two-stage competitive application process held twice each calendar year with a third round possible if there are unobligated funds.

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

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

OTHER REQUIREMENTS

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

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

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

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

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

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

INDIANA OFFICE OF COMMUNITY AND RURAL AFFAIRS (OCRA)

The Indiana Office of Community and Rural Affairs intends to provide the maximum technical assistance possible for all of the programs to be funded from the CDBG program. Lieutenant Governor heads the Office of Community and Rural Affairs. Principal responsibility for the CDBG program is vested in Jodi Golden, Executive Director of OCRA. The Office of Community and Rural Affairs also has the responsibility of administering compliance activities respective to CDBG grants awarded to units of local government through a partnership with the Grant Services Division of the Lieutenant Governor's business office.

Primary responsibility for providing "outreach" and technical assistance for the Stellar Communities Program, Main Street Revitalization Fund, Wastewater/Drinking Water Program, Public Facilities Program, Stormwater Improvements Program, Workforce Development Program and the Planning Fund process resides with the Office of Community and Rural Affairs. Primary responsibility for providing "outreach" and technical assistance for the Housing award process resides with the Indiana Housing & Community Development Authority who will act as the administrative agent on behalf of the Indiana Office of Community and Rural Affairs.

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

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

Indiana Office of Community and Rural Affairs
CDBG Program Director
One North Capitol, Suite 600
Indianapolis, Indiana 46204-2288
Telephone: 1-800-824-2476
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 CDBG Program Director.

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

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

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

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

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

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

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

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

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

3. If the applicant has previously received funds under CDBG, they must have successfully carried out the program. An applicant must not have any overdue closeout reports, State Board of Accounts audit findings or unresolved OCRA/IHCDA monitoring findings (where the community is responsible for resolution.) Any determination of "overdue" is solely at the discretion of the Indiana Office of Community and Rural Affairs.

4. An applicant must not have any overdue CDBG semi-annual Grantee Performance Reports, subrecipient reports or other reporting requirements of the OCRA/IHCDA. Any determination of "overdue" is solely at the discretion of the Indiana Office of Community and Rural Affairs.

5. The applicant must clearly show the manner in which the proposed project will meet one of the three national CDBG objectives and meet the criteria set forth under 24 CFR 570.483.

6. The applicant must show that the proposed project is an eligible activity under the Act.

7. The applicant must first encumber/expend all CDBG program income receipts before applying for additional grant funds from the Office of Community and Rural Affairs; EXCEPTION – these general criteria will not apply to applications made directly to the Indiana Housing & Community Development Authority (IHCDA) for CDBG-funded housing projects.

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

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

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

    c. For those applicants with an open MSRP, WDP, WDW, PFP, SIP or BCP a "Notice of

Release of Funds and Authorization to Incur Costs" must have been issued for the construction activities under the open MSRP, WDP, WDW, PFP, SIP or BCP contract, and a contract for construction of the principal (largest funding amount) construction line item (activity) must have been executed prior to the deadline established by OCRA for receipt of applications for funding.

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

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

   a. Any unresolved complaints filed against the applying party with the Indiana Civil Rights Commission or any other local human relations commission with jurisdiction (collectively "Commissions")[1]

      i. A complaint during the investigation stage can be resolved for the purposes of this application if the applying party provides the response it submitted to the Commissions and provides verification that it is cooperating in the investigation.

      ii. To resolve a complaint for the purposes of this application that has received a finding of Probable or Reasonable Cause, the complaint must be closed in a manner that includes the applying party taking a fair housing training and implementing a relevant policy to prevent future possible discriminatory incidents. The applying party need not take the training or implement the policy prior to the application being submitted if the applying party can provide proof that it intends to complete the training and implement the policy within a reasonable period of time. If a complaint has been closed and the closure did not include training or the implementation of a policy, then the applying party can elect to contact the Commissions to voluntarily complete training and have Commissions assist in the implementation of a relevant policy.

      iii. To resolve a complaint that merits litigation, the applying party must submit evidence that the complaint cannot be settled (i.e. settlement ask too high ect.) and evidence that training and a policy are not the impediments to settlement. Possible evidence can include offer letters, statements of disputed legal questions, statements of disputed facts, statements on behalf of the Commissions that they are unwilling to settle the case, or any similar document that illustrates the case is not ripe for settlement.

   b. An unresolved pattern of complaints filed against the applying party with the Indiana Civil Rights Commission or any other local human relations commission with jurisdiction (collectively "Commissions")

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

i. A pattern for purposes of this application is defined as any more than an average of two complaints over a period of four years, regardless of outcome.

ii. To resolve a pattern of complaints for purposes of this application, the applying party must partner with the Commissions or other equivalent housing organization to fully review the applying party's current policies for best practices as well as for compliance with the Indiana Fair Housing Act and Indiana Civil Rights Law. Additionally, the applying party must show proof that the applying party intends to undergo annual fair housing training for all of its employees that regularly interact with tenants and biannual training for all supervising employees for at least one year.

10. The cost/beneficiary ratio for all CDBG funds will be maintained at $5,000. Housing related projects are to be submitted directly to the Indiana Housing & Community Development Authority (IHCDA) under its programs.

11. Required leveraging based on program (as measured against the CDBG project, see definitions) must be proposed. The Indiana Office of Community and Rural Affairs may rule on the suitability and eligibility of such leveraging.

12. The applicant may only submit one proposal or application per round per program. Counties may submit either for their own project or an "on-behalf-of" application for projects of other eligible applicants within the county. However, no application will be invited from an applicant where the purpose is clearly to circumvent the "one application per round" requirement for other eligible applicants.

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

C. Housing Programs: Refer to Method of Distribution for Indiana Housing & Community Development Authority within this FY 2018 Action Plan

ATTACHMENT D

GRANT EVALUATION CRITERIA
700 POINTS TOTAL

Applications must achieve a minimum score of 450 points to be eligible for award.

NATIONAL OBJECTIVE SCORE (100 POINTS):
Depending on the National Objective to be met by the project, one of the following two mechanisms will be used to calculate the score for this category.

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

National Objective Score = % Low/Mod Beneficiaries X 1

2. National Objective = Prevention or Elimination of Slums or Blight: 100 points maximum awarded based on the characteristics listed below. The total points given are computed as follows:

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

- Applicant has a Slum/Blight Resolution for project area (50 pts.)
- The project site is a brownfield* (25 pts.)
- The building or district is listed on the Indiana or National Register of Historic Places** (10 pts.)
- The building or district is eligible for listing on the Indiana or National Register of Historic Places** (10 pts.)
- The building is on the Historic Landmarks Foundation of Indiana's "10 Most Endangered List" (15 pts.)

* The State of Indiana defines a brownfield as an industrial or commercial property that is abandoned, inactive, or underutilized, on which expansion or redevelopment is complicated due to actual or perceived environmental contamination.
Project may either be listed on **or eligible for listing on the Indiana or National Register of Historic Places. ***Both cannot be checked.***

COMMUNITY DISTRESS FACTORS (175 POINTS):
Various factors are used to determine the distress of a community. IOCRA has partnered with Stats Indiana, an Indiana University entity to analyze and calculate the distress of Indiana's small cities, towns, counties and townships. Factors used to calculate the Community Distress points used for CDBG scoring include:

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

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

LOCAL MATCH CONTRIBUTION (75 POINTS):

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

Total Match Points = % Eligible Local Match X 1

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

Eligible local match can be local cash, debt or in-kind sources. Federal, state, and local government grants are considered eligible match. In-kind sources may provide eligible local match for the project, but the amount that can be counted as local match is limited to 5% of the total project budget or a maximum of $25,000. Use of in-kind donations as eligible match requires approval from the CDBG Program Director approximately 1 week prior to application submission (date of deadline will be announced each round).

PROJECT DESIGN FACTORS (300 POINTS):

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

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

The points in these categories are awarded by the OCRA Scoring Committee when evaluating the projects. **Applicants should refer to the application packet, and scoring guide and address all questions present.** Applicants should work with their OCRA Community Liaison to identify ways to increase their project's competitiveness in these areas.

PROGRAM SPECIFIC POINTS (50 POINTS):

Blight Clearance Program (BCP) 2.0

- **IFA Registry** - A maximum of 25 points awarded for projects listed on the IFA Brownfield registry (IFA program site number) which indicates prior involvement of the Indiana Brownfield Program.
- **Site Development Plan** - A maximum of 25 points will be awarded for projects that have a site development plan for the future use of the Brownfield site.

Planning Grants (PL)

- **Community Input and Collaboration** – A maximum of 25 points are awarded for communities that document public input and collaboration efforts beyond Public Hearings, letters of support, and surveys.
- **Connection to Previous Planning Effort** – A maximum of 15 points are awarded for documentation that the plan that is being applied for connects to a pervious planning effort done by the community.
- **Implementation of Previous Plan or First-time Plans** – A maximum of 10 points are awarded for communities that document the successful implementation of a pervious planning grant plan or for communities that have never receive an plan grant before.

Public Facilities Program (PFP)

- **Philanthropic Contributions** - Points are assigned based on philanthropic contribution as a percentage of total project costs.
    - Less than 1% - 0 points

- 1-2% - 10 points
- 2-3% - 15 points
- 3-4% - 20 points
- 4%+ - 25 points

- **Project Sustainability** - A maximum of 25 points for the establishment of a (or documentation of existing) permanent Community Facility Fund, to be used for ongoing operation and maintenance activities of the project.
  - 0 points – under $3,000
  - 10 points - $3,000-$5,000
  - 25 points – More than $5,000

Main Street Revitalization Program (MSRP)

- Community is designated as a Nationally Accredited Indiana Main Street Organization (10 points)
- Documentation of active and continued involvement in the application and project by the Main Street organization (10 points)
- The Main Street Organization has a long-term Strategic Plan. (10 points)
- The district is listed on the Indiana or National Register of Historic Places (10 points)
- The Main Street Organization has a sustainability/fundraising plan in place. (10 points)

Stormwater Improvements Program (SIP)

- **Financial Gap** – A maximum of 25 points per each $1 in financial gap. The result of the OCRA Gap Calculation Worksheet should give you the amount that your community would have to increase the monthly rate charged to each customer without grant assistance, given the above assumptions. This is the "gap," which is the amount by which grant funds will reduce or "buy down" your utility rates. This amount added to the actual rates anticipated with OCRA grant funds will give you the rates needed "without OCRA grant funds". (Maximum 25 points)
- **Project Sustainability** - A maximum of 25 points for the establishment of, or documentation of existing storm water utility rate for the ongoing operation and maintenance activities of the storm system.
  - 0 points – under $3 monthly Storm water utility user rate
  - 10 points – $3-$5 monthly storm water utility user rate
  - 25 points – $5 or higher monthly storm water utility user rate

Wastewater Drinking Water (WDW)

- **Financial Gap** – A maximum of 25 points per each $1 in financial gap. The result of the OCRA Gap Calculation Worksheet should give you the amount that your community would have to increase the monthly rate charged to each customer without grant assistance, given the above assumptions. This is the "gap," which is the amount by which grant funds will reduce or "buy down" your utility rates. This amount added to the actual rates anticipated with OCRA grant funds will give you the rates needed "without OCRA grant funds". (Maximum 25 points)
- **Project Sustainability** - A maximum of 25 points for the establishment of, or documentation of existing wastewater or drinking water utility rate for the ongoing operation and maintenance activities of the wastewater or drinking water system.

  0 points – under $15 monthly wastewater or drinking water utility user rate
  10 points – $15-$25 monthly wastewater or drinking water utility user rate
  25 points – $25 or higher monthly wastewater or drinking water utility user rate

BONUS POINTS POLICY:

It is OCRA's policy to encourage and support regional coordination amongst rural communities. As such a grant application that is included in a regional plan will be awarded 25 bonus points. To receive these bonus points requires verification of the regional plan from the CDBG Program Director approximately 1 week prior to application submission (deadline will be announced each round).

Bonus Points for Regional Planning – 25 points

POINTS REDUCTION POLICY:

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

0 – 5 years since previous funding – -50 points

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

ATTACHMENT E

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

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

1. Require each unit of general local government to comply with citizen participation requirements for such governmental units as specified under 24 CFR 570.486(a), to include the requirements for accessibility to information/records and to furnish citizens with information as to proposed CDBG funding assistance as set forth under 24 CFR 570.486(a)(3), provide technical assistance to representatives of low-and-moderate income groups, conduct a minimum of two (2) public hearings on proposed projects to be assisted by CDBG funding, such hearings being accessible to handicapped persons, provide citizens with reasonable advance notice and the opportunity to comment on proposed projects as set forth in Title 5-3-1 of Indiana Code, and provide interested parties with addresses, telephone numbers and times for submitting grievances and complaints.

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

3. Publish a proposed or "draft" Consolidated Plan and afford citizens and units of general local government the opportunity to comment thereon.

4. Furnish citizens and units of general local government with information concerning the amount of CDBG funds available for proposed community development and housing activities and the range/amount of funding to be used for these activities.

5. Hold one (1) or more public hearings respective to the State's proposed/draft Consolidated Plan, on amendments thereto, duly advertised in newspapers of general circulation in major population areas statewide pursuant to I.C. 5-3-1-2 (B), to obtain the views of citizens on proposed community development and housing needs. The Consolidated Plan Committee published the attached legal advertisement to newspapers of general circulation statewide respective to the public hearings held on the 2018 Action Plan; a list of those papers appears in AP-12. In addition, this notice was distributed by email to over 1,000 local officials, non-profit entities, and interested parties statewide in an effort to maximize citizen participation in the planning process.

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 elicit 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, and post the report on department websites, eliciting 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.

CDBG OOR Application Policy

Community Development Block Grant
Owner-Occupied Rehabilitation
2018 Application Policy

SUMMARY

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

This program is designed to allocate CDBG funds to be used for OOR among selected applicants who have developments that meet IHCDA's requirements and goals for the program:

1. Demonstrate they are meeting the needs of their specific community.
2. Attempt to reach low and very low-income levels of Area Median Income (AMI).
3. Are ready to proceed with the activity upon receipt of the award.
4. Propose projects that assist individuals with disabilities, households with children six and under, single parent households, veterans, and individuals aging in place.
5. Propose the use of Minority Business Enterprises and/or Women-Owned Business Enterprises and Indiana contractors, employees, and products.

Contents

Available Online

IHCDA CDBG Program Webpage

Part 1: Application Process

1.1 CDBG Application Forms and CDBG OOR Policy Discrepancies
In the event of a conflict or inconsistency between the CDBG OOR Application Forms, Appendices, and/or CDBG OOR Application Policy, the CDBG OOR Application Policy will prevail.

1.2 Funding Round Timelines
Note: This is an anticipated schedule and is subject to change or extension, and dependent upon the availability of funding

Fiscal Year 2018 Round:

Application Available / Round Begins	October 15, 2018
Application Webinar	November 2018
Application Due Date	December 17, 2018
Award Announcements	February 2019

Please note that the award announcement date is predicated upon the finalization of the federal budget and the total funding amount of CDBG to the State of Indiana.

1.3 Application Webinar
An application webinar will be conducted prior to the application deadline. During the webinar, IHCDA Real Estate Production Department staff will describe the requirements of the OOR program, threshold and scoring criteria, how to complete the required forms, and how to utilize the Syncplicity site. Local Units of Government and administrators intending to apply are strongly encouraged to attend the application webinar.

1.4 Lead Webinar
IHCDA strongly encourages potential applicants to attended. If an administrator has an open CDBG OOR contract with IHCDA, they are required to attend. IHCDA will send dates via RED notice to all RED Partners. If an applicant or administrator is in need of technical assistance on the lead based paint regulations, they are encouraged to reach out to the Lead Grant Manager.

1.5 Technical Assistance
The Applicant may schedule a technical assistance meeting with their regional IHCDA Real Estate Production Analyst to discuss both the proposed development and IHCDA's application process. Technical assistance may be required at IHCDA's discretion if the applicant does not have experience with IHCDA awards or if past performance was poor. Applicants are urged to contact their Real Estate Production Analyst early in the planning process to obtain guidance and technical assistance.

1.6 Application Submission
Applicants must submit the following items to IHCDA's Real Estate Department Coordinator:

- Via IHCDA's electronic file transfer Syncplicity site:
    - Two completed copies of the final application form, one as an Excel file and one as a searchable PDF.

- All supporting documents required in the tabs. Please submit this information as **separate PDF documents**, each labeled to indicate the appropriate tab. The tab label directory is located at the end of the IHCDA CDBG OOR Application Policy. Do not send one PDF containing all supporting documentation.
- Via hard copy:
  - One copy of forms which require original signatures
  - Environmental Review Record (ERR)
  - The original tear sheet or original publisher's affidavit of legal notice for any public hearing.
  - One USB Flash Drive with all documents

Applicants that submit hard copies of any documents not specifically listed above will be ineligible to receive points in the Bonus category.

All required application items are due no later than 5:00 p.m. Eastern Time, on or before the due date. Applications received after the deadline will be returned to the applicant via certified mail. Faxed applications will not be accepted.

Applicants encountering technical issues with application forms, supporting documentation, or the submittal process should contact their IHCDA Real Estate Production Analyst as soon as possible. If informed of the problem in a timely manner, IHCDA staff may be able to correct the issue and/or provide additional guidance for specific non-Federal requirements on a case-by-case basis. However, assistance cannot be provided for applicants that do not notify IHCDA of an issue prior to the application deadline.

Instructions on how to utilize the Syncplicity site will be explained during the application webinar. The hard copy of the final application forms, ERR, and public hearing documentation should be sent to:

Indiana Housing and Community Development Authority
ATTN: Real Estate Department Coordinator
RE: CDBG OOR Application
30 South Meridian Street, Suite 1000
Indianapolis, IN 46204

All applicants must retain a copy of this application package for their records. Applicants that receive funding will be bound by the information contained in this application package.

IHCDA will send an email confirmation to the applicant contact within one week of submission notifying the applicant of receipt by IHCDA. Please notify the Real Estate Department Coordinator if the applicant would like to add an additional contact person for communications regarding the 2018 CDBG Application.

1.7 Application Review

Each application must address only one development. Applications are reviewed in a three step process:

Step One - Completeness	On or before the application deadline, the applicant must provide all required documents, signatures and attachments.
Step Two - Threshold	The application must meet each of the applicable threshold criteria. After initial threshold review, IHDCA staff may contact an applicant to notify them of required technical corrections as well as to request clarification of additional questions raised during threshold review. The applicant will have the opportunity to respond on or before the due date provided by IHCDA. If the applicant does not respond to the technical correction and threshold clarification letter, or the applicant's response does not address all concerns, the application may be disqualified. Points will be awarded to applicants requiring two or less technical corrections, based upon the scoring table located in the Bonus scoring section of this policy. For definitions of technical corrections and clarifications, please consult the glossary at the end of this policy.
Step Three - Scoring	Applications that pass completeness and threshold reviews are then scored according to IHCDA's published scoring criteria. After initial score review, IHCDA staff may contact the applicant for further clarification of a scoring item. Failure to respond to the requested scoring clarification items by the due date and in the manner requested may result in application denial. **Additional supporting documentation for scoring categories will not be accepted after the initial application submission.**

Bonus points will be awarded to applications submitted according to IHCDA guidelines that pass threshold without any technical errors or incomplete information.

Funded applications will be announced at the published IHCDA Board Meeting date – the announcement timing is dependent upon the approval of the State of Indiana 2018 Annual Action Plan. Confirmation letters and score sheets will be uploaded to the Syncplicity site by the close of business on the day of the board meeting. Applications that are not funded will be notified via a denial letter and final score sheets which will be uploaded to the Syncplicity site by the close of business on the day of the board meeting. Applications that are not funded will **not** be rolled over into the next funding round.

1.8 Minimum Score Requirement

There is no minimum score required for funding in the CDBG OOR Round.

1.9 IHCDA CDBG, HOME & HTF Program Manual

The IHCDA CDBG, HOME & HTF Program Manual outlines the requirements for administering IHCDA's CDBG awards. A complete copy of the CDBG & HOME Program Manual and exhibits are available on IHCDA's website at this location:
http://www.in.gov/myihcda/2490.htm

Part 2: Eligible Applicants

2.1 Eligible Applicants

Community Development Block Grant (CDBG)	Cities, Towns, and Counties that are not CDBG entitlement communities: (Entitlement communities are listed below)	Cities, Towns, and Counties that are CDBG entitlements: (Entitlement communities are listed below)	501(c)3 and 501(c)4 Not-for-Profit Organizations	Joint Venture Partnerships	For Profit Entities organized under the State of Indiana
Eligible Applicants:	✓	Not eligible	Not eligible	Not eligible	Not eligible

CDBG OOR Funds

Eligible applicants include cities, towns, or counties that are located within Indiana but outside of CDBG entitlement communities and whose proposed activities are consistent with the State's HUD-approved Consolidated Plan. Not-for-profit 501(c)3 or 501(c)4 organizations, public housing authorities, regional planning commissions, and/or townships are encouraged to participate in activities as subrecipients of local units of government but must apply through a sponsoring eligible city, town, or county.

The following CDBG entitlement communities are not eligible to apply for CDBG funds:

Anderson	East Chicago	Gary	Indianapolis**	LaPorte	New Albany
Bloomington	Elkhart	Goshen	Kokomo	Michigan City	South Bend
Columbus	Evansville	Hamilton County*	Lafayette	Mishawaka	Terre Haute
	Fort Wayne	Hammond	Lake County	Muncie	West Lafayette

*The following communities in Hamilton County are eligible for CDBG funds: Arcadia, Atlanta, Cicero and Sheridan.

**Excluding the Marion County Cities of Beech Grove, Lawrence, Speedway, and Southport. The Town of Cumberland is excluded when the housing activity is located outside of Marion County.

2.2 Ineligible Applicants

IHCDA reserves the right to disqualify any application from an applicant, subrecipient, administrator, preparer, or related party with a history of disregarding policies, procedures, or staff directives associated with administering any program through IHCDA. This also applies to programs administered by any other State, Federal, or affordable housing entities, including but not limited to the Indiana Office of Community and Rural Affairs (OCRA), the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Agriculture - Rural Development (USDA), or the Federal Home Loan Bank (FHLB).

Applicants with an open CDBG OOR grant are ineligible to apply for another grant until the current award has been completed with all completion reports and close out documents submitted.

A county is eligible to apply for an OOR grant but may not serve any municipality within that county that has a current OOR grant.

Additionally, any entity currently on IHCDA's suspension or debarment list is ineligible to submit an application. IHCDA's Suspension and Debarment Policy can be found in Chapter 17 of the IHCDA CDBG & HOME Program Manual.

2.3 Religious and Faith-Based Organizations

i. Religious/faith-based organization eligibility. Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the OOR program. Neither the Federal Government nor a state or local government receiving funds under the OOR program shall discriminate against an organization on the basis of the organization's religious character or affiliation. Recipients and subrecipients of program funds shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.

ii. Beneficiaries. In providing services supported in whole or in part with federal financial assistance, and in their outreach activities related to such services, program participants shall not discriminate against current or prospective program beneficiaries on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.

iii. Separation of explicitly religious activities. Recipients and subrecipients of OOR program funds that engage in explicitly religious activities, including activities that involve overt religious content such as worship, religious instruction, or proselytization, must perform such activities and offer such services outside of programs that are supported with federal financial assistance separately, in time or location, from the programs or services funded under this part, and participation in any such explicitly religious activities must be voluntary for the program beneficiaries of the HUD-funded programs or services.

iv. Religious identity. A faith-based organization that is a recipient or subrecipient of OOR program funds is eligible to use such funds as provided under the regulations of this part without impairing its independence, autonomy, expression of religious beliefs, or religious character. Such organization will retain its independence from federal, state, and local government, and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct program funds to support or engage in any explicitly religious activities, including activities that involve overt religious content, such as worship, religious instruction, or proselytization, or any manner prohibited by law. Among other things, faith-based organizations may use space in their facilities to provide program-funded services, without removing or altering religious art, icons, scriptures, or other religious symbols. In addition, an OOR program-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

v. Alternative provider. If a program participant or prospective program participant of the OOR program supported by HUD objects to the religious character of an organization that provides services under the program, that organization shall, within a reasonably prompt time after the objection, undertake reasonable efforts to identify and refer the program participant to an alternative provider to which the prospective program participant has no objection. Except for services provided by telephone, the Internet, or similar means, the referral must be to an alternate provider in reasonable geographic proximity to the organization making the referral. In making the referral, the organization shall comply with applicable privacy laws and regulations. Recipients and subrecipients shall document any objections from program participants and prospective program participants and any efforts to refer such participants to alternative providers in accordance with the requirements of §92.508(a)(2)(xiii). Recipients shall ensure that all subrecipient agreements make organizations receiving program funds aware of these requirements.

vi. Structures. Program funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for explicitly religious activities. Program funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. When a structure is used for both eligible and explicitly religious activities, program funds may not exceed the cost of those portions of the acquisition, new construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to the OOR program. Sanctuaries, chapels, or other rooms that an OOR program-funded religious congregation uses as its principal place of worship, however, are ineligible for OOR program-funded improvements. Disposition of real property after the term of the grant, or any change in the use of the property during the term of the grant, is subject to government wide regulations governing real property disposition (see 2 CFR 200.311).

vii. Supplemental funds. If a state or local government voluntarily contributes its own funds to supplement federally funded activities, the state or local government has the option to segregate the federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.

Part 3: Eligible Activities & Program Requirements

3.1 Eligible Activities

The purpose of the OOR Program is to provide subsidies in the form of grants to selected applicants for the rehabilitation of owner-occupied housing for low to moderate-income people. The program is intended for the rehabilitation of owner-occupied housing that serves as the homeowner's primary residence.

- To be eligible for owner-occupied rehabilitation, the homeowner beneficiary must be low-income and occupy the property as a principal residence. A household owns a property if that household:
    - Has fee simple title to the property; or
    - Maintains a 99-year leasehold interest in the property; or
    - Owns a condominium; or
    - Owns or has a membership in a cooperative or mutual housing project that constitutes homeownership under state law; or
    - If held in a life estate, the person who has the life estate has the right to live in the housing for the remainder of his or her life and does not pay rent.

  Ownership does not include land sale contracts/contracts for deeds or life estates, unless the life estate meets all the criteria listed above.

- Eligible repairs:
    - Minor repairs which can include, but are not limited to, an inoperable or faulty furnace, leaking roof, unsafe electrical wiring and plumbing, hazardous structural conditions, etc.
    - Any major household system repaired or replaced as part of the rehabilitation process must meet the stricter of the Indiana State Building Code or local building codes.
    - Funds may be used to remedy conditions that, while not posing an immediate threat to health and safety, represent an ongoing threat to the structural integrity of a building and may eventually result in an emergency situation.

  Owner-occupied rehabilitation is subject to the Owner-Occupied Rehabilitation Priority List (see Application Appendices) when determining scope of work.

- Manufactured homes are eligible if they meet IHCDA's Manufactured Housing Policy or if rehabilitation will bring the unit up to these standards:
    - A single dwelling unit designed and built in a factory, installed as a permanent residence, which bears a seal certifying that it was built in compliance with the Federal Manufactured Housing Construction and Safety Standards law and which also complies with the following specifications:
        - Shall have been constructed after January 1, 1981, and must exceed 950 square feet of occupied space per I.C. 36-7-4-1106 (d);
        - Is attached to a permanent foundation of masonry construction and has a permanent perimeter enclosure constructed in accordance with the One and Two Family Dwelling Code;

- Has wheels, axles and towing chassis removed;
- Has a pitched roof;
- Consists of two or more sections which, when joined, have a minimum dimension of 20' X 47.5' enclosing occupied space; and
- Is located on land held by the beneficiary in fee-simple title or 99-year leasehold and is the principal residence of the beneficiary.
- All other manufactured or mobile homes that do not meet the aforementioned criteria are ineligible to receive rehabilitation assistance funded by IHCDA.

3.2 Ineligible Activities

The following are ineligible activities:

- Creation of secondary housing attached to a primary unit;
- Acquisition, rehabilitation, or construction of nursing homes, convalescent homes, hospitals, residential treatment facilities, correctional facilities, or student dormitories;
- The provision of project-based tenant rental assistance;
- Rehabilitation of mobile homes, unless they meet the criteria listed above;
- Acquisition, rehabilitation, or new construction if any part of a development or its land is located within the boundaries of a 100-year floodplain. A flood determination must be provided for each parcel associated with the development;
- Rehabilitation of multi-family or single-family rental housing; and
- Rehabilitation of a garage.
  - **EXCEPTION:** When required, costs associated with the lead risk assessment of a garage may be an eligible cost. ONLY the costs associated with lead hazards may be eligible. Please contact your Real Estate Production Analyst for more information.

In addition, IHCDA **does not** fund:

- Requests from individuals, political, social, or fraternal organizations;
- Endowments, special events, arts, or international projects;
- Scholarships requested by individuals;
- Institutions that discriminate on the basis of race, color, national origin, sex, religion, familial status, disability, marital status, sexual orientation, or gender identity in policy or in practice;
- Projects in furtherance of sectarian religious activities, impermissible lobbying, legislative or political activities; and
- Medical research or medical profit-making enterprises.

3.3 OOR Program Requirements

The proposed OOR development must follow these minimum requirements, and all other requirements set forth in the CDBG & HOME Program Manual, to be eligible for funding. For further details on each requirement, please see IHCDA's CDBG & HOME Program Manual, available at http://www.in.gov/myihcda/2490.htm.

CDBG REQUIREMENTS

Recipients must comply with all regulatory requirements listed in 24 CFR Part 570.

Applicants should familiarize themselves with IHCDA's CDBG & HOME Program Manual. Requirements include, but are not limited to, the following:

- **Policy Requirements, Chapter 1:**
    - Recipient must hold a minimum of two public hearings, each at a different stage of the process, for the purpose of obtaining citizens' input and responding to proposals and questions.
    - The homeowner beneficiary must own the property and must occupy the property as a principal residence.
        - If there is a long-term lease agreement on the property, a 99-year lease must be recorded in the county recorder's office of the county in which the property is located prior to award document preparation.
        - Ownership does not include life estates (unless the person who has the life estate has the right to live in the housing for the remainder of his or her life and does not pay rent) and land sale contracts/contracts for deeds.
- **Lead Based Paint, Chapter 2:**
    - Each recipient of a CDBG award is subject to the HUD requirements of addressing lead-based paint hazards pursuant to 24 CFR Part 35. If a risk assessment is required, then all lead-based paint issues must be addressed.
    - Anyone who conducts lead-based paint activities in the State of Indiana must by licensed by the Indiana State Department of Health. Activities include inspections for lead based paint, risk assessments for lead hazards, clearance examinations following lead abatement, abatement of lead based paint, project design, supervision, and work in abatement projects.
    - Anyone who is paid to perform work that disturbs paint in housing and child-occupied facilities built before 1978 must be EPA certified. This includes all firms and sole proprietorships such as residential rental property owners and managers, general contractors, and special trade contractors including painters, plumbers, carpenters, and electricians.
    - Federal law requires that a "certified renovator" be assigned to each job, and that all involved individuals be trained in the use of lead-safe work practices.
        - To become a certified renovator, a person must complete a renovator training course accredited by EPA or an EPA authorized program which will teach them how to work lead safe.
        - All remaining individuals must also be trained. They can either be certified renovators (meaning they successfully completed the accredited training) or they can have been trained on the job by a certified renovator (such training must be documented and the documents must be retained).
- **Uniform Relocation Act, Chapter 4:**
    - Each recipient of a CDBG award is subject to the requirements of the Uniform Relocation Act. See the IHCDA's CDBG & HOME Program Manual Chapter 4 on URA for guidance on the regulatory requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended, the Federal regulations at 49 CFR Part 24, and the requirements of Section 104(d) of Title I of the Housing and Community Development Act of 1974, as amended.

- **Fair Housing and Civil Rights, Chapter 5:**
  - Every recipient must demonstrate that it will complete an action to affirmatively further fair housing during the time frame of an award.
- **Section 3, Chapter 7:**
  - Any recipient receiving an aggregate amount of $200,000 or more from one or more of the HUD CPD programs (i.e. CDBG, HOME, NSP, HOPWA, ESG, etc.) in a program year must comply with the Section 3 requirements. Section 3 provides preference to low- and very-low-income residents of the local community (regardless of race or gender) and the businesses that substantially employ these persons, for new employment, training, and contracting opportunities resulting from HUD-funded projects.
- **Income Eligibility and Verification, Chapter 8:**
  - The homeowner beneficiary must be income eligible. Each household must have an annual income equal to or less than 80% of the area median family income for the target area. The HUD Part 5 definition of income applies.
  - Income verification is valid for a period of six months. If more than six months pass between the income verification and contract execution a new income verification must be completed.
- **Procurement Procedures, Chapter 11:**
  - Award recipients will be required to provide proof of adequate builder's risk insurance, property insurance, and/or contractor liability insurance during construction. The recipient must follow competitive procurement procedures when procuring all materials, supplies, equipment, and construction or professional services related to the CDBG award.
- **Environmental Review, Chapter 11:**
  - All applicants are required to complete the environmental review record (ERR) and submit it, in hardcopy, with their application as an application threshold item. The resulting IHCDA Release of Funds is required before fully executed award documents are released and before proceeding with the project.
- **Construction Standards (Construction Standards and Physical Inspections, Chapter 14):**
  - All IHCDA-assisted units must be inspected twice during the award period. The first inspection, by a licensed, or IHCDA approved, third-party building inspector must occur within 30 days of completion of the documented scope of work and prior to the IHCDA Inspector's final physical inspection. The final inspection conducted by an IHCDA inspector must be performed after the independent inspection, upon completion of construction on each unit and correction of any findings from the first inspection. (IHCDA CDBG & HOME Program Manual, Construction Standards & Physical Inspections Chapter 14)
- **Limited English Proficient Persons**
  - Persons who, as a result of national origin, do not speak English as their primary language and who have limited ability to speak, read, write, or understand English ("limited English proficient persons" or "LEP") may be entitled to language assistance under Title VI in order to receive a particular service, benefit, or encounter. In accordance with Title VI of the Civil Rights Act of 1964 (Title VI) and its implementing regulations, the recipient must agree to take reasonable steps to

ensure meaningful access to activities funded by federal funds by LEP persons. Any of the following actions could constitute "reasonable steps", depending on the circumstances: acquiring translators to translate vital documents, advertisements, or notices, acquiring interpreters for face to face interviews with LEP persons, placing advertisements and notices in newspapers that serve LEP persons, partnering with other organizations that serve LEP populations to provide interpretation, translation, or dissemination of information regarding the project, hiring bilingual employees or volunteers for outreach and intake activities, contracting with a telephone line interpreter service, etc.

- **Uniform Requirements**
    - The recipient shall comply with 2 CFR part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- **Debarment and Suspension**
    - The requirements in 2 CFR part 2424 are applicable. CDBG funds may not be provided to excluded or disqualified persons.
- **Federal Financial Accountability and Transparency Act of 2006 (FFATA) Reporting Requirements**
    - FFATA reporting requirements applies all federal funding awarded by IHCDA in the amount of $25,000.00 or greater under all of IHCDA's federal programs.
    - As a sub-recipient, your entity must provide any information needed pursuant to these requirements. This includes (1) entity information, (2) the unique identifier of your entity, (3) the unique identifier of the parent of your entity, and (4) relevant executive compensation data, if applicable. This will require your entity to provide IHCDA with your entity's DUNS number and registering with the System for Award Management ("SAM").
    - <u>Executive Compensation</u> - As described above, you will be required to report to the SAM, the names and total compensation of the five most highly compensated officers of your entity <u>if</u> your entity received eighty percent (80%) or more of its annual gross revenues from Federal contracts and Federal financial assistance (as defined at 2 CFR 170.320) <u>and</u> $25,000,000.00 or more in annual gross revenues from Federal contracts and federal financial assistance (as defined at 2 CFR 170.320); <u>and</u> if the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.
    - <u>Exception to Executive Compensation Requirement</u> - Your entity may certify that it received less than eighty percent (80%) of annual gross revenues from the federal government, received less than $25,000,000.00 of its annual gross revenues from the federal government, already provides executive compensation to the Securities Exchange Commission, or meets the Internal Revenue Code exemption, and will not be required to submit executive compensation data into the SAM under FFATA, provided, that the your entity registers in the SAM and submits the other data requested.
    - <u>Compliance requires that your organization take the following two (2) steps</u>:

- Obtain a DUNS number and Provide DUNS number to IHCDA (when requested by IHCDA). A DUNS number may be requested from D&B by telephone (currently 866-705-5711) or the Internet (currently at http://www.dnb.com/get-a-duns-number.html).
- Register and maintain SAM status Registration information (must be updated annually) and provide copy of proof of registration to IHCDA (when requested by IHCDA). Information regarding the process to register in the SAM can be obtained at https://www.sam.gov/portal/public/SAM/

Part 4: Subsidy Limitations & Eligible Activity Costs

4.1 Subsidy & Budget Limitations
The maximum request amount per application is $350,000.

CDBG funds may not exceed $25,000 per unit for the rehabilitation budget line item.

Combined CDBG funds budgeted for program delivery, award administration, and environmental review cannot exceed twenty percent (20%) of the OOR award.

4.2 Eligible Activity Costs
The bolded items listed below are included in the application budget. The requirements set forth in Sections 4.3 – 4.9 apply to CDBG funding. If you have a question about which line item an expense goes under, contact your IHCDA Real Estate Production Analyst.

ADMINISTRATION - The administration line item includes those costs directly related to administering the IHCDA award and complying with the regulations associated with these funds. This line item, along with program delivery and environmental review, cannot exceed 20% of the CDBG request; costs incurred and claimed cannot exceed $10,000. Recipients are allowed to draw down this line item as costs are incurred. Costs associated with preparing an application for funding through IHCDA are not eligible for reimbursement through a CDBG award. Eligible costs include:

- Communication costs;
- Lead based paint training;
- Office materials and supplies;
- Office rent and utilities;
- Photocopying;
- Postage;
- Staff time or professional services related to reporting, compliance, monitoring, or financial management;
- Training related to the housing activity; and
- Travel related to the housing activity.

ENVIRONMENTAL REVIEW – This line item includes expenses associated with the Environmental Review Release of Funds process. This does not refer to a Phase I Environmental Assessment (Phase I EA should be included in the Program Delivery line item). This line item along with program delivery and administration cannot exceed 20% of the CDBG request. Eligible costs cannot exceed $5,000 and include professional services, publication costs, photocopying, and postage. For further information regarding this activity, please read the Environmental Review Guide found in Chapter 11 Exhibits of the IHCDA CDBG & HOME Program Manual available here: http://www.in.gov/myihcda/2490.htm.

LEAD HAZARD TESTING – Costs associated with lead hazard testing include Risk Assessment, Clearance Test, etc. The limits for this line item are $1,000 per unit.

PROGRAM DELIVERY - Program delivery costs are those costs that can be directly tracked by address. They include soft costs and client-related costs that are reasonable and necessary for the

implementation and completion of the proposed activity. This line item along with administration and environmental review cannot exceed 20% of the CDBG request. Recipients are allowed to draw down this line item as costs are incurred.
Eligible costs include:

- Building permits;
- Client intake and income verification;
- Cost estimates;
- Credit reports;
- Demolition permits;
- Engineering and architectural plans;
- Impact fees;
- Inspections;
- Legal and accounting fees;
- Plans, specifications, work write-ups;
- Recording fees; and
- Travel to and from the site.

REHABILITATION – Eligible costs include:

- Construction management, if provided by a third party;
- Hard costs associated with rehabilitation activities for owner-occupied repairs. Examples of eligible repairs are an inoperable or faulty furnace, leaking roof, unsafe electrical wiring and plumbing, and hazardous structural conditions;
- Improvements to infrastructure when there will be no rehabilitation work done on the actual house to be served;
- Lead-based paint interim controls and abatement costs;
- Mold remediation; and
- Utility connections and related infrastructure costs - off-site connections from the property line to the adjacent street are eligible when it is deemed a threat to health and safety.

RELOCATION - Relocation includes payments and other relocation assistance for permanently and/or temporarily relocated individuals, families, businesses, not-for-profit organizations, and farm operations where assistance is required and appropriate. Relocation payments include replacement housing payments, payments for moving expenses, and payments for reasonable out-of-pocket expenses for temporary relocation purposes. For additional information on relocation and displacement, please refer to the information provided in the IHCDA's CDBG & HOME Program Manual.

RETAINAGE POLICY - IHCDA will hold the final $5,000 of an award until all match documentation, closeout documentation, and completion reports are received and approved. Closeout documentation will not be approved until the final monitoring and inspection is completed and all associated findings and/or concerns are resolved.

4.3 Ineligible Activity Costs
The following are ineligible activity costs, and will not be reimbursed by IHCDA:

- Annual contributions for operation of public housing;
- Commercial development costs;

- Costs associated with any financial audit of the recipient;
- Costs associated with preparing an application for funding through IHCDA;
- Developer's Fee;
- Loan guarantees;
- Mortgage default/delinquency correction or avoidance;
- Operating Reserves – Funds used to initially capitalize a reserve fund that covers operating expenses when there are rental income shortfalls over the life of a permanent supportive or rental development. This line item must be included on the Uses of Funds exhibit;
- Providing tenant based rental assistance;
- Purchase or installation of luxury items, such as swimming pools or hot tubs;
- Purchase or installation of equipment, furnishings, tools, or other personal property that is not an integral structural feature, such as window air conditioner units or washers and dryers;
- Purchase or installation of stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners; or
- Replacement Reserves – Funds used to initially capitalize a reserve fund used for major capital repairs to a permanent supportive or rental housing facility. These funds can be capitalized either through operating cash flow or through the development budget on the Uses of Funds exhibit.

Part 5: Completeness & Threshold Requirements

Each proposed development must satisfy the Federal requirements of the CDBG OOR program and any additional requirements established by IHCDA. To be considered for funding, an applicant must meet all of the completeness and threshold requirements listed below.

5.1 Completeness and Threshold Requirements

1) Timeliness – All documentation must be turned in by the application due date.

- On or before the application deadline, the applicant must provide all documentation as instructed in this Application Policy and as listed in the CDBG OOR Application.
- If IHCDA requests additional information from the applicant, all requests are due on or before the date provided by IHCDA staff.
- Any forms that are late will be denied review and will be sent back to the applicant.

2) Responsiveness – All questions must be answered and all supporting documentation must be provided.

- The applicant must provide all documentation as requested (i.e. uploaded or hard copies, labeled correctly, etc.).
- Required pages with original signatures.

Completeness	**Location**
Application and Supporting Documents • Submit two copies of fully-completed CDBG OOR application, one as an Excel file and one as a searchable PDF. • Submit all required supporting documents via the IHCDA Syncplicity Site. • Mail one complete original copy of the signed application, signed Environmental Review Record (ERR), and original public hearing tear sheet or publisher's affidavit to IHCDA by the application deadline. **Do not submit paper copies of any other supporting documents.**	Syncplicity site and mailed to IHCDA
Threshold Item	**Location**
SAM Registration • Submit a copy of the applicant's System of Award Management (SAM) registration. https://www.sam.gov/portal/SAM/#1	Tab A_SAM Registration
Target Market • Submit a map which outlines the targeted area or neighborhood, with clearly identifiable borders. • Submit a narrative describing the targeted market (e.g. city, town, county, neighborhood.) • Submit market need documentation as outlined in Section 6.2.	Tab B_ Target Market Documentation
Grievance Procedures • Submit applicant's Grievance Procedures. Grievance Procedures must address (1) how grievances will be submitted, (2) who will review them, (3) timeframe for the review, and (4) the appeal process.	Tab C_Grievance Procedures

Area Median Income Level Served • Affirm in application that all assisted units will serve households with income at or below 80% area median income for development's county according to the current Federal Program Income Limits.	Application, Sheet 04

Administrator Documentation (if applicable)
• If the applicant has hired an administrator to administer the award, please provide documentation demonstrating that the administrator has been properly procured using the Competitive Negotiation (RFP) Procedure.
  • Submit a copy of the Request for Proposals (RFP).
  • Submit the published advertisement that was put in a general circulation newspaper for the RFP.
  • Submit a copy of the contract between applicant and administrator.
  • If the administrator will be using an in-house employee to do lead testing, submit a copy of the staff member's current lead inspector and/or risk assessor license issued by the Indiana State Department of Health.
	Tab E_Administrator

Subrecipient Documentation (if applicable) • Submit an IRS determination letter for 501(c)3 status. • Provide a copy of the Certificate of Existence from the Indiana Secretary of State to provide proof that the organization is in good standing. • Submit a copy of the contract between applicant and subrecipient. • If the sub recipient will be using an in-house employee to do lead testing, submit a copy of the staff member's current lead inspector and/or risk assessor license issued by the Indiana State Department of Health.	Tab F_Subrecipient
Third-Party Inspection • Affirm in application that applicant understands a third-party inspection must be completed on each address within 30 days of construction completion. Applicant may not wait until all addresses are completed unless construction on all addresses is completed within 30 days of each other.	Application, Sheet 07
Warranty • Affirm in application that applicant understands all contractors are required to provide a one-year warranty for their work. Warranties begin as of the date the final clearance report is signed by IHCDA's inspector.	Application, Sheet 07

Public Hearing Two public hearings are required for CDBG funding. One public hearing MUST occur prior to application submittal. • Provide the original tear sheet or original publisher's affidavit of legal notice that includes the date of the public hearing and the date of notice publication. Under Indiana Code (I.C. 5-3-1-2 (B)) there must be a minimum of one legal notice at least 10 calendar days prior to the public hearing. • Submit a copy of the sign-in sheet. • Submit a copy of the minutes of the public hearing, which must include the date and time of the meeting, the name and title of the person running the meeting, anyone who presented at the meeting, and all content presented to the public. • Describe methods used to solicit participation of low and moderate-income persons. • Describe any comments/complaints received and responses to the comments/complaints.	Tab G_Public Hearing
HUD or Rural Development Funding (if applicable) If the proposed development has received funding directly from HUD or Rural Development in the past, the applicant must send a notification letter to the appropriate HUD or Rural Development office notifying them that an application is being submitted to IHCDA for federal funding. • Provide a copy of notification letter sent to HUD or Rural Development. • Provide proof of delivery of notification letter, either an email read receipt or a mail delivery receipt.	Tab H_HUD & RD
Environmental Review Record (ERR) • Submit Environmental Review Forms (Exhibits A, B, E, F, the Findings page, and the Signatures page). Once awarded, Exhibit G will then need to be submitted for each address. The ERR forms are located in the appendices of this policy. For more detailed ERR instructions, please refer to the exhibits for Chapter 11 of the IHCDA CDBG & HOME Program Manual 4th Edition, available here: http://www.in.gov/myihcda/2490.htm.	Tab I_ERR

<table>
<tr><td>Floodplain Determination Map
Acquisition, rehabilitation, refinancing, or new construction of any part of a development, or its land, located within the boundaries of a 100 year floodplain is not eligible for CDBG OOR funding. FEMA FIRM Flood Map(s) for the target area(s) must be submitted with the application.
Please submit a FEMA FIRM Flood Map(s) that clearly demonstrates whether the target area(s) (e.g. county, city, town) in the development are or are not within a 100-year floodplain. (Any property located in any variation of zone “a” on the map is ineligible for funding). Maps may be downloaded from the FEMA website here: https://msc.fema.gov/portal. Applicants must submit FIRM Panels for all target areas. Flood maps for individual sites are not required at the time of application.
HUD requires official FEMA maps – third-party maps, even those created using FEMA data, are ineligible. If a FEMA map is not available for an area, the applicant must submit a printout or screenshot of the FEMA website documenting that no map is available. In this specific instance, the applicant may submit a DNR map in place of a FEMA map.
Please label any sites that have been identified prior to application submittal.</td><td>Tab I_ERR</td></tr>
<tr><td>Affirmatively Furthering Fair Housing
All CDBG award recipients must take action to affirmatively further fair housing in the jurisdiction they are serving.
Select which furthering fair housing activity or activities you will be conducting.</td><td>Application, Sheet 07</td></tr>
</table>

Part 6: Scoring

If an application meets all applicable threshold requirements, it will be evaluated and scored based on the following scoring criteria:

Scoring Category	Points Possible
Population Served	14
Needs Analysis	15
Readiness	8
Capacity	14
Leveraging	6
Additional Program Features	3
Completeness Bonus	5
Total Possible Points	**65**

When there is a scoring criteria based on the county being served and the development is in multiple counties, the applicant should add up the scores from each county and average them and round to the nearest half point.

6.1 Populations Served — Category Maximum Points Possible: 14

1) *Area Median Income (AMI) Served:* *Maximum Number of Points: 6*
Six points will be awarded to applicants that commit to serving beneficiaries in CDBG assisted units in accordance with the following chart. The Area Median Income (AMI) level is for the county in which the development is to be located. Awarded recipients will be held to the unit commitment in their award agreement. Changes to the AMI levels served will require prior IHCDA approval. Rent and Income Limits may be found in Appendix C of the Ongoing Rental Compliance Manual located online at http://www.in.gov/myihcda/2490.htm.

Area Median Income (AMI) Served	Points
At least 20% of beneficiaries are at or below 30% AMI **OR** At least 30% of beneficiaries are at or below 40% AMI	6

2) *Targeted Populations* *Maximum Number of Points: 8*
Points will be awarded to applicants assisting households with at least one individual belonging to one or more of the targeted population groups described below. The household must be the primary residence of the qualifying individual. An individual or household that meets the criteria for two or more categories (e.g. a veteran with a disability or a single parent household with a child with a disability) may only be counted for **one** of the categories he or she qualifies for when calculating percentages for this scoring category.

Percentage of Households Serving Targeted Populations	Points
60% of Total Households Served	8
40% of Total Households Served	6
20% of Total Households Served	4

Targeted Populations
Individuals with Disabilities Households with at least one individual living in the home with a disability using the Fair Housing definition of disabled as defined in the CDBG Application Policy Glossary.
Families with Children Six and Under Households with at least one child six or younger. Applicants seeking these points must set aside funding for these households to clear all lead hazards in the home.
Aging in Place Households with at least one elderly individual, as defined in the CDBG Application Policy Glossary, living in the home. Repairs made to the home must address accessibility, livability and visitability.
Veterans Households with at least one veteran individual, as defined in the CDBG Application Policy Glossary, living in the home.
Single Parent Head of Household Households with a single parent, grandparent, or guardian head of household.

6.2 Needs Analysis — Category Maximum Points Possible: 15

This category assesses the market need of the targeted area based on socio-economic factors. A market study is not required. All information may be found in the Appendix or at the links listed in the below categories.

1) *Median age of owner-occupied structure* — *Maximum Number of Points: 4*

Points will be awarded based on the county's median age of owner-occupied single-family housing stock based on a scale of older median age of the structures compared to newer structures. IHCDA will use the Purdue Rural Indiana Statistics to determine the number of points. Applicant may use the following mapping service to determine median age of the owner-occupied structures: https://pcrd.purdue.edu/ruralindianastats/ and use the "Owner occupied, Median Year Structure Built by Tenure" layer.

Owner-occupied median year built	Points
1955 and older	4 points
1956-1965	3 points
1966-1975	2 points
1976-1985	1 point
1986 and newer	0 points

If target area is multiple counties, an average will be taken. If County A receives three points, and County B receives two points, the applicant will get 2.5 points.

If the target area is only within the municipal boundaries of a single local unit of government the Purdue map can be substituted with supporting documentation from the US Census and must be reviewed and approved by IHCDA staff prior to submission.

2) *Distressed Counties* *Maximum Number of Points: 2*

Points will be awarded based on the county's level of distress based on unemployment and income. IHCDA will use the Purdue Rural Indiana Statistics to determine the number of points. Applicant may use the following mapping service to determine the distress level of the county: https://pcrd.purdue.edu/ruralindianastats/ and use the "Distressed Counties, 2015" layer.

Distressed Counties, 2015	Points
Not Distressed	0 points
Distressed by unemployment	1 point
Distressed by income	1 point
Distressed by both income and unemployment	2 points

If target area is multiple counties, the average will be taken.

3) *Poverty Rate* *Maximum Number of Points: 4*

Points will be awarded based on the County Poverty Level. IHCDA will use the Purdue Rural Indiana Statistics to determine the number of points. Applicant may use the following mapping service to determine the poverty level of the county: https://pcrd.purdue.edu/ruralindianastats/ and use the "Poverty Rate, 2015" layer.

Poverty Rate, 2015	Points
Below 10%	0 points
10.0%-12.4%	1 point
12.5% - 14.9%	2 points
15.0% - 19.9%	3 points
Above 20%	4 points

If target area is multiple counties, an average will be taken.

If the target area is only within the municipal boundaries of a single local unit of government the Purdue map can be substituted with supporting documentation from the US Census and must be reviewed and approved by IHCDA staff prior to submission.

4) *Community Without Recent OOR Award* *Maximum Number of Points: 5*

- Five points will be awarded to applicants whose proposed service area is a town, city, or county that has not received an OOR award within the last five years. The date is based upon the date the Board of Directors' approved the award.
- **City/Town Applicant:** If a county has received an OOR award within the last five years, but a local unit of government within that county has not received an award within the last five years, that LUG is eligible for points in this category. The LUG must certify that 50% of the benefitted units be within the LUG's jurisdiction.
- **County Applicant:** If a city within a county has received an OOR award within the last five years, but the county level of government has not received an OOR award within the last five years, the county is eligible for points in this category. To be eligible, the County must certify at least 50% of the benefitted units will be outside the city that received the previous award.

If the target area is multiple counties, an average will be taken. If County A had an OOR award within the past five years and County B did not, the applicant will receive 2.5 points.

To receive points in this category, the applicant must fill out this section of the application.

6.3 Readiness **Category Maximum Points Possible: 8**

This category describes the applicant's ability to begin and timely execute an awarded development.

1) *Client Intake* *Maximum Number of Points: 6*

Points will be awarded to applicants that have already begun the client intake process, according to the chart below. Client intake means that potential clients have been identified, are interested in participating in the OOR program, and have certified their income within twelve months of application date. A complete income verification is not required, but please provide the best estimate of the household's annual income after initial interview/contact. If full income verification has been completed, clients must be appropriately income-verified per the HUD Part 5 definition.

Percentage of Units with Clients Identified	Points
25 - 50% of units	2
51 - 75% of units	4
76 - 100% of units	6

To receive points in this category, the applicant must fill out and submit the Client Intake List in **Tab J_Client Intake**. The Client Intake List can be found in the Application Appendices.

2) *Contractor Solicitation* *Maximum Number of Points: 2*

Points will be awarded to applicants who invite material participation in the proposed OOR development by Indiana contractors. To qualify for these points, a minimum of five letters inviting contractors to participate in the bidding of the development must be sent, with at least 20% of these letters going to state certified Minority Business Enterprises (MBE), Women Business Enterprises (WBE), Federal Disadvantaged Business Enterprises (DBE), Veteran- Owned Small Businesses (VOSB), and/or Service Disable Veteran Owned Small Businesses (SDVOSB).

To receive points in this category, the applicant must submit in **Tab K_Contractors**:

- Copies of all letters sent to each contractor inviting participation in the bidding of the project;
- Evidence of receipt of invitation, either by certified mail or e-mail red receipt, by at least five contractors; and
- A copy or print out from the State's certification list clearly indicating that at least 20% of contractors solicited meet the MBE/WBE/DBE/VOSB/SDVOSB status requirement.

Eligible Certifications Summary Table		
Certification	**Certifying Agency**	**Website**
MBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
	Indiana Minority Supplier Development Council	http://imsdc.org
WBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
DBE	Indiana Department of Transportation	http://www.in.gov/indot/2576.htm
VOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/
SDVOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/

6.4 Capacity — Category Maximum Points Possible: 14

This category evaluates the administering entity on their ability to successfully carry out the proposed OOR development based on certifications, experience, and overall award performance on previous awards.

1) *Certifications* — *Maximum Number of Points: 3*

   Points will be awarded to applications which include an applicant or administering entity with a staff member or staff members who have received the certifications listed below. Two points will be awarded for the completion of one of the certifications listed below by a staff member of the administering entity. One additional point will be awarded for the completion of two certifications listed below by a staff member or staff members of the administering entity. If two staff members hold the same certification, points will be awarded for two certifications.

If you do not see a certification you have received on the list that you believe would be relevant, please consult with your Real Estate Production Analyst at least one week prior to the application due date to request that it be eligible for points.

Required IHCDA Compliance Trainings, IHCDA application and policy webinars, IHCDA application and policy trainings, and IHCDA feedback sessions are not eligible for points in this category.

Certification	Sponsoring Organization
Certified Aging-in-Place Specialist	National Association of Home Builders (NAHB)
Home Sweet Home: Modifications for Aging in Place	University of Indianapolis/Indiana Housing and Community Development Authority
CDBG Grant Administration Certification (must be current)	Office of Community and Rural Affairs, State of Indiana
HOME & CDBG Certification Training	Indiana Housing and Community Development Authority (IHCDA)

To receive points in this category, the applicant must submit in **Tab L_Certifications**:

- Documentation of certification completions or confirmation of attendance.

2) *New Administrator Experience:* *Maximum Number of Points: 5*

Five points will be awarded to administering entities with no previous IHCDA award experience that can demonstrate experience in construction management, rehabilitation of built structures, and/or prior CDBG experience through a different funding agency. The definition for administrating entity can be found in the glossary section of this application policy. Administrating entities with previous IHCDA award experience are not eligible to receive points in this category.

To receive points in this category, the applicant must submit the following documentation in **Tab M_Experience**:

- Provide a written narrative explaining previous relevant experience; and
- Provide third-party reference of experience in the above mentioned fields.

3) *Administering Entity's IHCDA Award Performance* *Maximum Number of Points: 8*

An administering entity may only use a non-OOR IHCDA award for this scoring category if the award was monitored within the past five years and it has no prior IHCDA OOR award monitored within the past five years. An award may be eligible, whether it is closed or open, as long as an official IHCDA monitoring has occurred.

Applicants cannot qualify for points under both the New Administrator Experience and IHCDA Award Performance.

Description of Overall Award Performance	Points
Most recently monitored IHCDA CDBG/-D OOR award had no findings and no concerns.	8
Most recently monitored IHCDA CDBG/-D OOR award had no findings, but concerns were noted. **OR** No IHCDA CDBG/-D OOR experience, most recently monitored HOME award had no findings and no concerns.	6
Most recently monitored IHCDA CDBG/-D OOR award had only one finding. **OR** No IHCDA CDBG/-D OOR experience in the past five years; most recently monitored HOME award had no findings, but concerns were noted.	4
No IHCDA CDBG/-D OOR experience; most recently monitored HOME award had only one finding.	2
Does not meet any category above. Examples: • More than one finding on most recently monitored award. • The organization administering the award has no experience with IHCDA in the past five years.	0

To receive points in this category, the applicant must submit the following in the application:

- Provide the applicable award number for the administering entity.

4) <u>*Timely Expenditure of Funds*</u> *Maximum Number of Points: 3*

Points will be awarded to an administering entity that has expended their most recent IHCDA CDBG or CDBG-D award funds by the award expiration date without requesting an award extension. The award must be from within the past 5 years. If there is no CDBG/CDBG-D award, the applicant may use the most recent IHCDA HOME award. List the award number in the application form.

Award Length	Points
Most recent IHCDA CDBG or CDBG-D or HOME award completed by the award expiration date.	3

To receive points in this category, applicant must submit the following in the application:

- Provide the award number of the most recently completed IHCDA HOME or CDBG/-D award for the administering entity, which was completed by the award expiration date without an award extension.

5) *Benchmarks* *Maximum Number of Points: -1*
Points will be deducted from an administering entity that has not met at least two benchmarks for 6, 9, 12 months on their most recent CDBG OOR award. If an applicant had multiple awards, each award must have met two benchmarks.

6.5 Leveraging of Other Sources **Category Maximum Points Possible: 6**

Points will be awarded to applicants whose proposed project has received either a firm commitment to leverage other funding sources. A "firm commitment" means that the funding does not require any further approvals.

"Other Funding Sources" include (but are not limited to) private funding, funds from a local community foundation, volunteer labor, Federal Home Loan Bank funding, federal, state or local government funds, in-kind donations for labor or professional services, sweat equity, and donated material and equipment.. Shared and banked match are not eligible for points in this category.

Points will be awarded based on the Amount of Funding divided by the Total Development Costs:

Percentage of Total Development Costs	Points
.50% to 1.99%	1
2.00% to 3.99%	2
4.00% to 5.99%	3
6.00% to 7.99%	4
8.00% to 9.99%	5
Greater than 10%	6

To receive points in this category, the applicant must submit the following in **Tab D_Letters of Commitment**:

- Provide a letter from the appropriate authorized official approving the funds. The letter must include a description of the type of approved funding for the proposed development and the amount of funding.
- In-Kind Donations – Labor or Professional Services: Submit commitment letter from donor(s) specifying number of hours they intend to donate and their professional service pay rate.
- In-Kind Donations – Sweat Equity: Submit a copy of sweat equity policy.

- In-Kind Donations – Donated Material and Equipment: Submit commitment letter from donor(s) specifying either the total value of the donated materials or the rental equipment rate and number of hours the equipment will be donated.

6.6 Additional Program Features & Bonus — Category Maximum Points Possible: 8

1) *Additional Program Features* — *Maximum Number of Points: 3*
Points will be awarded to applicants that commit to additional program features above and beyond what is required by this application policy. Applicants may commit to as many features as is feasible for up to a maximum of three points. Features will be verified during monitoring.

Features	Points
IHCDA Resources	.5
Maintenance Brochures	1
Reflective Address Signs	1
Three Year Warranty	2

IHCDA Resources – The applicant will distribute information on IHCDA resources to each assisted household as well as information on other applicable resources in the area. IHCDA programs such as Weatherization, Energy Assistance, Individual Development Accounts, Ramp Up, etc., must be included. Program information handouts can be found in the Appendices.
Maintenance Brochures – The applicant will distribute maintenance brochures to each assisted household that provides guidance on home upkeep and maintenance. The brochure must include contact information for specific home issues as well as emergency contact numbers.
Reflective Address Signs – The applicant will install reflective address signs for each assisted household. These signs make it easier for emergency vehicles and others to identify homes.
Three Year Warranty – Both the applicant and contractor commit to a three year warranty (two more years than required) on all work completed on each assisted home. The beneficiary must be made aware of this commitment via the homeowner agreement.

To receive points in this category, the applicant must submit the following in **Tab_N Additional Features**

- Provide a narrative summary of the committed features and how they will be executed.

2) *Bonus* — *Maximum Number of Points: 5*
Points will be awarded based upon the scoring table below to applications that are submitted according to IHCDA's submittal guidelines and which pass threshold with two or less technical corrections, as defined in the IHCDA CDBG OOR Policy Glossary.

Technical Corrections	Points
One or Less	5
Two	3
Three or More	0

To receive points in this category, the applicant must:

- Submit a searchable PDF of the application on the Syncplicity site;
- Submit an Excel file of the application on the Syncplicity site;
- Answer all questions in the policy and application;
- Submit all required threshold in the correct tabs;
- Submit all required threshold in the correct form (mailed and/or on the Syncplicity site); and
- Label and include all tabs on the Syncplicity site as described in the Application Policy. All tabs must be included regardless of whether documentation is required in each tab.
- Submit a USB that contains all documents.

Part 7: Syncplicity Site Tab Directory

When uploading supporting documentation to the Syncplicity site, please create and name the tabs (file folders) as seen above and place correct documentation, as described throughout the Application Policy, in each tab.

Owner-Occupied Rehabilitation Program TAB Directory
Tab A_SAM Registration
Tab B_Targeted Market
Tab C_Grievance Procedures
Tab D_Letters of Commitment
Tab E_Administrator
Tab F_Subrecipient
Tab G_Public Hearing
Tab H_HUD & RD
Tab I_ERR
Tab J_Client Intake
Tab K_Contractors
Tab L_Certifications
Tab M_Experience
Tab N_Additional Features
Tab O_Displacement

Part 8: Glossary of Terms

Below are definitions for commonly used terminology found throughout the CDBG and CDBG-D OOR Application policy and forms and applicable to the OOR program.

Administrator: A procured entity that will assist carrying out the OOR program.

Administering Entity: This is the organization that will be carrying out the requirements of the award through the life of the affordability period. Since this entity will be doing the work required by the award, they are eligible for certain point categories. The applicant can administer its own award; however, it is also possible to procure a grant administrator or to have a subrecipient.

Beneficiary: The household or unit that receives homeowner repair work as a result of a CDBG/CDBG-D OOR grant.

CDBG: The Community Development Block Grant (CDBG) program is a federally-funded program that provides states and communities with resources to address a wide range of unique community development needs. The CDBG program provides annual grants on a formula basis to 1209 general units of local government and States. The Indiana Housing and Community Development Authority (IHCDA) is a State Administered CDBG program. The IHCDA allocates awards in the form of grants to Local Units of Government that carry out CDBG OOR developments.

Children: Children are defined as those persons ages 18 years of age or younger. The child must reside in the home that will benefit from the OOR program.

Clarification: A clarification is any question or concern IHCDA may have regarding an applicant, proposed development, or other issue that does not meet the definition of a technical correction, as defined below. The number of clarifications an applicant receives will not impact its score.

Development: The CDBG OOR activity proposed in the application.

Disabled: The Fair Housing Act defines disability as a person who has/is:

- A physical or mental impairment which substantially limits one or more of such person's major life activities; or
- A record of having such an impairment; or
- Is regarded as having such an impairment, but such term does not include current, illegal use of or addiction to a controlled substance (as defined in section 102 of the Controlled Substances Act).

Elderly: A person 55 years of age or older. This target population category also includes families with a person living in their home that is 55 years of age or older and modifications to the home are needed so this person may age in place in the home benefitting from the OOR program with the family.

Entitlement Community: The CDBG entitlement program allocates annual grants to larger cities and urban counties to develop viable communities by providing decent housing, a suitable living environment, and opportunities to expand economic opportunities, principally for low- and moderate-income persons.

IHCDA: Indiana Housing and Community Development Authority

Income Limits: Maximum incomes as published by HUD for developments giving the maximum Income Limits per unit for beneficiary (30%, 40%, 50%, 60% and 80% of median) units.

Inspection: A scheduled visit made by an Inspector to the households units that received IHCDA CDBG/CDCG-D OOR grant dollars. All IHCDA-assisted households/units that receive CDBG/CDBG-D must be inspected twice during the award period. The first inspection must occur within four weeks of the completion of the documented scope of work and prior to the IHCDA Inspector's final physical inspection. The second inspection will be conducted upon completion of the construction for the award. The IHCDA Inspector will conduct the physical inspections.

Median Income: A determination made through statistical methods establishing a middle point for determining Income Limits. Median is the amount that divides the distribution into two equal groups, one group having income above the median and one group having income below the median.

MOU: A Memorandum of Understanding (MOU) is a document describing a bilateral or multilateral agreement between two or more parties.

Narrative: A written description by the applicant that describes the application question and generally supports the need of the development.

OOR: Owner-Occupied Rehabilitation

Technical Correction: A technical correction occurs when an applicant does not provide sufficient information or documentation to meet the IHCDA CDBG OOR program threshold requirements as defined in section 5.1 of this policy. Technical Corrections may occur when the required information or documentation is not submitted or is vague or incomplete. IHCDA reserves the right to classify other application errors or omissions as technical corrections at its own discretion. Applicants that receive two or less technical corrections may receive bonus points as defined in the Bonus scoring section of this policy.

Veteran: A person who served in the active military, naval, or air service and who was discharged or released under conditions other than dishonorable.

HOME Rental Application Policy

Home Investment Partnerships Program
Rental Application Policy
December 2018

SUMMARY
The purpose of this HOME Investment Partnerships Program (HOME) application is to provide subsidies in the form of grants and loans to selected applicants for the acquisition, rehabilitation and/or new construction of rental housing for low and moderate-income people. Through this program, the Indiana Housing and Community Development Authority (IHCDA) seeks to improve the quality of existing housing stock in Indiana.

This program is designed to allocate HOME funds to be used for the rehabilitation and/or new construction of rental housing among selected applicants that meet program requirements as well as IHCDA's goals for the program, as described below.

1. Demonstrate they are meeting the needs of their specific community;
2. Reach low and very low-income levels of area median income;
3. Proceed with the activity upon receipt of the award and begin construction within 12 months of receipt of the award;
4. Link the project to the revitalization of existing neighborhoods, preferably through a comprehensive approach (i.e. as part of a published and approved community revitalization plan);
5. Advance projects that promote aging-in-place strategies for seniors, persons with disabilities, and families with seniors or persons with disabilities;
6. Propose projects that are energy-efficient and are of the highest quality attainable within a reasonable cost structure; and,
7. Propose the use of state certified Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Federal Disadvantaged Business Enterprise (DBE) Participation, Veteran-Owned Small Business (VOSB), and/or Service Disabled Veteran Owned Small Business (SDVOSB) contractors, employees, and products when applicants are planning and undertaking their housing activities.

Contents

Available Online

IHCDA HOME Program Webpage

Part 1: Application Process

1.1 Overview and Funding Priorities:

The purpose of this HOME application is to provide subsidies in the form of grants and loans to selected applicants for the acquisition, rehabilitation, and/or new construction of rental housing for low and moderate-income people. Through this program, the Indiana Housing and Community Development Authority (IHCDA) seeks to improve the quality of existing housing stock in Indiana.

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7. Propose the use of state certified Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Federal Disadvantaged Business Enterprise (DBE) Participation, Veteran-Owned Small Business (VOSB), and/or Service Disabled Veteran Owned Small Business (SDVOSB) contractors, employees, and products when applicants are planning and undertaking their housing activities.

1.2 HOME Application Forms and HOME Policy Discrepancies

In the event of a conflict or inconsistency between the HOME Rental Policy and the HOME Application Form and/or Appendices, the procedures described in the HOME Application Policy will prevail.

1.3 Funding Round Timeline

Note: This is an anticipated schedule and is subject to change or extension.

Application Available / Round Begins	December 2018
Application Webinar	January 2019 (date and time TBD)
Application Due Date	February 2019, 5 p.m. Eastern Time
Tentative Award Announcements	April 2019

1.4 Application Webinar

An application webinar will be conducted prior to the application deadline. During the webinar, the IHCDA Real Estate Production Department staff will describe the requirements of the HOME program, threshold and scoring criteria, how to complete the required forms, and how to submit the application documents. Local Units of Government (LUGs) and not-for-profit entities intending to apply are *strongly encouraged* to attend.

1.5 Technical Assistance
The applicant may schedule a technical assistance meeting with its regional IHCDA Real Estate Production Analyst to discuss both the proposed project and IHCDA's application process. Technical assistance may be required at IHCDA's discretion if the recipient does not have experience with IHCDA awards or if past performance was poor. Applicants are urged to contact their Real Estate Production Analyst early in the planning process to obtain guidance and technical assistance.

1.6 Application Submission
The applicant must submit the following items to IHCDA's Real Estate Production Coordinator

- Via IHCDA's Syncplicity site:
    - One completed copy of the HOME application form.
    - All supporting documents required in the tabs. Please submit this information as separate, labeled PDF documents under the required labeled tabs. Do not send one PDF containing all of the supporting documentation.
- Via hard copy:
    - One completed copy of the final application form with original signatures.
    - Completed environmental review forms.
    - Application fee of $250.
    - One USB Flash Drive with all documents

Applicants that are submitting multiple applications in a single round must submit ALL required documentation with EACH application. Multiple applications from the same applicant will be reviewed separately. Supporting documentation submitted with one application may not be used to satisfy a threshold or scoring requirement of another application.

Application fees should be made payable to IHCDA. If a check is returned for insufficient funds, the application will be denied. The application fee is non-refundable. If the applicant applies and is certified as a Community Housing Development Organization (CHDO) this check will be refunded.

All required application items are due no later than 5:00 p.m. Eastern time on the due date. Applications received after the deadline will be returned to the applicant via certified mail. Faxed applications will not be accepted.

Applicants encountering technical issues with application forms, supporting documentation, or the submittal process should contact their IHCDA Real Estate Production Analyst as soon as possible. If informed of the problem in a timely manner, IHCDA staff may be able to correct the issue and/or provide additional guidance for specific non-Federal requirements on a case-by-case basis. However, assistance cannot be provided for applicants that do not notify IHCDA of an issue prior to the application deadline.

Instructions on how to utilize the Syncplicity site will be provided during the application webinar. The hard copy of the final application forms, completed environmental review forms, and application fee of $250 should be sent to:

Indiana Housing and Community Development Authority
ATTN: Real Estate Department Coordinator
RE: HOME Application
30 South Meridian Street, Suite 1000
Indianapolis, IN 46204

All applicants must retain a copy of this application package. Applicants that receive funding will be bound by the information contained herein.

IHCDA will send an email confirmation to the applicant contact within one week of submission notifying the applicant that the application was received by IHCDA. Please notify the Real Estate Department Coordinator if the applicant would like to add an additional contact person for communications regarding its application.

1.7 Application Review

Each application must address only one development. Applications are reviewed in a three step process:

Step One - Completeness	On or before the application deadline, the applicant must provide all required documents, signatures and attachments.
Step Two - Threshold	The application must meet each of the applicable threshold criteria, including underwriting guidelines found in Section 6.5 below. After initial threshold review, IHDCA staff may contact an applicant to notify them of required technical corrections as well as to request clarification of additional questions raised during threshold review. The applicant will have the opportunity to respond on or before the due date provided by IHCDA. If the applicant does not respond to the technical correction and threshold clarification letter, or the applicant's response does not address all concerns, the application may be disqualified. Points will be awarded to applicants requiring two or less technical corrections, based upon the scoring table located in the Bonus scoring section of this policy. For definitions of technical corrections and clarifications, please consult the glossary at the end of this policy.
Step Three - Scoring	Applications that pass completeness and threshold reviews are then scored according to IHCDA's published scoring criteria. After initial score review, IHCDA staff may contact the applicant for further clarification of a scoring item. Failure to respond to the requested scoring clarification items by the due date and in the manner requested may result in application denial. Supporting documentation for scoring categories will not be accepted after the initial application submission.

Applications proposing rental activities will be scored separately from, and will not compete with, applications proposing homebuyer activities. An amount of funding, determined at the discretion of IHCDA, will be set aside for rental projects each year as prescribed in IHCDA's Consolidated Plan. If additional funds are available after this round that were originally reserved for homebuyer activities (either due to lack of sufficient number of homebuyer applications in general or lack of homebuyer applications meeting threshold requirements), these funds will be redirected and used for rental development.

Funded applications will be announced at the published IHCDA board meeting date. Confirmation letters and score sheets will be uploaded to the Syncplicity site by the close of business on the day of the board meeting. Applications that are not funded will be notified by IHCDA via denial letters and final score sheets being uploaded to the FTP site by the close of business on the day of the board meeting. Applications not funded will not be rolled over into the next funding round.

1.8 HOME Past Awards

Before an Applicant can apply for a new HOME award, any other HOME awards that the applicant has received from IHCDA must be drawn down by a minimum of 25% of the award's total funding amount. Applicants funded during the 2018 HOME Supplemental Round, or awarded within six months of the starting date of the current round (based on the date of the last signature on the applicant's award agreement) are exempt from this requirement.

1.9 Minimum Score Requirement

An application must score at least 63 points to be considered for funding.

1.10 IHCDA CDBG, HOME & HTF Program Manual

The IHCDA CDBG, HOME & HTF Program Manual outlines the requirements for administering IHCDA's CDBG & HOME awards. A complete copy of the CDBG, HOME & HTF Program Manual and all exhibits are available on IHCDA's website at http://www.in.gov/myihcda/2490.htm

1.11 IHCDA Waiver Policy

IHCDA, in its sole discretion, will consider a waiver request from any Applicant, Owner and/or Developer in regards to Section 5.1 (Subsidy Limitations **only**) and Section 6.5 (Underwriting guidelines). IHCDA does not accept waiver requests for any Federal Regulation or scoring requirements. Requests for additional funding will not be accepted.

IHCDA must receive the waiver request no later than 30 days prior to the application deadline. The waiver request must include the following:

- The details of the specific threshold requirement for which the Applicant is requesting a waiver,
- A detailed description as to why the Applicant cannot meet the threshold requirement,
- Any additional information the Applicant would like IHCDA to consider with the request.

1.12 Development Fund

Applicants may apply for the Development Fund with their HOME application. Applicants must provide documentation and explanation on an alternative source of funding if the Development Fund application is denied, or if Development Fund is not available.

More information on the Development Fund may be found in Part 10.

Part 2: Eligible Applicants

2.1 Eligible Applicants

HOME Investment Partnerships Program (HOME)	Cities, Town, and Counties (Non-HOME Participating Jurisdiction)	Community Housing Development Organizations (CHDO)	501(c)3 and 501(c)4 Not-For-Profit Organizations and PHAs	Joint Venture Partnerships	For Profit Entities Organized Under the State of Indiana
Rental Housing Rehabilitation	✓	✓	✓	✓	Not eligible
Acquisition and Rental Housing Rehabilitation	✓	✓	✓	✓	Not eligible
Rental Housing New Construction	✓	✓	✓	✓	Not eligible

Eligible applicants include cities, towns, or counties that are located within Indiana but outside of the following participating jurisdictions. Applications from, or housing activities located within, the following participating jurisdictions are NOT eligible for HOME funds:

Anderson	Gary	Muncie
Bloomington	Hammond	South Bend Consortium***
East Chicago	Indianapolis*	Terre Haute
Evansville	Lake County	
Fort Wayne	Lafayette Consortium**	

*Excluding the Marion County Cities of Beech Grove, Lawrence, Speedway, and Southport. The Town of Cumberland is excluded when the housing activity is outside of Marion County.

**Lafayette Consortium is made up of the Cities of Lafayette and West Lafayette and the unincorporated areas of Tippecanoe County. Other incorporated areas are eligible to receive assistance.

***South Bend Consortium is made up of the Cities of South Bend and Mishawaka and the unincorporated areas of St. Joseph County. Other incorporated areas are eligible to receive assistance.

2.2 Ineligible Applicants

Per 24 CFR 92.214 (a)(4) HOME funds may not be invested in public housing projects.

IHCDA reserves the right to disqualify from funding any application that has an applicant, sub-recipient, administrator, preparer, or related party of any of the aforementioned, with a history of disregarding the policies, procedures, or staff directives associated with administering any IHCDA program or program administered by any other State, Federal, or affordable housing entity. This includes, but is not limited to, the Indiana Office of Community and Rural Affairs, the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Agriculture - Rural Development, and the Federal Home Loan Bank.

Additionally, any entity currently on IHCDA's suspension or debarment list is ineligible to submit an application. IHCDA's Suspension and Debarment Policy can be found in the Program Manual Chapter 17.

2.3 Religious and Faith-Based Organizations

- *Equal treatment of program participants and program beneficiaries.* (1) *Program participants.* Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the HOME program. Neither the Federal Government nor a State or local government receiving funds under the HOME program shall discriminate against an organization on the basis of the organization's religious character or affiliation. Recipients and subrecipients of program funds shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.
- *Beneficiaries.* In providing services supported in whole or in part with federal financial assistance, and in their outreach activities related to such services, program participants shall not discriminate against current or prospective program beneficiaries on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.
- *Separation of explicitly religious activities.* Recipients and subrecipients of HOME program funds that engage in explicitly religious activities, including activities that involve overt religious content such as worship, religious instruction, or proselytization, must perform such activities and offer such services outside of programs that are supported with federal financial assistance separately, in time or location, from the programs or services funded under this part, and participation in any such explicitly religious activities must be voluntary for the program beneficiaries of the HUD-funded programs or services.
- *Religious identity.* A faith-based organization that is a recipient or subrecipient of HOME program funds is eligible to use such funds as provided under the regulations of this part without impairing its independence, autonomy, expression of religious beliefs, or religious character. Such organization will retain its independence from Federal, State, and local government, and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct program funds to support or engage in any explicitly religious activities, including activities that involve overt religious content, such as worship, religious instruction, or proselytization, or any manner prohibited by law. Among other things, faith-based organizations may use space in their facilities to provide program-funded services, without removing or altering religious art, icons, scriptures, or other religious symbols. In addition, a HOME program-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.
- *Alternative provider.* If a program participant or prospective program participant of the HOME program supported by HUD objects to the religious character of an organization that provides services under the program, that organization shall, within a reasonably prompt time after the objection, undertake reasonable efforts to identify and refer the program participant to an alternative provider to which the prospective program participant has no objection. Except for services provided by telephone, the Internet, or similar means, the referral must be to an alternate provider in reasonable geographic proximity to the organization making the referral. In making the referral, the organization shall comply with applicable privacy laws and regulations. Recipients and subrecipients shall document any objections from program participants and

prospective program participants and any efforts to refer such participants to alternative providers in accordance with the requirements of §92.508(a)(2)(xiii). Recipients shall ensure that all subrecipient agreements make organizations receiving program funds aware of these requirements.

- *Structures.* Program funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for explicitly religious activities. Program funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. When a structure is used for both eligible and explicitly religious activities, program funds may not exceed the cost of those portions of the acquisition, new construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to the HOME program. Sanctuaries, chapels, or other rooms that a HOME program-funded religious congregation uses as its principal place of worship, however, are ineligible for HOME program-funded improvements. Disposition of real property after the term of the grant, or any change in the use of the property during the term of the grant, is subject to government wide regulations governing real property disposition (see 24 CFR parts 84 and 85).
- *Supplemental funds.* If a State or local government voluntarily contributes its own funds to supplement federally funded activities, the State or local government has the option to segregate the federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.

Part 3: Eligible Activities & HOME Program Requirements

3.1 Eligible Activities

This program is intended to have a long-term impact on the availability and quality of the affordable housing stock in Indiana. The program is intended for the rehabilitation and/or new construction of rental housing. Acquisition only is not an eligible activity; however acquisition in conjunction with another activity is permitted.

- Rehabilitation, new construction, and acquisition/rehabilitation or acquisition/new construction of rental housing in the form of traditional apartments, single room occupancy units (SROs), or single family housing.
  - SRO housing consists of single room dwelling units that are the primary residence of the occupant(s). Neither kitchen nor bathroom facilities are required to be in each unit. However, if individual units do not contain bathroom facilities, the building must contain bathroom facilities that are shared by tenants. SRO housing does not include facilities for students.
- Rental Housing Tax Credit (RHTC) Developments with compliance periods or existing HOME developments with affordability periods that have expired prior to the due date for this application.
- If HOME funds are used for acquisition of vacant land or demolition in conjunction with another activity, then construction must commence within nine months of the demolition or acquisition.
- Manufactured homes are eligible if they meet IHCDA's Manufactured Housing Policy or if rehabilitation will bring the unit up to these standards:
  - A single dwelling unit designed and built in a factory, installed as a permanent residence, which bears a seal certifying that it was built in compliance with the Federal Manufactured Housing Construction and Safety Standards law and which also complies with the following specifications:
    - Shall have been constructed after January 1, 1981, and must exceed 950 square feet of occupied space per I.C. 36-7-4-1106 (d);
    - Is attached to a permanent foundation of masonry construction and has a permanent perimeter enclosure constructed in accordance with the One and Two Family Dwelling Code;
    - Has wheels, axles, and towing chassis removed;
    - Has a pitched roof;
    - Consists of two or more sections which, when joined, have a minimum dimension of 20' X 47.5' enclosing occupied space; and
    - Is located on land held by the beneficiary in fee-simple title or 99-year leasehold and is the principal residence of the beneficiary.
    - All other manufactured or mobile homes that do not meet the aforementioned criteria are ineligible to receive rehabilitation assistance funded by IHCDA.

3.2 Ineligible Activities

The following are ineligible activities:

- Per 24 CFR 92.214 (a)(4) HOME funds may not be invested in public housing projects.
- Owner-occupied rehabilitation;
- Group homes;
- Creation of secondary housing attached to a primary unit;

- Acquisition, rehabilitation, or construction of nursing homes, convalescent homes, hospitals, residential treatment facilities, correctional facilities, or student dormitories;
- Rehabilitation of mobile homes;
- Acquisition, rehabilitation, refinancing, or new construction if any part of a development or its land is located within the boundaries of a 100-year floodplain. A flood determination must be provided for each parcel associated with the project;
- Acquisition, rehabilitation, or construction of any developments that will be applying for RHTC. These developments must apply for HOME funds as part of the RHTC application (also called the Qualified Allocation Plan);
- Any housing activity funded under Title VI of NAHA, prepayment of mortgages insured under the National Housing Act, public housing developments, or acquisition, rehabilitation, or construction of any developments funded under HUD's former Rental Rehabilitation Program;
- Costs for supportive services, homeless prevention activities, operating expenses, or for the use of commercial facilities for transient housing;
- Acquisition, rehabilitation, or construction of transitional housing;
- Acquisition, rehabilitation, or construction of emergency shelters that are designed to provide temporary daytime and/or overnight accommodations for homeless persons;
- Payment of HOME loan servicing fees or loan origination costs;
- Tenant-based rental assistance;
- Payment of back taxes.

In addition, IHCDA **does <u>not</u>** fund:

- Requests from individuals, political, social, or fraternal organizations;
- Endowments, special events, or international projects;
- Scholarships requested by individuals;
- Institutions that discriminate on the basis of race, color, national origin, sex, religion, familial status, disability, sexual orientation, gender identity, or against victims of domestic violence, dating violence, sexual assault, or stalking in policy or in practice;
- Projects in furtherance of sectarian religious activities, impermissible lobbying, legislative or political activities;
- Medical research or medical profit-making enterprises.

3.3 HOME Program Requirements

The proposed HOME project must follow these minimum requirements, and all other requirements laid forth in the Program Manual, to be eligible for funding. For further details on each requirement, please see IHCDA's Program Manual at http://www.in.gov/myihcda/2490.htm.

- Recipients must comply with all regulatory requirements listed in 24 CFR Part 92.

Applicants should familiarize themselves with IHCDA's CDBG & HOME Program Manual. Requirements include, but are not limited to the following:

- **Lead Based Paint**:
  - Each recipient of a HOME award is subject to the HUD requirements of addressing lead-based paint hazards pursuant to 24 CFR Part 35. If a risk assessment is required, then all lead-based paint issues must be addressed.

- Anyone who conducts lead-based paint activities in the State of Indiana must be licensed. Licenses are issued only after an applicant has successfully completed course certification by an accredited training facility and has passed the licensing examination administered by the ISDH. A separate license is required for each of the authorized lead disciplines. All licenses must be renewed every three years by successfully completing refresher training approved by the ISDH. Activities requiring licensing include:
    - Inspection for lead-based paint
    - Risk assessment for lead hazards
    - Clearance examination following lead abatement
    - Abatement of lead-based paint
    - Project design, supervision, and work in abatement projects
- Anyone who is paid to perform work that disturbs paint in housing and child-occupied facilities built before 1978 must be EPA certified. This includes all firms, even sole proprietorships. Firms can't advertise or perform renovation activities covered by the regulation in homes or child occupied facilities built before 1978 without firm certification. Examples of the types of firms covered:
    - Residential rental property owners/managers
    - General contractors
    - Special trade contractors, including
        - Painters
        - Plumbers
        - Carpenters
        - Electricians
- Federal law requires that a "certified renovator" be assigned to each job, and that all involved individuals be trained in the use of lead-safe work practices.
    - To become a certified renovator, a person must complete a renovator training course accredited by EPA or an EPA authorized program which will teach them how to work lead safe.
    - All remaining individuals must also be trained. They can either be certified renovators (meaning they successfully completed the accredited training) or they can have been trained on the job by a certified renovator (such training must be documented and the documents must be retained).

- **Section 504**:
    - Housing must meet the accessibility requirements of 24 CFR Part 8 which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and covers multifamily dwellings, as defined in 24 CFR Part 100.201. It must also meet the design and construction requirements of 24 CFR 100.205 and implement the Federal Fair Housing Act Amendments of 1988 (42 U.S.C. 3601-3619).
- **Uniform Relocation Act:**
    - Each recipient of a HOME award is subject to the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA). See IHCDA's Program Manual Chapter 4 for guidance on the regulatory requirements of the URA, as amended, the Federal regulations at 49 CFR Part 24, and the requirements of Section 104(d) of Title I of the Housing and Community Development Act of 1974, as amended.

- **Affirmative Marketing Procedures:**
  - Rental housing with five or more HOME-assisted units must adopt IHCDA's Affirmative Marketing Procedures. See the IHCDA Program Manual Chapter 5 for guidance on Affirmative Marketing Procedures.
- **Section 3**:
  - Any recipient receiving an aggregate amount of $200,000 or more from one (1) or more of the HUD CPD programs (i.e. CDBG, HOME, NSP, HOPWA, ESG, etc.) in a program year must comply with the Section 3 requirements. Section 3 provides preference to low- and very-low-income residents of the local community (regardless of race or gender) and the businesses that substantially employ these persons, for new employment, training, and contracting opportunities resulting from HUD-funded projects.
- **Income Verification:**
  - An income verification is valid for a period of six months. If more than six months pass between income verification and contract execution/lease execution/purchase agreement, then a new income verification must be completed.
- **Procurement Procedures:**
  - Each recipient of a HOME award will be required to provide proof of adequate builder's risk insurance, property insurance, and/or contractor liability insurance during construction and property insurance following construction for the assisted property throughout the affordability period of the award.
  - If the recipient of the HOME award is a Local Unit of Government, or a non-profit not acting as a developer, the recipient must follow competitive procurement procedures when procuring all materials, supplies, equipment, and construction or professional services related to the HOME award. Please note that public non-for-profits (ie Housing or Redevelopment Authorities_ and public agencies may not act as Developers and must competitively procure.
  - If the non-for-profit recipient is acting as a developer, competitive procurement standards are not required. To be considered a non-for-profit developer, the non-profit must meet the following criteria:
    - Must have site control (either through ownership or a lease) of the property;
    - Must be in sole charge of the development processes - and not just acting as a contractor, which includes:
      - Obtaining zoning and other approvals;
      - Obtaining other non-HOME financing for the project;
      - Selecting architect the, engineers, general contractors and other members of the development team; and,
      - Overseeing the progress of the work and cost reasonableness.
- **Environmental Review:**
  - To help facilitate timely expenditure of HOME funds, all applicants are required to complete the Environmental Review Record (ERR) and Section 106 Review and submit it, in hardcopy, at the time of application. If awarded HOME funds, the HOME recipient must receive an IHCDA Release of Funds before the fully executed award documents are released and any funds are drawn. (IHCDA Program Manual, Environmental Review Chapter 2). For more information, contact the IHCDA Placemaking Manager.
  - Applicants may not purchase any property to be assisted with HOME funds, sign contracts, or begin rehab/construction until the ERR/Release of Funds process has been completed and approved.

- **Construction Standards and Physical Inspections:**
    - All IHCDA-assisted units must be inspected twice during the award period. The first inspection will occur when 50% of funds are drawn for single site projects, or when half the units are complete for scattered site projects. The second inspection will be conducted upon completion of construction for the award. Site visits during construction may be conducted to monitor progress of all projects. The IHCDA Inspector will conduct the physical inspections.
- **Match:**
    - The match requirement for the HOME program is 25% of the total amount of HOME funds requested except HOME funds used for environmental review costs (pursuant to §92.206(d)(8)), planning costs (pursuant to §92.207); CHDO operating expenses (pursuant to §92.208); capacity building (pursuant to §92.300(b)) of CHDOs; and predevelopment or seed money loans to CHDOs (pursuant to §92.301) when IHCDA waives repayment under the provisions of §92.301(a)(3) or §92.301(b)(3).
    - Labor, property, funds, or other sources of match contribution donated by the applicant to itself, or by a principal or investor in the development, are not eligible for match as defined in §92.220(b)(4).
    - All required match must be committed by the time closeout documentation is submitted.
- **Davis Bacon:**
    - Each recipient of a HOME award must follow the Davis Bacon requirements found in 29 CFR Parts 1, 3, and 5 to ensure workers receive no less than the prevailing wages being paid for similar work for the following type of projects:
        - Rehabilitation or new construction of a residential property containing twelve or more HOME-assisted units; and
        - Affordable housing containing 12 or more units assisted with HOME funding regardless of whether HOME funding is used for construction or non-construction activities.
        - Such properties may be one building or multiple buildings owned and operated as a single development.
        - Public Housing Authorities (PHAs) using PHA funds in conjunction with IHCDA funds are subject to Davis Bacon requirements.
- **Meaningful Access for Limited English Proficient Persons**
    - Persons who, as a result of national origin, do not speak English as their primary language and who have limited ability to speak, read, write, or understand English ("limited English proficient" or "LEP") may be entitled to language assistance under Title VI in order to receive a particular service, benefit, or encounter. In accordance with Title VI of the Civil Rights Act of 1964 and its implementing regulations, the recipient must agree to take reasonable steps to ensure meaningful access to activities funded by federal funds for LEP persons. Any of the following actions could constitute "reasonable steps", depending on the circumstances: acquiring translators to translate vital documents, advertisements, or notices; acquiring interpreters for face to face interviews with LEP persons; placing advertisements and notices in newspapers that serve LEP persons; partnering with other organizations that serve LEP populations to provide interpretation, translation, or dissemination of information regarding the project; hiring bilingual employees or volunteers for outreach and intake activities; contracting with a telephone line interpreter service; etc.

- **Registering Vacancies:**
    - Applicants that are proposing to develop rental housing must register vacancies for assisted housing in the IndianaHousingNow.org affordable housing database.
- **Other HOME Construction Standards**:
    - Units must, at a minimum, meet the stricter of the local rehabilitation standards or the Indiana State Building Code.
    - Any units utilizing gas appliances must provide carbon monoxide detectors in addition to standard smoke detectors.
    - Recipients of HOME funds must meet additional energy efficiency standards for new construction as described in 24 CFR 92.251.
- **Capital Needs Assessment:**
    - Projects performing the rehabilitation activity with a total of 26 or more units (the total of HOME-assisted and non-HOME assisted units) must complete and provide a Capital Needs Assessment (CNA).
- **Federal Programs Ongoing Rental Compliance:**
    - Recipient must ensure that each owner of a HOME-assisted rental project enters tenant events into IHCDA's Indiana Housing Online Management System at https://ihcdaonline.com/ within 30 days of the tenant's event date. Tenant events include move-ins, move-outs, recertification, unit transfers, and rent and income changes. In addition, Annual Owner Certification Rental Reports must be submitted electronically using the Indiana Housing Online Management System throughout the affordability period in the Annual Rental Report. See IHCDA's Program Manual for further guidance.
    - Recipient must ensure that there is a written lease between any tenant and the owner of rental housing assisted with HOME funds. The term of the lease may not be less than one year, unless a shorter period is specified upon mutual agreement between the tenant and the owner. The lease may not contain any of the prohibited provisions set forth in 24 CFR 92.253 (b).
    - In accordance with 92.504(d)(2), the recipient must provide IHCDA with the financial documentation and/or reports needed by IHCDA to conduct its examination of the financial condition of the project, if project has 10 or more HOME-assisted units.
    - Rental housing developments must assist households at or below 60% of the Area Median Income for the county, as published by HUD and distributed by IHCDA. Additionally, those developments with five or more HOME-assisted units must set-aside at least 20% of the units for households at or below 50% of the Area Median Income. Households must also meet the definition of "low-income families" at 24 CFR 92.2 which limits occupancy based on certain student status rules (see Part 4.1G of the Federal Programs Ongoing Rental Compliance Manual).
    - Recipient must follow the non-discrimination requirements of the Fair Housing Act, the Violence Against Women Reauthorization Act of 2013, and the Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity rule.
- **Broadband Infrastructure:**
    - As described in the HUD Final Rule 81 FR 92626, any new construction or substantial rehabilitation of more than four rental units must provide for installation of broadband infrastructure, as defined in 24 CFR 5.100, except when IHCDA determines and

documents that one or more of the exceptions listed in HUD Final Rule 81 FR 92626 apply.

- **Tenant Selection Plan**
    - All HOME-funded properties must create a written tenant selection plan that meets all requirements outlined in Part 4.2E of IHCDA's Federal Programs Ongoing Rental Compliance Manual, as amended from time to time. This includes compliance with the nondiscrimination requirements of the Fair Housing Act, Violence Against Women Reauthorization Act, Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity Rule, and the 2016 HUD Office of General Counsel Guidance on Criminal Records.

3.4 Affordability Requirements

HOME subsidized activities must be secured throughout the affordability period by a recorded lien and restrictive covenant agreement created by IHCDA. The recipient shall comply with the following requirements of the HOME Program throughout the affordability period:

1. Ensuring that the property meets the Property Standards set forth in 24 CFR 92.251;
2. Ensuring that the tenants meet the affordability requirements set forth in 24 CFR 92.252 by documenting and verifying the income of tenants as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual, as amended from time to time by IHCDA;
3. Submitting annual tenant events and annual owner certifications to IHCDA through its online reporting system as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual;
4. Participating in periodic monitoring and inspections of the Property by IHCDA and/or the U. S. Department of Housing and Urban Development ("HUD");
5. Complying with the Federal income and rent limits issued by HUD and published annually on IHCDA's website;
6. Providing IHCDA with information regarding unit substitution and filling vacancies, if the Project has floating units; and
7. Ensuring that each tenant enters into a lease that does not contain HUD prohibited lease language as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual. The affordability period begins after the project has been completed and the completion forms have been submitted to and approved by IHCDA. During the affordability period all HOME program rental requirements apply to the property. See IHCDA's *Federal Programs Ongoing Rental Compliance Manual* for a full discussion of affordability period compliance.

The following affordability periods apply to all HOME rental housing and homebuyer projects:

Amount of HOME subsidy per unit:	Affordability Period
Under $15,000	5 years
$15,000 - $40,000	10 years
Over $40,000 - or any rehabilitation/refinance combination activity	15 years
New construction or acquisition of newly constructed transitional, permanent supportive, or rental housing	20 years

3.5 Lien and Restrictive Covenant Agreement

Each recipient of a HOME award must ensure that a lien and restrictive covenant is executed and recorded against every property constructed, rehabilitated, or acquired, in whole or in part, with HOME funds. Upon the occurrence of any of the following events during the Affordability Period, the entire sum secured by the lien shall be due and payable by developer and/or owner upon demand. Repayment may be demanded upon: (1) Transfer or conveyance of the real estate by deed, land contract, lease, or otherwise, during the Affordability Period; (2) Commencement of foreclosure proceedings by any mortgagee (or deed in lieu of foreclosure), within the Affordability Period; (3) The real estate no longer meets the property standards set forth in 24 CFR 92.251; (4) HOME-assisted units are not being used by qualifying tenants as their principal residence; (5) annual tenant events and annual owner certifications are no longer being submitted to IHCDA through its online reporting system as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual; (6) non-compliance with the federal income and rent limits issued by HUD; and (7) units are not leased in accordance with the requirements set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual.

The recipient of the HOME award will be responsible for repaying IHCDA any HOME funds utilized for any housing constructed, rehabilitated, or acquired that does not remain affordable and in compliance in accordance with 24 CFR 92.252 for the entire Affordability Period. The Affordability Period is based upon the total amount of HOME funds invested into the HOME-assisted units as depicted in the chart above. (IHCDA Program Manual, Lien and Restrictive Covenants & Affordability Requirements Chapter 12)

Part 4: CHDO

4.1 IHCDA CHDO Set-Aside

IHCDA must allocate at least 15% of its HOME funds for CHDO projects.

4.2 CHDO Eligible Activities

Permanent rental and homebuyer housing are considered CHDO-eligible activities for purposes of the CHDO set-aside as long as the activity takes place within the CHDO's state-certified service area and the CHDO owns, develops, or sponsors the activity.

CHDOs must certify at time of application and identify which of the three roles the CHDO will undertake with the project:

- The CHDO "**owns**" the activity when the CHDO holds valid legal title in fee simple or has a long-term (99-year minimum) leasehold interest in a rental property. The CHDO may hire and oversee a project manager or contract with a developer to perform the rehabilitation or new construction.
- The CHDO "**develops**" the activity when the CHDO is the owner in fee simple or through a long term ground lease during both the development and the affordability period. As developer, the CHDO must be in sole charge of all aspects of the development process, including obtaining zoning, securing non-HOME funds, selecting contractors, overseeing the progress of work, and determining reasonableness of costs.
- The CHDO "**sponsors**" rental projects through one of two processes:
  - Rental housing is developed by a CHDO affiliate, defined as a CHDO's wholly owned subsidiary (non-profit or for-profit); a limited partnership, of which the CHDO or its wholly owned subsidy is the sole general partner; or a limited liability company, of which the CHDO or its wholly-owned subsidiary must be the sole managing member. If the limited partnership or limited liability company agreement permits the CHDO to be removed as general partner or sole managing member, the agreement must provide that the removal must be for cause and that the CHDO must be replaced with another CHDO.
  - The CHDO develops housing on behalf of another non-profit. The rental housing is transferred by the CHDO to the other nonprofit upon completion. The nonprofit receiving the property upon completion must be identified by the CHDO, not be created by a governmental entity, and assume ownership and all HOME obligations, including any loan repayment. The CHDO must own the property during the development period and be in sole charge of the development process.

4.3 CHDO Program Requirements

CHDOs must adhere to all HOME requirements listed in this Application Package and the additional CHDO specific program requirements:

- Applicants that would like to apply as a CHDO must apply for CHDO certification at the time of submitting a HOME application. The CHDO application can be found as a separate document on the IHCDA website here: http://www.in.gov/myihcda/2541.htm. The CHDO application must be submitted at the same time as submittal of the HOME application.
- Treatment of Program Income by a CHDO:
  - Proceeds generated from a Community Housing Development Organization ("CHDO") development activity may be retained by the CHDO but must be used for housing activities that benefit low-income families as provided in 24 CFR 92.300(a)(2). Such

proceeds are not considered program income and are not subject to HOME Program requirements. However, funds recaptured because housing no longer meets affordability requirements are not considered CHDO proceeds and are subject to the requirements of 24 CFR 92.503(b) and must be returned to IHCDA.

- An application for a CHDO eligible undertaking must demonstrate the following:
  - Low- and moderate-income persons have had the opportunity to advise the CHDO in its decision regarding the design, site, development, and management of the affordable housing undertaking.
  - Certify that the organization continues to meet the definition of a CHDO by being a certified CHDO by IHCDA.
  - Complete the CHDO related sections in the HOME Application Forms.

4.4 CHDO Operating Supplement

CHDOs may apply for supplemental funds in the HOME application forms. A CHDO may receive CHDO operating supplement funds in an amount not to exceed $50,000 within one program year.

Eligible costs include:

- Accounting Services/Audit
- Communication Costs
- Education/Training
- Equipment/Software
- Insurance
- Lead-Based Paint Equipment
- Legal Fees
- Postage
- Professional Dues/Subscriptions
- Rent
- Staff Salary/Fringe
- Taxes
- Travel
- Utilities

CHDOs can be eligible for a second year of CHDO Operating Support. CHDOs funded within the past 12-24 months for a HOME project can apply for additional supplemental operating support of up to $25,000, if they have met the following criteria:

- Have begun construction within the first 12 months of the executed agreement with IHCDA;
- Have drawn a minimum of 25% of the IHCDA housing development award; and
- Have drawn 100% of the original CHDO Operating Support award.

CHDO Operating Support cannot exceed the greater of $50,000 within one program year.

4.5 CHDO Predevelopment and Seed Money Loans

CHDOs are eligible for development specific predevelopment or seed money loans. Applicants may request up to $30,000 in loans for special project-specific pre-development expenses. All loans may not exceed customary and reasonable project preparation costs and must be repaid from construction loan proceeds or other program income. The CHDO must apply for the predevelopment or seed money through a separate application process. Please contact your Real Estate Production Analyst for more details.

Part 5: Subsidy Limitations & Eligible Activity Costs

5.1 Subsidy & Budget Limitations

The maximum request amount per application is $1,000,000 for eligible rental projects.

Subsidy Limitations

HOME funds used for acquisition, rehabilitation, new construction, soft costs, relocation, rent-up reserve, and developer's fee combined cannot exceed:

For units designated 50% AMI or higher:

Bedroom Size	Per Unit Subsidy Limit
0	$66,000
1	$75,000
2	$92,000
3	$117,000
4+	$128,000

For units designated 40% AMI or lower:

Bedroom Size	Per Unit Subsidy Limit
0	$69,000
1	$79,000
2	$96,000
3	$122,000
4+	$134,000

Minimum amount of HOME funds to be used for rehabilitation or new construction is $1,001 per unit.

Budget Limitations

- HOME funds cannot be used for reserve accounts for replacement or operating costs, but may be used as a Rent-Up Reserve.
- All subsidies must be secured throughout the affordability period by a written, legally binding, recorded restrictive covenant.
- HOME funds budgeted for developer's fee cannot exceed 15% of the HOME award.
- HOME funds budgeted for soft costs, environmental review, and developer's fee together cannot exceed 20% of the HOME award.

5.2 Form of Assistance

HOME funds will be awarded to the recipient in the form of a grant or loan. Award documents must be executed in order to access funds and will include, but are not limited to: award agreement, resolution, and a lien and restrictive covenant agreement.

The applicant may then provide the HOME award as a forgivable, amortized, or deferred loan to as many other entities as it chooses, known as subgrantees (beneficiaries if a homebuyer award). However, subgrantees must be identified in the application and approved by IHCDA.

A title company is required to be used for all loans that occur between the IHCDA recipient and the beneficiary or subgrantee of the program. For example, an IHCDA recipient providing funds for a homebuyer activity must use a title company when the loan is made to the homeowner. Another example is when an IHCDA recipient is assisting a property that it does not own. When the loan is made from the IHCDA recipient to the subgrantee, a title company must be used.

The IHCDA recipient must execute a promissory note, mortgage, lien and restrictive covenant agreement, security agreement, UCC Financing Statement(s), and other documents as directed by IHCDA in order to secure IHCDA's investment in the assisted property. The recipient is required to deliver these documents to the county recorder's office for recording. These documents will be reviewed during monitoring visits.

5.3 Eligible Activity Costs

The bolded items listed below are included in the application budget. If you have a question about which line item an expense goes under, contact your IHCDA Real Estate Production Analyst.

ACQUISITION – Limited to the purchase price and related costs associated with the acquisition of real property. Recipients must use a title company when purchasing or selling assisted properties.

DEMOLITION – Costs associated with the demolition and clearance of existing structures.

DEVELOPER'S FEE – Developer's fees are only available with HOME funded activities and cannot exceed 15% of the HOME award. Additionally, the total of developer's fee, soft costs, and environmental review cannot exceed 20% of the HOME request.

ENVIRONMENTAL REVIEW – This line item includes expenses associated with the NEPA compliance Environmental Review, which is a requirement of the Release of Funds process. This does not refer to a Phase I Environmental Assessment. Those expenses should be included in the soft costs line item. This line item along with developer's fee, and soft costs cannot exceed 20% of the HOME request. Eligible costs for this line item are generally between $2,000 and $5,000 and include professional services, publication costs, photocopying, and postage. For further information regarding this activity, please read the Environmental Review Guide found in Chapter 11 of the IHCDA CDBG & HOME Program Manual.

LEAD HAZARD TESTING – Costs associated with lead hazard testing includes Risk Assessment, Clearance Test, etc. The limits for this line item are $1000 per unit.

NEW CONSTRUCTION

Eligible costs include:

- Hard costs associated with new construction activities;
- Utility connections including off-site connections from the property line to the adjacent street;
- Site work related to driveways, sidewalks, landscaping, etc.

- Related infrastructure costs - improvements to the development site that are in keeping with improvements of surrounding, standard developments. Site improvements may include on-site roads and water and sewer lines necessary to the development
- Stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners;
- General Requirements, Contractor Contingency and CMC

SOFT COSTS – Soft costs are those costs that can be directly tracked by address. They include client-related costs that are reasonable and necessary for the implementation and completion of the proposed activity. This line item along with or developer's fee and environmental review cannot exceed 20% of the HOME request. Recipients are allowed to draw down this line item as costs are incurred. Additionally, soft costs may be used to pay off a HOME CHDO Predevelopment or CHDO Seed Money loan but may not exceed the 20% line item cap.

Eligible costs include:

- Appraisals
- Builders risk insurance
- Building permits
- Client in-take / Income verification
- Closing costs paid on behalf of homebuyer
- Consultant fees
- Cost estimates
- Credit reports
- Demolition permits
- Engineering/Architectural Plans
- Financing costs
- Impact fees
- Inspections
- Legal and accounting fees
- Other professional services
- Phase I Environmental Assessments
- Plans, specifications, work write-ups
- Private lender origination fees
- Realtor fees
- Recording fees
- Title Searches
- Travel to and from the site Lead hazard testing
- Utilities of assisted units

REHABILITATION

Eligible costs include:

- Hard costs associated with rehabilitation activities
- Lead-based paint interim controls and abatement costs.
- Mold remediation
- Site work related to driveways, sidewalks, landscaping, etc.
- Stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners
- Utility connections and related infrastructure costs - off-site connections from the property line to the adjacent street are eligible when it is deemed a threat to health and safety. Improvements to infrastructure when there will be no rehabilitation work done on the actual house to be served
- General Requirements, Contractor Contingency and CMC

RELOCATION - This includes relocation payments and other relocation assistance for permanently and/or temporarily relocated individuals, families, businesses, not-for-profit organizations, and farm operations where assistance is required and appropriate. Relocation payments include replacement housing payments, payments for moving expenses, and payments for reasonable out-of-pocket expenses for temporary relocation purposes. For additional information on relocation and displacement, please refer to the information provided in the IHCDA's Program Manual Chapter 4.

RETAINAGE POLICY - IHCDA will hold the final $5,000 of an award until all match documentation, closeout documentation, and completion reports are received and approved. Closeout documentation will not be approved until the final monitoring and inspection is completed and all associated findings and/or concerns are resolved.

5.4 Ineligible Activity Costs

- Annual contributions for operation of public housing
- Commercial development costs **-** All costs associated with the construction or rehabilitation of space within a development that will be used for non-residential purposes such as offices or other commercial uses. This does not include the common area used by tenants of rental property or the leasing office of the apartment manager. HOME awards cannot be used to underwrite any portion of commercial development costs. The expenses incurred and income to be generated from commercial space must be reported in a separate "Annual Expense Information" sheet and 15-year proforma.
- Costs associated with any financial audit of the recipient.
- Costs associated with preparing an application for funding through IHCDA
- Cost of supportive services
- General operating expenses or operating subsidies
- Loan guarantees
- Mortgage default/delinquency correction or avoidance
- Providing tenant based rental assistance
- Purchase or installation of equipment, furnishings, tools, or other personal property that is not an integral structural feature, such as window air conditioner units or washers and dryers.
- Purchase or installation of luxury items, such as swimming pools or hot tubs

5.5 Program Income

Income generated by CHDOs acting as owners, sponsors, or developers of HOME units may be retained by the CHDOs but it must be used for housing activities that benefit low-income families as provided in 24 CFR 92.300(a)(2). However, funds recaptured because housing no longer meets affordability requirements is not considered CHDO proceeds and must be returned to IHCDA.

Income generated by not-for-profits or for-profits, acting as developers of HOME units, may be retained by the developer and is not subject to HOME Program requirements.

Additionally, all legal documents, such as mortgages, security agreements, UCC financing statements, and liens executed by the IHCDA recipient, beneficiary, or subrecipient receiving assistance, must be recorded at the county recorder's office. These documents must be submitted to IHCDA at closeout along with the IHCDA recipient's completion reports and will be reviewed during monitoring visits conducted by IHCDA staff.

Part 6: Rental Housing Requirements

6.1 Eligible Projects

HOME projects can propose rental activities with this policy and corresponding application forms. Homebuyer activities are eligible using the Homebuyer policy and corresponding application forms.

6.2 Eligible Rental Activities

Eligible activities include new construction, rehabilitation only, or acquisition/rehabilitation. Acquisition is allowed only in conjunction with the rehabilitation activity and is ineligible as a stand-alone activity. Permanent rental housing units may not be used for temporary or emergency housing at any time. Eligible rental activities also include the rehabilitation or acquisition/rehabilitation of assisted-living facilities as long as they meet IHCDA's definition. IHCDA defines an assisted living facility as living arrangements in which some optional services are available to residents (meals, laundry, medication reminders), but residents still live independently within the assisted-living complex. Residents of such facilities pay a regular monthly rent, and then pay additional fees for the services that they desire.

All households occupying HOME-assisted rental units must be income and student status qualified based on HOME regulations. See the Federal Programs Ongoing Rental Compliance Manual for more information on household qualification.

6.3 Rent Restrictions

HOME-assisted rental units will be rent-restricted throughout the affordability period to ensure that the units are affordable to low- and moderate-income households. Please refer to the most recent HOME rent limits, which can be found on IHCDA's website under RED Notices. The following restrictions apply:

- Published rent limits include the cost of any tenant-paid utilities. For all utilities that the tenant will be responsible for you must subtract approved utility allowance from the published rent limit. For example, if the rent limit in a given county is $300 with a utility allowance for gas heat of $28, $20 for other electric, and $13 for water, the maximum allowable rent would be $239 for a unit where the tenant pays all the above utilities ($300 - $28 - $20 - $13 = $239).
- All units must be leased for initial occupancy within 18 months.
- If a SRO-unit has both food preparation and sanitary facilities, then use the HOME zero bedroom (efficiency) unit rent or 30% of the household's adjusted income, whichever is most restrictive.
- If a SRO-unit has neither food preparation nor sanitary facilities, or only one of either, then the rent may not exceed 75% of the fair market rent (FMR) for a zero bedroom unit. For example, if the FMR for a zero bedroom unit in a given county is $300, then the 40% rent limit in that county for a SRO unit that only has a bathroom and not a kitchen would be $225 ($300 x .75 = $225).
- Gross rent must be at or below the published rent limit. Gross rent = tenant-paid rent + tenant-based rental assistance + utility allowance + non-optional charges.
- If the applicant proposes to receive all or a portion of the rent payment via a tenant-based voucher (rental subsidy), the gross rent (including the rental assistance amount) cannot exceed the published rent limits for the applicable income level. For example, a tenant residing in a unit set-aside for households at or below 40% of the area median income has a voucher that pays $100 of his/her rent, and the published utility allowance for tenant paid utilities for the unit is $50. If the published 40% rent limit is $300, the tenant paid portion of rent cannot exceed $150

($300 rent limit - $100 Section 8 Voucher - $50 utility allowance = $150 maximum tenant paid portion).

- If the development receives a federal or state project-based rent subsidy and the unit is designated as 50% or below and the household is at or below 50% AMI and the household pays no more than 30% of his/her adjusted income for rent, then the maximum rent may be the rent allowable under the project-based rental subsidy program as set forth in 24 CFR 92.252(b)(2).
- If the development charges non-optional fees for food or the costs of supportive services, then these costs must be included in the gross rent calculation
- All tenants who occupy HOME-assisted rental housing units must be income recertified on an annual basis. The Section 8 definition of household income applies.

6.4 Affordability Periods and Resale/Recapture Requirements

All rental projects are subject to an affordability period as defined in Part 3.4 of this document.

The recipient is subject to recapture provisions through a recorded lien and restrictive covenant agreement as described in Parts 3.5 of this document.

6.5 Underwriting Guidelines for Rental Projects

The following underwriting guidelines must be followed for any rental development. The numbers submitted should accurately reflect the true nature and cost of the proposed activity. IHCDA will consider underwriting outside of these guidelines, if supporting documentation is provided.

TOTAL OPERATING EXPENSES – All developments must be able to underwrite with a minimum operating expense of $2,500 per unit per year (net of taxes and reserves).

MANAGEMENT FEE – The maximum management fee allowed is described in the table below, based on the number units within the project. The percentage is based on the “effective gross income” (i.e. gross income for all units, less vacancy rate).

Number of Units	Maximum Management Fee Percentage
1 – 50	7%
51 - 100	6%
101 or more	5%

VACANCY RATE – All developments must be able to underwrite with a vacancy rate between 6% and 8%.

RENTAL INCOME GROWTH – All developments must be able to underwrite with a rental income growth between 0% and 2% per year.

OPERATING RESERVES – All developments must be able to underwrite with operating reserves using **the greater of** four-to-six months of expenses (i.e. operating expenses plus debt service) OR $1,500 per unit. Operating Reserves are not an eligible HOME expense and must come from other eligible sources.

RENT-UP RESERVE – HOME funds may be used to fund a rent-up reserve for new construction and rehabilitation rental housing developments. This reserve can be used to meet shortfalls in development income during the rent-up period and may only be drawn down after all construction is completed at the development. The following terms apply:

- The term of the rent-up reserve account may not exceed six months after all construction is completed, after which time any unused reserves left in the account will be de-obligated by IHCDA.
- These funds can be used only for development operating expenses, scheduled payments to replacement reserves, and/or debt service payments.
- The recipient must receive IHCDA's approval prior to accessing its rent-up reserve funding.
- The amount of HOME funds that can be utilized for a rent-up reserve is limited to three months development operating expenses plus three months of development debt service.

REPLACEMENT RESERVES – All developments are required to have replacement reserves. Replacement reserves must be included in the operating budget but are not included as part of the operating reserves. Contributions must be made to the reserve account starting at or before the conversion date of the construction loan to permanent loan and must be funded for the term of the loan. Replacement reserve funds must only be used for capital improvements (substantial improvements to the real estate such as re-roofing, structural repairs, or major projects to replace or upgrade existing furnishings, but not including replacement of individual appliances or minor repairs) and must **not** be used for general maintenance expenses. Less restrictive provisions required by lenders must be approved by IHCDA.

Replacement reserves must escalate at a rate of 3% per year.

IHCDA will, at its discretion, adjust the replacement reserve to reflect reasonable and customary capital and replacement expenditures. The following minimum contributions must be used.

Development Type	Minimum Contribution per unit per year
Rehabilitation*	$350
New Construction	$250

* For rehabilitation developments, the Capital Needs Assessment will be reviewed to determine whether sufficient reserves have been established.

OPERATING EXPENSE GROWTH – All developments must be able to underwrite with operating expense growth between 1% and 3% per year.

IHCDA requires operating expense growth to be at least 1% higher than rental income growth.

STABILIZED DEBT COVERAGE RATIO – All developments must be able to underwrite with a stabilized debt coverage ratio (DCR) within the following standards:

Development Location	Minimum Acceptable Debt Coverage Ratio
Large or Small City	1.15 – 1.40
Rural	1.15 – 1.50

- Stabilization usually occurs in year two; however, the debt coverage ratio for a development must not go below 1.10 during the affordability period to be considered financially feasible.

- IHCDA recognizes that some deals may have higher debt coverage at the beginning of the affordability period in order to remain feasible for the duration of the affordability period. Documentation to support these higher debt coverage ratios must be provided.
- Developments without hard debt are allowed but will be subject to additional scrutiny from IHCDA. Developments with no debt will not have a debt coverage ratio, but will be required to have cash flow without an undue profit. This will be determined by a ratio of Effective Gross Income to Total Annual Expenses (including Replacement Reserves). A ratio of 1.10 shall be the minimum required to be considered feasible by IHCDA, throughout the affordability period.
- Tax abatement may cause the DCR to be higher than these guidelines.

The following documentation is required for Stabilized Debt Coverage Ratio:

- Documentation of estimated property taxes and insurance for the proposed development (i.e. a statement of how the applicant determined the estimated taxes and insurance for the development); AND

- If the underwriting is outside these guidelines, the applicant must provide a written detailed explanation with third party documentation supporting the explanation (approval of underwriting from other financing institutions/funding sources will not constitute acceptable supporting documentation).

6.6 Market Assessment Guidelines for Rental Projects

The following market assessment guidelines must be followed for any rental development. The numbers submitted should accurately reflect the market feasibility of the proposed activity. Only responses to these narrative questions are necessary, a full market study is not required.

MARKET AREA – Describe the market area from which the majority of the development's tenants are likely to come and provide a map with a scale. Describe how the market area was determined to be appropriate for the development.

SOCIOECONOMIC PROFILE AND TRENDS – Describe the trends in population and households by age and income and estimate the number of eligible tenants for the development.

HOUSING STOCK – Describe the existing housing stock within the market area including the number of housing units, type (single family or multifamily), percent vacant, percent owner-occupied and renter-occupied, etc. In addition, provide a list of all other rent restricted properties in the market area and indicate whether they are age restricted.

CAPTURE RATE AND ABSORPTION PERIOD – Provide an estimate of the capture rate for the development (project's units divided by the number of eligible tenants from the market area), and estimate the absorption period to ensure lease-up within 18 months of project completion.

NEEDS ASSESSMENT – Describe how the development addresses the community's housing needs, given the market area's socioeconomic profile, trends, and housing stock.

DEVELOPMENT SITE DESCRIPTION – Explain how the site is adequate in size, exposure, and contour to accommodate the number and type of units proposed. In addition, describe whether there are adequate utilities (water, sewer, gas, and electricity) to accommodate the development.

Part 7: Completeness & Threshold Requirements

Each proposed project must satisfy the Federal requirements of the HOME program listed in 24 CFR Part 92 and any additional requirements established by IHCDA. To be considered for funding, an applicant must meet all of the completeness and threshold requirements listed below.

7.1 Completeness Requirements

- Timeliness – All documentation must be turned in by the application due date.
    - On or before the application deadline, the applicant must provide all documentation as instructed in this application policy as well as required documentation listed in the HOME Application Forms.
    - If IHCDA requests additional information from the applicant, all requests are due on or before the date provided by IHCDA staff.
    - Any forms that are late will be denied review and will be sent back to the applicant.
- Responsiveness – All questions must be answered and all supporting documentation must be provided.
    - The applicant must provide all documentation as instructed in this application policy as well as required documentation listed in the HOME Application Forms.
    - The applicant must provide all documentation as requested (i.e. uploaded or hard copies, labeled correctly, etc.)
    - Required signatures must be originally signed.

7.2 Threshold Requirements

Completeness	Location
Application and Supporting Documents • Submit two copies of fully-completed HOME Rental application, one as an Excel file and one as a searchable PDF. • Submit all required supporting documents via the Syncplicity. Mail one complete original copy of the signed application and the signed Environmental Review Record (ERR) to IHCDA by the application deadline. Do not submit paper copies of any other supporting documents.	Uploaded to Syncplicity and mailed to IHCDA
Threshold	**Location**
SAM Status • Submit a copy of the applicant's System of Award Management (SAM) status. https://www.sam.gov/portal/SAM/#1	Tab A_SAM Status
Debarment Information • Submit a copy of the debarment information for each development team entity identified in the application.	Tab B_Debarment

Grievance Procedures • Submit applicant's Grievance Procedures. Grievance Procedures must address both current and prospective tenants and provide guidance on (1) how grievances will be submitted, (2) who will review them, (3) timeframe for the review, and (4) the appeal process. Grievance Procedures should be written and available to current and potential tenants.	Tab C_Grievance Procedures
Area Need • HUD requires that IHCDA certify that there is adequate need for each home based on the neighborhood's housing market. In order to help make this determination please answer all of the questions in the Market narrative in the application. A formal market study is not required. Attach any relevant support material such as previously completed market studies, planning documents, or maps.	Tab D_Area Need
Home-Assisted Households at or Below 60% AMI • Commit to assisting households at or below 60% of the area median income for the county.	Application
Not-for-Profit Applicant Documentation (if applicable) • Submit an IRS determination letter for 501(c)3 status. • Provide a copy of the Certificate of Existence from the Indiana Secretary of State to provide proof that the organization is in good standing.	Tab E_Not-for-Profit
Audited Financial Statements • Submit the most recent copy of audited financial statements.	Tab P_Capacity
Local Unit of Government Notification • Provide a copy of the notification letter sent to the Local Unit of Government. • Provide proof of delivery of the local government notification letter, by submitting either an email read receipt or a mail delivery receipt.	Tab F_LUG Notification
Owner Authorization (if applicable) • If the applicant is different from the owner of the development, provide a letter from the owner authorizing the applicant to apply for funding for the owner's property.	Tab G_Notifications

Administrator Documentation (if applicable)
• If the applicant has hired an administrator, please provide documentation demonstrating that the administrator has been properly procured using the Competitive Negotiation (RFP) Procedure.
    • Submit a copy of the Request for Proposals (RFP).
    • Submit the published advertisement that was put in a general circulation newspaper for the RFP.
    • Submit a copy of the signed contract between applicant and administrator.
	Tab H_Administrator

Previous HUD or USDA-RD Funding • If development received funding directly from HUD or Rural Development, the applicant must send a notification letter to the appropriate HUD or Rural Development Office and provide proof of delivery.	Tab G_Notifications

Visitability Mandate Any development involving the new construction of single family homes, duplexes, triplexes, or townhomes must meet the following visitability mandate. Visitability is defined as design concepts that allow persons with mobility impairments to enter and stay, but not necessarily live, in a residence. Visitable units must comply with one of the following definitions: 1. There are three specific design elements that must be incorporated to satisfy the visitability mandate: • Each unit must contain at least one zero-step entrance on an accessible route. This can be any entrance to the unit; • All main floor interior doors (including bathroom doors and walk-in closets) in each unit must provide at least 31 ¾ inches of clear opening width; and • Each unit must contain at least one half or full bathroom on the main level that is accessible per ICC A117.1.Section 1004.11. **OR** 2. Units must comply with the Type C unit criteria in ICC A117.1 Section 1005.	Application
Site Map and Photos • Submit a clear, colored, site map. • Submit clear, recent, color site photos including views from all cardinal directions.	Tab I_Site Map
Title Search • Submit evidence of clear title with a title insurance commitment, title search documentation, or an attorney's opinion letter.	Tab J_Readiness
Construction Cost Estimate • Submit detailed construction cost estimate for the development.	Tab J_Readiness
Site Control • Submit a purchase option or purchase agreement that expires no less than 30 days subsequent to the award announcement date.	Tab J_Readiness
Unit Plans • Submit unit plans that include the square footage for each type of unit.	Tab J_Readiness

<table>
<tr><td>Site Plans
Submit basic site plans that show how the development is to be built, including:
Any significant demolition
Any existing buildings
The placement and orientation of new and existing buildings, parking areas, sidewalks, etc.</td><td>Tab J_Readiness</td></tr>
<tr><td>Zoning Approval
Provide a letter no older than six months from the local planning official that certifies the current zoning allows for construction and operation of the proposed homes and any required variances that have been approved.</td><td>Tab J_Readiness</td></tr>
<tr><td>Capital Needs Assessment
For developments proposing 26 or more total units, a Capital Needs Assessment is required.</td><td>Tab J_Readiness</td></tr>
<tr><td>Environmental Review
Submit completed environmental review forms. Instructions and forms can be found in Chapter 11 of the IHCDA CDBG & HOME Program Manual.
A FIRM floodplain map must be submitted with each parcel identified on the map. (Any property located in any variation of zone “A” on the map is ineligible for funding). HUD requires official FEMA maps – third-party maps, even those created using FEMA data, are ineligible. If a FEMA map is not available for an area, the applicant must submit a printout or screenshot of the FEMA website documenting that no map is available. In this specific instance, the applicant may submit a DNR map in place of a FEMA map. Maps may be downloaded from the FEMA website here: https://msc.fema.gov/portal.</td><td>Tab K_Environmental Review</td></tr>
<tr><td>Affirmative Fair Marketing Plan (if applicable)
In accordance with 24 CFR 200.620 and 24 CFR 92.351 (a), the recipient must adopt an Affirmative Fair Housing Marketing Plan for rental and homebuyer developments containing five or more HOME-assisted housing units. Submit form HUD 935.2A.</td><td>Tab L_Fair Housing</td></tr>
<tr><td>Development Fund
Developments requesting a Development Fund loan must designate at least 50% of the Development Fund-assisted units for households at or below 50% AMI with the remaining Development Fund-assisted units designated for households at or below 80% AMI.</td><td>Application</td></tr>
<tr><td>Funding Committed Prior to Application
All other development funding, including AHP funds, must be committed prior to submitting an application for HOME funding to IHCDA. Please complete the sources and uses tab in the application.
If the project is utilizing funding committed more than one year prior to the application due date please provide a letter confirming that the funds are still available and accessible to the applicant.</td><td>Tab M_Financial Commitments</td></tr>
<tr><td>Letters of Commitment
Submit signed letters of commitment for all funding sources with funding terms and amounts. This includes deferred developer fees.</td><td>Tab M_Financial Commitments</td></tr>
</table>

CHDO Operating Supplement • If applying for a CHDO Operating Supplement, fill out Section F of the Sources and Uses tab and the CHDO Operating Supplement tab in the Application Forms.	Application
Rental Proforma • Complete Rental Proforma tab in the IHCDA HOME Rental Application Forms.	Application

Match Requirement
• The match requirement for the HOME program is 25% of the total amount of HOME funds requested minus environmental review costs. Match must be committed prior to submitting an application for HOME funding to IHCDA.
    o Submit the relevant sections of the Match Spreadsheet.
    o Submit letters of commitment for each source of Match.
	Tab M_Financial Commitments

Senior Developments
• New Construction:
    o 100% of the units must be accessible or adaptable, as defined by the ADA and the Indiana Accessibility Code.
• Rehabilitations:
    o 100% of the ground floor units must be accessible or adaptable, as defined by the ADA and the Indiana Accessibility Code, and all units above the ground floor must be adaptable as defined by the ADA and the Indiana Accessibility Code unless the building(s) contained elevator(s)/Lift(s) prior to rehabilitation, in which case the elevators/lifts will need to be maintained and 100% of the units above the ground floor will need to be accessible and adaptable.
	The originally signed HOME application will serve as certification that the development will comply with these requirements.

Services
• Applicants must commit to at least three services in each of the three levels listed on the Tenant Investment Plan Matrix. Developments planning to incorporate services not referenced in the Tenant Investment Plan Matrix or that exceed the minimum requirements may merit consideration for additional scoring under the Unique Features category. Applicants must submit:
  ○ One Form C: Tenant Investment Plan Matrix listing all services for the entire proposed project (found in the HOME Application Appendices);
  ○ One Form D: Tenant Investment Plan Service Agreement (MOU) for each service provider with original or a copy of original signatures (found in the HOME Application Appendices);
    ▪ If the HOME applicant is providing services, an MOU must still be executed in order for the commitment to provide services to be on file in our application records. Applicants are required to use the IHCDA provided Tenant Investment Plan Service Agreement (MOU) unless the IHCDA legal department has provided written approval of an alternate MOU prior to application submittal.
	Tab N_Project Characteristics

Universal Design Features • Applicants must adopt a minimum of two universal design features from each section listed on the Universal Design Features Form. The Universal Design Features Form can be found using the "Additional Rental Forms" link on the IHCDA HOME Program website: http://www.in.gov/myihcda/home.htm. • Features found in Section A are regarded as being of high cost and/or high burden of inclusion to the development. Features found in Section B are regarded as being of moderate cost and/or moderate burden of inclusion to the development. Features found in Section C are regarded as being of low cost and/or low burden of inclusion to the development. Applicants must identify which features they will be undertaking on the Universal Design Form. Changes to these selections will require submittal of a formal modification request to IHCDA.	Tab O_Development Features

Part 8: Scoring

If an application meets all applicable requirements, it will be evaluated and scored based on:

Scoring Category	Points Possible
Development Characteristics	28
Development Features	29
Readiness	8
Capacity	21
Leveraging of Other Sources	6
Unique Features & Bonus	10
Total Possible Points	**102**

When there is a scoring criteria based on the county being served and there are multiple counties, the applicant should add up the scores from each county and average them, rounding to the nearest whole number. An application must score at least 63 points to be considered for funding.

8.1 Development Characteristics — Category Maximum Points Possible: 28

This scoring category describes the proposed project. The points can be achieved through the following sub-categories: Constituency Served, Targeted Population, Comprehensive Community Development, Opportunity Index, and Services.

1) *Constituency Served* — *Maximum Number of Points: 5*

If the development commits to serving beneficiaries in IHCDA-assisted units with maximum incomes lower than required by the HOME program and maintains housing costs at affordable rates, points will be awarded in accordance with the following chart. Percentages are of the area median income (AMI) for the county in which the development is to be located. Awarded recipients will be held to the unit commitment in their award agreement. The AMI level selected applies to both the income and rent restriction on the unit. Changes to the AMI levels will require prior IHCDA approval.

Constituency Served	Points
20% of Population served at or below 40% AMI; **OR**	3
20% of Population served at or below 30% AMI	5

2) *Mixed-Income Housing* — *Maximum Number of Points: 1*

Community Integration	Points
10% of development units are Market Rate	1

3) *Targeted Population* — *Maximum Number of Points: 4*

Points will be awarded to applicants that target populations with special housing needs under IHCDA's priority in accordance with the following guidelines and charts.

An individual or household that meets the criteria for two or more categories below (e.g. a veteran with a child six and under or a single parent household with a victim of domestic violence) may only be counted for **one** of the categories he or she qualifies for when calculating percentages for this scoring category.

Target Population	Points
OPTION 1: Age-restricted housing in which at least 80% of the units in the development are restricted for occupancy by households in which at least one member is age 55 or older OR 100% of the units are restricted for households in which all members are age 62 or older.; OR	2
OPTION 2: At least 25% of units are set-aside for households that meet one the "special needs population" definitions in Indiana Code 5-20-1-4.5 listed below* • Persons with physical or developmental disabilities • Persons with mental impairments • Persons with chemical addictions *Elderly are included in the Code definition but are excluded in this option as this target population is addressed in Option 1 above. A household with a disability will be defined as a household in which at least one member is a person with a disability using the Fair Housing definition of disabled (see glossary). Applicants electing this targeting option must enter into a referral agreement with a qualified organization that provides services for the target population. See part 4.1(F) of the *Federal Programs Ongoing Rental Compliance Manual* for more information on referral agreements. Submit Form E: Special Needs Population Referral Agreement Form in "**Tab N_Project Characteristics**". Form E can be found by following the "HOME Additional Forms" link on the IHCDA HOME Program website.	4
OPTION 3: At least 30% of units are set-aside for households meeting at least one of the following designations: • Single parent, grandparent, or guardian head of households • Victims of domestic violence • Abused children • Families with children six and under • Veterans	4

In order to receive points under Option 1 above, developments must satisfy the following criteria:

New Construction:

- All common areas must be accessible and 100% of the units must be Accessible units, Type A units, or Type B units in accordance with Chapter 10 of the ICC A117.1, and elevators must be installed for access to all units above the ground floor.
  - *The originally signed HOME application will serve as certification that the development will comply with these requirements.*

Rehabilitation:

- All common areas on the main floor must be accessible and 100% of the ground floor units must be Accessible units, Type A units, or Type B units in accordance with Chapter 10 of the ICC A117.1. If the building(s) contained elevator(s)/lift(s) prior to rehabilitation, the elevators/lifts will need to be maintained and all common areas must be accessible and 100% of the units above the ground floor will need to be Accessible units, Type A units, or Type B units in accordance with Chapter 10 of the ICC A117.1.
  - *The originally signed HOME application will serve as certification that the development will comply with these requirements.*

4) *Opportunity Index* *Maximum Number of Points: 10*

Applicants may earn up to 10 points (with two points for each feature) for developments located within areas of opportunity. Points for scoring categories calculated using continuously updated statistics (e.g. unemployment rate, job growth, etc.) will be determined based upon the most recent data available **at the time of application review.** Changes in data occurring **after** preliminary scores are determined will not be considered when determining final scores.

- **Public Transportation** (2 points): Points will be awarded to developments located within a half-mile of a public transit station or bus stop. For communities with a population of 14,999 or less, point-to-point transportation is eligible as long as it is provided by a public or not-for-profit organization and is available to all residents of the development. Taxis, Uber, or other ride-sharing programs are not eligible for points. For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

  In order to receive points for this scoring subcategory, the applicant must submit in **Tab N_Project Characteristics**:
  - For single sites: A half-mile radius drawn from the project location with transit stations or bus stop locations labeled.
  - For scattered sites: A half-mile radius drawn from each bus stop or transit station with all qualifying scattered site labeled.

- For point-to-point transportation: Documentation that the point-to-point transportation is provided by a public or not-for-profit organization and is available to all residents.

- **Unemployment Rate** (2 points): Points will be awarded to developments located within a county that has an unemployment rate below the state average. (http://opportunityindex.org/). For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- **Job Growth** (2 points): Points will be awarded to developments located within a county that has a 12 month change in employment percentage in the top half of the state using the Department of Labor's Quarterly Census of Employment and Wages as listed on https://beta.bls.gov/maps/cew/us. For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- **Employer Proximity** (2 points): Points will be awarded to developments located within five miles of at least one of a county's top 10 employers. County employer data can be found at http://www.hoosierdata.in.gov/buslookup/BusLookup.aspx. For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

  In order to receive points for this scoring subcategory, the applicant must submit in **Tab N_Project Characteristics**:
    - For single sites: A five mile radius drawn from the project location with the location of qualifying employers labeled.
    - For scattered sites: A five mile radius drawn from each qualifying employer with all qualifying scattered site labeled.

- **Poverty Rate** (2 points): Points will be awarded to developments located within a county that has a poverty rate below the state average (http://opportunityindex.org/). For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- **County Median Household Income** (2 points): Points will be awarded to developments located within a county that has a median household income above the state average (http://opportunityindex.org/). For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- **Census Tract Income Level** (2 points): Points will be awarded to applicants proposing developments located in higher income neighborhoods compared to surrounding areas. Points will be determined according to the Federal Financial Institutions Examination Council's (FFIEC) income level of its census tract. Find the census tract income level by entering the project address at the FFIEC website (https://geomap.ffiec.gov/FFIECGeocMap/GeocodeMap1.aspx) and clicking "Census Demographic Data" below the matched address. For scattered site developments, points will be averaged according to the number of units within each income level.

FFIEC Income Level	Points
Upper	2
Middle	1
Moderate	0.5
Low	0

5) *Health and Quality of Life Factors* *Maximum Number of Points: 8*

Applicants may earn up to 8 points for developments located in counties with high health outcomes or in areas in close proximity to fresh produce and other positive land uses. Points for scoring categories calculated using continuously updated statistics (e.g. unemployment rate, job growth, etc.) will be determined based upon the most recent data available at the time of application review. Changes in data occurring after preliminary scores are determined will not be considered when determining final scores.

- **Health Factors** (2 points): Points will be awarded to developments located within a county that has a ratio of population to primary care physicians of 2,000:1 or lower. http://www.countyhealthrankings.org/app/indiana/2017/measure/factors/4/data) (For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- **Fresh Produce** (2 points): Points will be awarded to applicants proposing developments located within a mile of a supermarket or grocery store with fresh produce. For scattered site developments, at least 75% of the proposed homes must meet this requirement to be eligible for points.

  Stores with fresh produce must:
  - Be currently established;
  - Have a physical location; and
  - Have regular business hours.

  Staff will independently verify that the location meets the above requirements. As part of the clarification process, the applicant may be required to provide additional information. For the purposes of this scoring subcategory, farmers' markets, produce stands, gas stations, convenience stores, and drug stores do not qualify.

  In order to receive points for this scoring subcategory, the applicant must submit in **Tab N_Project Characteristics**:
  - For single sites: A mile radius drawn from the project location with store or market locations labeled.
  - For scattered sites: A mile radius drawn from the fresh produce location(s) with each qualifying scattered site labeled.

- **Proximity to Positive Land Uses** (4 points): Points will be awarded to applicants proposing developments located within three miles of the locations listed in the table below. A maximum of four points is available in this category. For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

Site	Points
Community or recreation center	1 point
Park or public greenspace	1 point
Primary care physician or urgent care facility	1 point
Pharmacy	1 point
Sidewalks or Trails	.5 point
Clothing, department store	.5 point
Bank	.5 point
Education facility	.5 point
Licensed child care facility	.5 point
Social service center	.5 point
Government office (e.g. town hall, trustee's office)	.5 point
Post Office	.5 point
Public Library	.5 point
Cultural arts facility	.5 point

In order to receive points for this scoring subcategory, the applicant must submit in **Tab N_Project Characteristics**:

- For single sites: A map with a three mile radius drawn from the project location with each positive land use labeled.
- For scattered sites: Map(s) with a three mile radius drawn from the qualifying location(s) with each scattered site labeled.

8.2 Development Features — Category Maximum Points Possible: 29

This category describes the features of the overall proposed HOME project.

1) *Existing Structures* — *Maximum Number of Points: 6*

Points will be awarded to developments that utilize existing structures on at least 50% of the HOME assisted units.

Existing Structure	Points
Development is rehabbing at least 50% of the square footage of a vacant structure(s) for housing; OR	5
Development is rehabbing at least 50% of the units or square footage, whichever is greater, of existing housing stock; OR	5
Development is rehabbing existing Federally Assisted Affordable Housing	6

In order to receive points, the applicant must submit in **Tab O_Development Features:**

- Documentation confirming the existing structure is vacant. This requirement can be satisfied by submitting two or more of the following:
    - A letter from the local unit of government;

- Current interior and exterior photos of the building;
- Applicant self-certification on official letterhead confirming the building is 100% vacant.

- Documentation of the total square footage of the existing structure and the total square footage that is being rehabbed.
- For existing Federally Assisted Affordable Housing rehabilitation, submit documentation from the entity enforcing affordable housing requirements evidencing the rent and income restrictions applicable to such property including the term of such restrictions.

**Note: Developments receiving points in the Infill New Construction category are not eligible for points in the Existing Structure category.*

2) *Historic Preservation* *Maximum Number of Points: 2*

Points will be awarded to a development that contains at least one unit that is a historic resource to the neighborhood.

In order to receive points, the applicant must submit in **Tab O_Development Features:**

- Either a letter or report from the National Park Services, or Department of Natural Resources Division of Historic Preservation and Archaeology that specifically identifies the site as a historic resource or contributing to a historic district; or
- A photocopied page from the most recent county Indiana Sites and Structures Interim Historic Report showing the structure is Contributing, Notable, or Outstanding in the County's Interim Report.

3) *Infill New Construction* *Maximum Number of Points: 5*

Points will be awarded to demolition and new construction developments that meet IHCDA's HOME criteria for infill. For the HOME program, IHCDA defines infill housing as the process of developing on vacant or underused parcels of land within existing areas that are already largely developed or previously developed. At least two sides of the project must be adjacent to occupied residential development, operating commercial development, active public space, or another active community activity.

For purposes of this category, the following will **not** qualify as infill housing:

- Existing agricultural land; or
- Land where agriculture was the last use and it was within the last five years except within corporate limits; or
- Undeveloped Master Planned Communities; or
- Existing structures that will be rehabilitated.

In order to receive points, the applicant must submit in **Tab O_Development Features:**

- Aerial photos of the proposed site(s) with the site labeled;
- For scattered site projects, all of the proposed development sites must meet the infill attribute scoring criteria to receive points.

**Note: Developments receiving points in the Existing Structure category are not eligible for points in the Infill New Construction category.*

4) *Provision of Additional Bedrooms* *Maximum Number of Points: 4*

Points will be awarded to developments where at least 20% of the HOME assisted units contain three or more bedrooms.

In order to receive points, the applicant must submit in **Tab O_Development Features:**

- Preliminary floor plans that clearly identify the units with three or more bedrooms.

5) *Design Features* *Maximum Number of Points: 4*

Points will be awarded for each design feature chosen, for a maximum of four points in this category.

Design Feature	Points
Exterior walls are at least 50% durable material (brick, stone, or cement board)	1
Includes LED lighting	1
Roofing system has at least a 30-year warranty (must provide supporting documentation from the manufacturer to qualify)	1
Covered Porch at the front entrance	1
Deck or patio with a minimum of 64 square feet that is made of wood or other approved materials	1
Framing consists of 2” X 6” studs to allow for higher R-Value insulation in walls	1
Garage that is made of approved materials, has a roof, is enclosed on all sides and has at least one door for vehicle access	1
Crawl space or basement	1
Security system	1
Carport that is made of approved materials, has a roof, and is open on at least two sides	1
Attached or unattached storage space measuring at least 5' x 6' (not a mechanical closet)	1
ALL entrances are no-step entrances	1
Intercom	1
Play areas designed in accordance with ADA Guidelines	1
Community room	1

6) *Universal Design Features* *Maximum Number of Points: 5*

Points will be awarded for applicants that propose developments that go beyond the minimum universal design features threshold requirements. Please refer to the Universal Design Features Form for a list of all qualifying features. This form can be found using the "Additional Rental Forms" link on the IHCDA HOME Program website: http://www.in.gov/myihcda/home.htm.

The applicant will be required to submit the Universal Design Features Form identifying all features to which the applicant has committed. Changes to these selections will require submittal of a formal modification request to IHCDA. The applicant will be awarded points as follows:

Number of Universal Design Features in Each Column	Points
5	5
4	4
3	3

7) *Smoke-Free Housing* *Maximum Number of Points: 3*

Points will be awarded if the development commits to operate as smoke-free housing. In order to receive points, the applicant must submit in **Tab O_Development Features:**

A smoke-free housing policy that addresses (at a minimum) the following items:

- Definition of who the rule applies to (e.g. not only residents but also their guests on the property, staff, etc.);
- Definition of smoking;
- Explanation of where smoking is prohibited on the property. Smoking must be prohibited in individual units and all interior common space. The plan may either establish the entire property as smoke-free or identify a designated smoking area on the property. A designated smoking area must prohibit smoking within a minimum of 25 feet of any buildings;
- Explanation of how the smoke-free rules will be communicated and enforced;
- If the development is the preservation of existing housing that is not currently smoke-free, then the plan must include an explanation of how the property will transition to a smoke-free environment; and
- A draft smoke-free housing lease addendum that will be signed by all households must be included along with the plan.

IHCDA recommends the American Lung Association of Indiana's "Smoke-free Housing Indiana Toolkit" as a resource to create a smoke-free housing policy. See http://insmokefreehousing.com for more information.

8) *Green Building* *Maximum Number of Points:* 5

Up to five points will be awarded for the green building techniques listed below. The signed application forms will be proof of these commitments.

Green Building Technique	Points
Orient structures on East/West axis for solar exposure	1
Include new trees in landscaping to curb winter winds and provide shade	1
Low VOC paints and finish materials	1
Install flow reducers in faucets and showers	1
Install recycled content flooring and underlayment	1
Install Energy Star certified roof products	1
Low flow toilets or dual flush toilets	1
R-Value insulation exceeding Indiana State Building Code	1
Incorporate permeable paving	2
Install high-efficiency, tank-less water heaters	2
Energy Star certified windows	2
All appliances Energy Star certified	2
Energy Star certified HVAC system	2
Use on-site solar energy to reduce resident utility costs	2

8.3 Readiness Category Maximum Points Possible: 8

This category describes the applicant's ability to begin and timely execute an awarded project.

1) *Predevelopment Activities* *Maximum Number of Points:* 5

Points will be awarded to applicants that have completed some predevelopment activities according to the chart below. Applicants are eligible to receive up to five points. Points will only be awarded if the required supporting documentation, italicized below the activity description, is included in **Tab J_Readiness.**

For scattered site developments, documentation for each site must be submitted in order to receive the points. Documents should be clearly labeled with the site addresses for ease in reviewing the documentation.

Predevelopment Activity Completed	Points
Asbestos Testing *Submit a copy of the assessment report.*	1
Appraisal *Provide an appraisal that is no older than 6 months.*	1
Property Survey *Provide an electronic copy of the property survey.*	1
Capital Needs Assessment/Structural Needs Report *Provide a copy of the report performed by a licensed professional.*	1

CHDO Predevelopment Loan *Applicants that fully utilized a CHDO Predevelopment Loan for the current HOME application are eligible for one point.*	2
Comprehensive Community Plan *Provide a copy of ONE plan for each jurisdiction that meets all of the following criteria:* • *Specific references to the creation of or need for housing* • *No older than 15 years* • *Public participation and narrative about efforts leading to the creation of the plan* • *A target area map with the proposed development sites labeled* • *Resolution showing adoption by the highest local unit of government*	2

2) *Contractor Solicitation* *Maximum Number of Points: 3*

Points will be awarded to applicants who invite material participation in the proposed development by Indiana contractors. To qualify for these points, a minimum of five letters inviting contractors to participate in the bidding of the project must be sent, with at least 20% of these letters going to state certified Minority Business Enterprises (MBE), Women Business Enterprises (WBE), Federal Disadvantaged Business Enterprises (DBE), Veteran- Owned Small Businesses (VOSB), and/or Service Disable Veteran Owned Small Businesses (SDVOSB).

In order to receive points, the applicant must submit in **Tab J_Readiness**

- A copy of the letter sent to *each* contractor inviting participation in the bidding of the project,
- Evidence of receipt of invitation, either by certified mail or e-mail read receipt, by at least five contractors, and
- A copy or print out from the State's certification list clearly indicating that at least 20% of contractors solicited meet the MBE/WBE/DBE/VOSB/SDVOSB status requirement.

Eligible Certification Summary Table		
Certification	**Certifying Agency**	**Website**
MBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
	Indiana Minority Supplier Development Council	http://midstatesmsdc.org/
WBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
DBE	Indiana Department of Transportation	http://www.in.gov/indot/2576.htm
VOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/
SDVOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/

8.4 Capacity **Category Maximum Points Possible: 21**

This category evaluates the applicant's ability to successfully carry out the proposed project based on certifications and/or experience in affordable housing development.

1) *Certification* *Maximum Number of Points:* 3

Points will be awarded for a member of the development team, property management team, applicant, and/or administrator staff who has completed the following certifications. Three points will be awarded for the completion of two of the six certifications listed below. The completion of only one of the certifications below will receive two points. If two staff members hold the same certification, points will be awarded for two certifications.

If you do not see a certification you have received on the list that you believe would be relevant, please consult with your Real Estate Production Analyst at least one week prior to the application due date to request that it be eligible for points.

Required IHCDA Compliance Trainings, IHCDA application and policy webinars, IHCDA application and policy trainings, and IHCDA feedback sessions are not eligible for points in this category.

Attach copies of the certification completion in **Tab P_Capacity**.

Certification	Sponsoring Organization
CHDO Capacity Building Certification (Must have attended all webinars in either 2016 or 2017)	Indiana Housing and Community Development Authority (IHCDA)/HPG Network
Project Development Training	Prosperity Indiana
Housing Development Finance Professional	National Development Council (NDC)
Certified Aging-in-Place Specialist	National Association of Home Builders (NAHB)
Home Sweet Home: Modifications for Aging in Place	University of Indianapolis / Indiana Housing and Community Development Authority
Grant Administration Certification	Indiana Housing and Community Development Authority (IHCDA)
Certified HOME Program Specialist	HUD/CPD

2) *Overall IHCDA Award Performance of the Applicant* *Maximum Number of Points:* 8

Applicants with an IHCDA award monitored within the past five years may be eligible for points based on the applicant's overall performance. Only the most recently monitored award is eligible for points. An award may be eligible, whether it is closed or open, as long as an official IHCDA monitoring has occurred. Please list the most recently monitored award number in the application forms.

Applicants cannot qualify for points under both the New Administrator Experience and IHCDA Award Performance.

Description of Overall Award Performance	Points
Applicant's most recently monitored HOME award had no findings and no concerns.	8
Applicant's most recently monitored HOME award had no findings, but concerns were noted. **OR** No HOME experience, but **Applicant's** most recently monitored CDBG award had no findings and no concerns.	6
Applicant's most recently monitored HOME award had only one finding. **OR** No HOME experience, but **Applicant's** most recently monitored CDBG award had no findings but concerns were notes.	4
No HOME experience, but **Applicant's** most recently monitored CDBG award had only one finding.	2
Does not meet any category above. Examples: • More than one finding on most recently monitored award. • Applicant has no experience with IHCDA within the past five years.	0

3) *Administrator Experience* *Maximum Number of Points: 5*

Only applicants without an IHCDA award in the past five years that have properly procured an administrator with previous IHCDA HOME experience may receive points in this category. Five points will be awarded if the administrator has successful experience administering an IHCDA HOME award that has been monitored within the past five years. In order to qualify for points, the most recently monitored award must not have had any findings. An award may be eligible, whether it is closed or open, as long as an official IHCDA monitoring has occurred. Please list the most recently monitored award number in the application forms.

Experience	Points
Administrator's most recently monitored HOME award had no findings.	5

4) *Timely Expenditure of Funds* *Maximum Number of Points: 5*

Points will be awarded to an applicant or administrator that has expended their most recent IHCDA award (HOME or CDBG) funds by the award expiration date without requesting award extensions. The award must be from within the past five years. Please list the award number in the application forms.

Award Length	Points
Applicant or administrator's most recent IHCDA award (HOME or CDBG) completed by the award expiration date.	5

5) *IHCDA Award Inspection Performance of the Applicant* *Maximum Number of Points: 2*

Applicants or administrators with an IHCDA award inspected within the past five years may be eligible for points based on their IHCDA inspection results. Points will be awarded if zero building code issues were noted on their last monitored inspection of their most recent award.

6) *CHDO Certification* *Maximum Number of Points: 3*

An applicant that applies and is certified as a Community Housing Development Organization will receive three points.

8.5 Leveraging of Other Sources **Category Maximum Points Possible: 6**

Points will be awarded to applicants whose proposed project has received a firm commitment to leverage other funding sources. A "firm commitment" means that the funding does not require any further approvals.

"Other Funding Sources" include (but are not limited to) private funding, funds from a local community foundation, volunteer labor, Federal Home Loan Bank funding, federal, state or local government funds, in-kind donations for labor or professional services, sweat equity, donated material and equipment. Labor, property, funds, or other sources of leveraging donated by the applicant to itself, or by a principal or investor in the development, are not eligible. Banked or shared match is not eligible.

Points will be awarded based on the Amount of Funding divided by the Total Development Costs:

Percentage of Total Development Costs	Points
.50% to 1.99%	1
2.00% to 3.99%	2
4.00% to 5.99%	3
6.00% to 7.99%	4
8.00% to 9.99%	5
Greater than 10%	6

To receive points in this category, the applicant must submit the following in **Tab M_Financial Commitments:**

- Provide a letter from the appropriate authorized official approving the funds. The letter must include a description of the type of approved funding for the proposed development and the amount of funding.
- In-Kind Donations – Labor or Professional Services: Submit commitment letter from donor(s) specifying number of hours they intend to donate and their professional service pay rate.
- In-Kind Donations – Sweat Equity: Submit a copy of sweat equity policy.
- In-Kind Donations – Donated Material and Equipment: Submit commitment letter from donor(s) specifying either the total value of the donated materials or the rental equipment rate and number of hours the equipment will be donated.

8.6 Unique Features & Bonus Category Maximum Points Possible: 10

1) Unique Features *Maximum Number of Points: 5*

Points will be awarded to applicants that offer unique features that contribute to each of the beneficiary units of the proposed project. Unique features should be a creative addition to the proposed program. They should enhance the overall character of the proposed development, improve the beneficiary units and the community's quality of life, health, and/or safety. Unique features can be included in the financial structure of the project, involve members of the community, or include items specific to the target area/project location.

Points are awarded relative to other projects being scored during each application cycle and are awarded in IHCDA's sole and absolute discretion. The following chart sets forth the anticipated percentage of applications that will receive points using a maximum of five points. If an applicant submits no unique features they will receive zero points.

Percentage of Applications	Points
10%	2
40%	3
40%	4
10%	5

In order to receive points in this category, the applicant must submit the following in **Tab O_Development Features:**

- Provide a narrative summary of the proposed unique features. Features receiving points in other sections of this application will not be considered for Unique Feature points.

2) Bonus *Maximum Number of Points: 5*

Points will be awarded based upon the scoring table below to applications that are submitted according to IHCDA's submittal guidelines and which pass threshold with two or less technical corrections, as defined in the IHCDA HOME Policy Glossary.

Technical Corrections	Points
One or Less	5
Two	3
Three or More	0

To receive points in this category, the applicant must:

- Submit a searchable PDF of the application on the Syncplicity site;
- Submit an Excel file of the application on the Syncplicity site;
- Submit one USB Flash Drive with all documents
- Answer all questions in the policy and application;
- Submit all required threshold items in the correct tabs;
- Submit all required threshold items in the correct form (mailed and/or on the Syncplicity site); and
- Label and include all tabs on the Syncplicity site as described in the Application Policy. All tabs must be included regardless of whether documentation is required in each tab.

Part 9: Glossary of Terms

Below are definitions for commonly used terminology found throughout the IHCDA HOME application policy and forms and applicable to the IHCDA HOME program.

Administrator: A procured entity that will assist carrying out the HOME award.

Aging in Place: - Aging in Place (AIP) refers to adapting our collective living environment so it is safer, more comfortable, and increases the likelihood a person can live independently and remain at home as circumstances change. Primary target populations for aging in place strategies are seniors, families with seniors, and persons with disabilities.

Beneficiary: The household or unit that received homeowner repair work as a result of the HOME award.

CHDO: A Community Housing Development Organization. A non-profit, community- based organization with the capacity to develop affordable housing for the community it serves, as defined in the HOME rule and as certified by IHCDA. Participating Jurisdictions (IHCDA) must set aside a minimum of 15% of their HOME allocations for activities in which CHDOs are the owners, developers, and/or sponsors of the housing.

Clarification: A clarification is any question or concern IHCDA may have regarding an applicant, proposed development, or other issue that does not meet the definition of a technical correction, as defined below. The number of clarifications an applicant receives will not impact its score.

Comprehensive Community Development: Every community strives to be a place where people choose to live, work, and play. Comprehensive development means that a community's potential lies in the identification and creation of a shared vision, planned by local leadership, and carried out by an array of partners. When successful, it yields results beyond what can be achieved by individual organizations or disparate programs because of the unique synergy they generate. A thriving community is a community with job opportunities, strong schools, safe neighborhoods, a full range of housing choices, and a vibrant culture. Comprehensive development marshals resources and deploys coordinated strategies in a concentrated area to create opportunities for others in the community to take prudent risks and reap the rewards. The demolition of blighted structures, the rehabilitation of long-vacant housing and the creation of new community amenities and retail opportunities serve as a tipping point for future development through market forces.

Development: The HOME activity proposed in the application.

Disabled: The Fair Housing Act defines disability as a person who has/is:

- A physical or mental impairment which substantially limits one or more of such person's major life activities; or
- A record of having such an impairment; or
- Is regarded as having such an impairment, but such term does not include current, illegal use of or addiction to a controlled substance (as defined in section 102 of the Controlled Substances Act).

Elderly: Elderly can have one of two definitions as elected by the applicant:

- A person 55 years of age or older. This target population category also includes families with a person living in their home that is 55 years of age or older. For housing using this definition of elderly, at least 80% of the units must be age restricted; OR
- A person 62 years of age or older. This target population only includes households in which all household members are 62 years of age or older. For housing using this definition of elderly, 100% of the units must be age restricted.

HOME: The Home Investment Partnerships Program as created by the National Affordable Housing Act of 1990.

IHCDA: Indiana Housing and Community Development Authority

Income Limits: Maximum incomes as published by HUD for projects giving the maximum income limits per unit for beneficiary (30%, 40%, 50%, 60% and 80% of median) units.

Large City: For purposes of this policy, a large city is defined as a city with a population of 75,000 or more. To qualify as being located within a large city, the project must be located within one mile of the zoning jurisdiction and/or use city utility services (water and sewer).

Median Income: A determination made through statistical methods establishing a middle point for determining income limits. Median is the amount that divides the distribution into two equal groups, one group having income above the median and one group having income below the median.

MOU: A Memorandum of Understanding (MOU) is a document describing a bilateral or multilateral agreement between two or more parties.

Narrative: A written description by the applicant that describes the application question and generally supports the need of the project.

Referral Agreement: An agreement in which the recipient and a qualified organization enter into an agreement in which the recipient agrees to (a) set aside a number of units at the project for a special needs population and (b) notify the qualified organization when vacancies occur, and in which the qualified organization agrees to (a) refer qualified households to the project and (b) notify clients of vacancies at the project.

Rent Limits: The HUD published maximum rent amount, including a utility allowance and any non-optional fees. Rent limits are published by bedroom size and by AMI level.

Rural: A project is considered to be rural if it meets one of the following criteria:

a. The project is located within the corporate limits of a city or town with a population of 14,999 or less; or

b. The development is located in an unincorporated area of a county that does not contain a city or town that meets the definition of large city or small city as set forth in this glossary; or

c. The project is located in an unincorporated area of a county whereas;

i. The project is outside the 2-mile jurisdiction of either a large city or small city as defined in this glossary; and

ii. The project does not have access to public water or public sewer from either the large city or small city as defined in this glossary.

Small City: For purposes of this policy, a small city is defined as a city with a population of between 15,000 and 74,999. To qualify as being located within a small city, the development must be located within one mile of the zoning jurisdiction and/or use city utility services (water and sewer).

Technical Correction: A technical correction occurs when an applicant does not provide sufficient information or documentation to meet the IHCDA HOME program threshold requirements as defined in section 7.2 of this policy. Technical Corrections may occur when the required information or documentation is not submitted or is vague or incomplete. IHCDA reserves the right to classify other application errors or omissions as technical corrections at its own discretion. Applicants that receive two or less technical corrections may receive bonus points as defined in the Bonus scoring section of this policy.

Veteran: A person who served in the active military, naval, or air service and who was discharged or released under conditions other than dishonorable.

Visitability: Visitability is defined as design concepts that allow persons with mobility impairments to enter and stay, but not necessarily live, in a residence. There are three specific design elements that must be incorporated to satisfy the visitability mandate:

- Each unit must contain at least one zero-step entrance on an accessible route. This can be any entrance to the unit;
- All main floor interior doors (including bathroom doors and walk-in closets) in each unit must provide at least at least 31 ¾ inches of clear opening width; and
- Each unit must contain at least one half or full bathroom on the main level that is accessible per ICC A117.1.Section 1004.11.

Part 10: Development Fund

10.1 Overview

The Indiana Affordable Housing and Community Development Fund ("Development Fund") was established in 1989 to provide financing options for the creation of safe, decent, and affordable housing and for economic development projects in Indiana communities. Development Fund regulations may be found in Indiana Code 5-20-4. Developments also involving federal funding (e.g. HOME Investment Partnership Program or Community Development Block Grant), tax-exempt bonds, or Low-Income Housing Tax Credits ("LIHTC") must comply with the requirements of those programs.

The Development Fund provides a loan of up to $500,000 for eligible activities as defined within this policy.

For more detailed information on the Development Fund program please consult the Development Fund Manual.

10.2 How to Apply

Development Fund awards are approved through the supplemental application with the HOME Investment Partnership Program application. IHCDA may request more information for the Development Fund application.

Applicants must provide documentation on how they will fill the financial gap, should the Development Fund not be approved, or if the Development Fund is not available. Applicants who cannot provide adequate documentation or explanation on how all sources are to be committed will not be considered for funding for this round.

10.3 Eligible Applicants

Applicants eligible to apply in conjunction with a HOME application include nonprofit corporations and local units of government. IHCDA must allocate at least 50% of the fund to recognized nonprofit corporations under Section 501(c)(3) of the U.S. Internal Revenue Code.

Awardees with current Development Fund awards are eligible to apply for additional funding. All outstanding awards must be current (if loans), in compliance with all program requirements, and otherwise in good standing in order to be considered for additional awards. However, no individual project sponsor or its affiliates may hold more than 20% of the Development Fund's total portfolio at any one time.

Individuals or organizations currently on IHCDA's suspension or debarment list are not eligible to apply for Development Fund awards.

10.4 Eligible Beneficiaries

The Development Fund can be used to finance assisted units for occupancy by households earning up to 80% of the area median income, as published annually by HUD. Indiana Code governing the

Development Fund requires at least 50% of the dollars allocated to be used to serve "very low-income households" (households earning less than 50% of the area median income). **Therefore, at least 50% of the Development Fund assisted units must be designated for households at or below 50% AMI, and the remaining Development Fund assisted units must be designated for households at or below 80% AMI.**

10.5 Eligible Residential Activities

Eligible HOME activities include, but are not limited to, acquisition, new construction, and/or rehabilitation of homes for sale, permanent rental units, and permanent supportive housing projects that have successfully completed the Indiana Supportive Housing Institute.

10.6 Eligible Activity Costs

For more information on eligible and ineligible activity costs please see §1.8 and §1.9 of the Development Fund Manual. Questions about eligible vs. ineligible soft costs under the Development Fund program can be directed to the IHCDA Underwriting and Closing Manager.

10.7 Match Requirements

Applicants for Development Fund must be able to document a local match in an amount of at least 10%. Acceptable match sources include in-kind donations, donated land, owner equity, building materials, loans, cash grants, or any combination of both in-kind and cash. Other sources of match may also qualify, **except for funds administered by IHCDA**.

10.8 Development Fund Activity Provisions

The Development Fund may provide loans or grants up to $500,000 per development. Development Fund grants will only be made in conjunction with special IHCDA initiatives as announced by IHCDA. Except for these special initiatives, IHCDA will only accept Development Fund applications for loans.

The Development Fund may be used for the following types of loans:

- Pre-development: to pay project pre-development expenses;
- Acquisition: to pay for purchase and closing costs for property acquisition;
- Construction: to pay for hard and soft costs of new construction and rehab projects;
- Permanent: to provide permanent financing to the project; and/or
- Bridge: financing to bridge the timing gap between project or program costs and cash from committed sources not yet available (equity).

Homebuyer projects are not eligible for permanent or bridge financing.

10.9 Loan Terms

The base interest rate for loans is 3%. The interest rate offered by IHCDA will be determined during underwriting. **Underwriting will start at 3% and make a final determination based on financial capacity. The final interest rate will not be less than 3%, but may exceed 3% based on capacity.**

10.10 Underwriting Guidelines

For more information on underwriting guidelines please see §2.4 of the Development Fund Manual. Questions about these guidelines can be directed to the IHCDA Director of Real Estate Lending.

10.11 Affordability Period/Lien and Restrictive Covenants

Rental developments will be subject to a Lien and Restrictive Covenant Agreement that must be executed against every residential property constructed, rehabilitated, or acquired, in whole or in part, with Development Fund funds. If the award is made in conjunction with HOME or CDBG funding, the development will be subject to the applicable program affordability period.

Upon occurrence of any of the following events during the affordability period, the entire sum secured by the lien, without interest, shall be due and payable by developer and/or owner upon demand. Repayment may be demanded upon: (1) transfer or conveyance of the real estate by deed, land contract, lease, or otherwise, during the affordability period; (2) commencement of foreclosure proceedings by any mortgagee (or deed in lieu of foreclosure), within the affordability period; or (3) determination that units are not being used as a residence by a qualifying tenant or not leased according to the program affordability requirements. The award recipient will be responsible for repaying IHCDA. At the end of the affordability period, if the borrower/recipient has met all conditions, the lien will be released.

10.12 Income and Rent Restrictions/Ongoing Compliance

All Development Fund-assisted units in residential developments must be income and rent restricted. If the award is made in conjunction with HOME funding or is Development Fund only, then the HOME program income and rent limits will apply. Developments with Development Fund combined with another program must follow the recertification requirements of that program.

Please note the Development Fund requires 50% of the development funds units to be at 50% or below AMI.

When Development Fund is combined with other funding sources, the audit/inspection cycle will occur based on the cycle and frequency prescribed by that program.

10.13 Determining Development Fund Assisted Units

The percentage of total development costs attributable to the Development Fund represents the percentage of units that will be considered Development Fund assisted. For example, if development costs are $2,000,000 and the applicant is requesting $500,000 in Development Fund financing, then twenty-five percent (25%) of the construction financing is via the Development Fund. As such, 25% of the units will be assisted with the Development Fund and must meet the requirements of the Development Fund program. For projects over 50 units, 10 units or 50% of the assisted units whichever is greater must be designated at or below 50% of the area median income for both income and rent limits.

10.14 Modifications

IHCDA may consider requests for changes to the characteristics of a development. **A modification fee of $500 will be imposed if loan documentation has been finalized. Additionally, a $1,500 fee will be required if any legal documents, such as the recorded Lien and Restrictive Covenant, need to be amended as a result of the request.**

Approval of modification requests is at the sole discretion of IHCDA. IHCDA must evaluate each request to see how the change would have affected original funding and underwriting of the development as well as to ensure that the proposed change will not cause noncompliance.

When submitting a modification request, please provide the following:

a. Formal written request from the Owner/Developer detailing the specific request and the reason the request is needed
b. The impact to the project in the event the modification request is not approved
c. Modification fee of $500.00 if loan documentation has been finalized
d. Updated HOME application pages that reflect changes to the original application based on the current closing projections and/or proposed modification

At its discretion, IHCDA may request additional supporting documentation.

HOME Homebuyer Application Policy

Part 1: Application Process

1.1 Overview and Funding Priorities

The purpose of this HOME Investment Partnership Program (HOME) application is to provide subsidies in the form of grants and loans to selected applicants for the acquisition, rehabilitation and/or new construction of single-family housing to serve low and moderate-income beneficiaries. Through this program, the Indiana Housing and Community Development Authority (IHCDA) seeks to improve the quality of existing housing stock in Indiana.

This program is designed to allocate HOME funds to be used for the rehabilitation and/or new construction of single-family homebuyer housing among selected applicants having developments that meet the requirements of the program and IHCDA's goals for the program.

1. Demonstrate they are meeting the needs of their specific community;
2. Serve low-income households (at or below 80% of area median income);
3. Proceed with the activity upon receipt of the award and begin construction within 12 months of receipt of the award;
4. Link the project to the revitalization of existing neighborhoods, preferably through a comprehensive approach (i.e. as part of a published and approved community revitalization plan);Advance projects that promote aging-in-place strategies for seniors, persons with disabilities, and families with seniors or persons with disabilities;
5. Propose projects that are energy-efficient and are of the highest quality attainable within a reasonable cost structure; and,
6. Propose the use of state certified Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Federal Disadvantaged Business Enterprise (DBE) Participation, Veteran-Owned Small Business (VOSB), and/or Service Disabled Veteran Owned Small Business (SDVOSB) contractors, employees, and products when applicants are planning and undertaking their housing activities.

1.2 HOME Application Forms and HOME Policy Discrepancies

In the event of a conflict or inconsistency between the HOME Homebuyer Policy and the HOME Application Form and/or Appendices, the procedures described in the HOME Homebuyer Application Policy will prevail.

1.3 Funding Round Timeline

For PY 2018, IHCDA is accepting applications under the Homebuyer policy on a rolling basis until funds are expended. If no funds are expended, the funding will be made available for eligible rental projects.

1.4 Technical Assistance

The applicant may schedule a technical assistance meeting with its regional IHCDA Real Estate Production Analyst to discuss both the proposed development and IHCDA's application process. Technical assistance may be required at IHCDA's discretion if the recipient does not have experience with IHCDA awards or if the applicant's past performance was poor. Applicants are urged to contact their Real Estate Production Analyst early in the planning process to obtain guidance and technical assistance.

1.5 Application Submission

The applicant must submit the following items to IHCDA's Real Estate Department Coordinator:

- Via IHCDA's FTP site:
  - One completed copy of the HOME application forms.
  - All supporting documents required in the tabs. Please submit this information as separate, labeled PDF documents under the required labeled tabs. Do not send one PDF containing all of the supporting documentation.
- Via hard copy:
  - One completed copy of the final application forms with original signatures.
  - Completed environmental review forms.
  - Application fee of $250.

Application fees should be made payable to IHCDA. If a check is returned for insufficient funds, the application will be denied. The application fee is non-refundable. If the applicant applies, and is certified a Community Housing Development Organization (CHDO) this check will be refunded.

Faxed applications will not be accepted.

The hard copy of the final application forms, completed environmental review forms, and application fee of $250 should be sent to:

Indiana Housing and Community Development Authority
ATTN: Real Estate Department Coordinator
RE: HOME Application
30 South Meridian Street, Suite 1000
Indianapolis, IN 46204

All applicants must retain a copy of this application package. Applicants that receive funding will be bound by the information contained herein.

IHCDA will send an email confirmation to the applicant contact within one week of submission notifying the applicant that the application was received by IHCDA. Please notify the Real Estate Department Coordinator if the applicant would like to add an additional contact person for communications regarding its application.

1.6 Application Review

Each application must address only one development. Applications are reviewed in a three step process:

Step One - Completeness	On or before the application deadline, the applicant must provide all required documents, signatures and attachments.
Step Two - Threshold	The application must meet each of the applicable threshold criteria. After initial threshold review, IHDCA staff may contact an applicant to request clarification of threshold information contained in the pending application. The applicant will have the opportunity to respond on or before the due date provided by IHCDA. If the applicant does not respond to the threshold clarification letter and therefore threshold item(s) are still in question, the application will be disqualified. Points will be awarded to those applications where no clarifications are required.
Step Three - Scoring	Applications that pass the completeness and threshold reviews are then scored according to IHCDA's published scoring criteria. After initial score review, IHCDA staff may contact the applicant for further clarification of a scoring item. Failure to respond to the requested scoring clarification items by the due date and in the manner requested may result in application denial. Supporting documentation for scoring categories will not have the opportunity to be submitted after the initial application submission.

Applications proposing homebuyer activities will be scored separately from, and will not compete with, applications proposing rental activities. An amount of funding, determined at the discretion of IHCDA, will be set aside for homebuyer projects each year. This round has a maximum of $1,000,000 available for homebuyer activities. If additional funds are available after this round that were originally reserved for homebuyer activities (either due to lack of sufficient number of homebuyer applications in general or lack of homebuyer applications meeting threshold requirements), these funds will be redirected and used for rental development.

Funded applications will be announced at the published IHCDA board meeting date. Confirmation letters and score sheets will be uploaded to the FTP site by the close of business on the day of the board meeting. Applications that are not funded will be notified by IHCDA via denial letters and final score sheets being uploaded to the FTP site by the close of business on the day of the board meeting. Applications not funded will not be rolled over into the next funding round.

1.7 HOME Past Awards

Before an Applicant can apply for a new HOME award, any other HOME awards that the applicant has received from IHCDA must be drawn by a minimum of 25% of the award's total funding amount. HOME funds awarded within the last six months (from the last day signed on the contract agreement) are exempt from this requirement.

1.8 Minimum Score Requirement

An application must score at least 55 points to be considered for funding.

1.9 IHCDA CDBG & HOME Program Manual

The IHCDA CDBG & HOME Program Manual outlines the requirements for administering IHCDA's CDBG & HOME awards. A complete copy of the CDBG & HOME Program Manual and all exhibits is available on IHCDA's website at http://www.in.gov/myihcda/2490.htm

1.10. IHCDA Waiver Policy

IHCDA will not accept waivers on underwriting, subsidy limitations, federal regulations or scoring requirements with this round.

1.11 Development Fund

Applicants may apply for the Development Fund with their HOME application. Applicants must provide documentation and explanation on an alternative source of finding if the Development Fund application is denied, or if Development Fund is not available.

More information on the Development Fund may be found in Part 10.

Part 2: Eligible Applicants

2.1 Eligible Applicants

HOME Investment Partnerships Program (HOME)	Cities, Town, and Counties (Non-HOME Participating Jurisdiction)	Community Housing Development Organizations (CHDO)	501(c)3 and 501(c)4 Not-for-Profit Organizations and PHAs	Joint Venture Partnerships	For Profit Entities organized under the State of Indiana
Homebuyer New Construction and/or Homebuyer Rehabilitation	✓	✓	✓	✓	Not eligible

Eligible applicants include cities, towns, or counties that are located within Indiana but outside of the following participating jurisdictions. Applications from, or housing activities located within, the following participating jurisdictions are NOT eligible for HOME funds:

Anderson	Gary	Muncie
Bloomington	Hammond	South Bend Consortium***
East Chicago	Indianapolis*	Terre Haute
Evansville	Lake County	
Fort Wayne	Lafayette Consortium**	

*Excluding the Marion County Cities of Beech Grove, Lawrence, Speedway, and Southport. The Town of Cumberland is excluded when the housing activity is outside of Marion County.

**Lafayette Consortium is made up of the Cities of Lafayette and West Lafayette and the unincorporated areas of Tippecanoe County. Other incorporated areas are eligible to receive assistance.

***South Bend Consortium is made up of the Cities of South Bend and Mishawaka and the unincorporated areas of St. Joseph County. Other incorporated areas are eligible to receive assistance.

2.2 Ineligible Applicants

IHCDA reserves the right to disqualify from funding any application that has an applicant, sub-recipient, administrator, preparer, or related party of any of the aforementioned, with a history of disregarding the policies, procedures, or staff directives associated with administering any IHCDA program or program administered by any other State, Federal, or affordable housing entity. This includes, but is not limited to, the Indiana Office of Community and Rural Affairs, the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Agriculture - Rural Development, or the Federal Home Loan Bank.

Additionally, any entity currently on IHCDA's suspension or debarment list is ineligible to submit an application. IHCDA's Suspension and Debarment Policy can be found in the Program Manual Chapter 17.

2.3 Religious and Faith-Based Organizations

- *Equal treatment of program participants and program beneficiaries.* (1) *Program participants.* Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the HOME program. Neither the Federal Government nor a State or local government receiving funds under the HOME program shall discriminate against an organization on the basis of the organization's religious character or affiliation. Recipients and subrecipients of program funds shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.
- *Beneficiaries.* In providing services supported in whole or in part with federal financial assistance, and in their outreach activities related to such services, program participants shall not discriminate against current or prospective program beneficiaries on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.
- *Separation of explicitly religious activities.* Recipients and subrecipients of HOME program funds that engage in explicitly religious activities, including activities that involve overt religious content such as worship, religious instruction, or proselytization, must perform such activities and offer such services outside of programs that are supported with federal financial assistance separately, in time or location, from the programs or services funded under this part, and participation in any such explicitly religious activities must be voluntary for the program beneficiaries of the HUD-funded programs or services.
- *Religious identity.* A faith-based organization that is a recipient or subrecipient of HOME program funds is eligible to use such funds as provided under the regulations of this part without impairing its independence, autonomy, expression of religious beliefs, or religious character. Such organization will retain its independence from Federal, State, and local government, and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct program funds to support or engage in any explicitly religious activities, including activities that involve overt religious content, such as worship, religious instruction, or proselytization, or any manner prohibited by law. Among other things, faith-based organizations may use space in their facilities to provide program-funded services, without removing or altering religious art, icons, scriptures, or other religious symbols. In addition, a HOME program-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.
- *Alternative provider.* If a program participant or prospective program participant of the HOME program supported by HUD objects to the religious character of an organization that provides services under the program, that organization shall, within a reasonably prompt time after the objection, undertake reasonable efforts to identify and refer the program participant to an alternative provider to which the prospective program participant has no objection. Except for services provided by telephone, the Internet, or similar means, the referral must be to an alternate provider in reasonable geographic proximity to the organization making the referral. In making the referral, the organization shall comply with applicable privacy laws and regulations.

Recipients and subrecipients shall document any objections from program participants and prospective program participants and any efforts to refer such participants to alternative providers in accordance with the requirements of §92.508(a)(2)(xiii). Recipients shall ensure that all subrecipient agreements make organizations receiving program funds aware of these requirements.

- *Structures.* Program funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for explicitly religious activities. Program funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. When a structure is used for both eligible and explicitly religious activities, program funds may not exceed the cost of those portions of the acquisition, new construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to the HOME program. Sanctuaries, chapels, or other rooms that a HOME program-funded religious congregation uses as its principal place of worship, however, are ineligible for HOME program-funded improvements. Disposition of real property after the term of the grant, or any change in the use of the property during the term of the grant, is subject to government wide regulations governing real property disposition (see 24 CFR parts 84 and 85).
- *Supplemental funds.* If a State or local government voluntarily contributes its own funds to supplement federally funded activities, the State or local government has the option to segregate the federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.

Part 3: Eligible Activities & HOME Program Requirements

3.1 Eligible Activities

This program is intended to have a long-term impact on the availability and quality of the affordable housing stock in Indiana. The program is intended for the rehabilitation and/or new construction of single-family housing for homebuyer activities. Acquisition only is not an eligible activity; however acquisition in conjunction with another activity is permitted.

- Acquisition, rehabilitation and/or new construction of single-family housing.
- If HOME funds are used for acquisition of vacant land or demolition in conjunction with another activity, then construction must commence within 9 months of the demolition or acquisition.
- Manufactured homes are eligible if they meet IHCDA's Manufactured Housing Policy or if rehabilitation will bring the unit up to these standards:
    - A single dwelling unit designed and built in a factory, installed as a permanent residence, which bears a seal certifying that it was built in compliance with the Federal Manufactured Housing Construction and Safety Standards law and which also complies with the following specifications:
        - Shall have been constructed after January 1, 1981, and must exceed nine hundred fifty (950) square feet of occupied space per I.C. 36-7-4-1106 (d);
        - Is attached to a permanent foundation of masonry construction and has a permanent perimeter enclosure constructed in accordance with the One and Two Family Dwelling Code;
        - Has wheels, axles and towing chassis removed;
        - Has a pitched roof;
        - Consists of two or more sections which, when joined, have a minimum dimension of 20' X 47.5' enclosing occupied space; and
        - Is located on land held by the beneficiary in fee-simple title or 99-year leasehold and is the principal residence of the beneficiary.
        - All other manufactured or mobile homes that do not meet the aforementioned criteria are ineligible to receive rehabilitation assistance funded by IHCDA.

3.2 Ineligible Activities

The following are ineligible activities:

- Rental housing;
- Performing owner-occupied rehabilitation;
- Permanent Supportive Housing developments except for proposed developments that have successfully completed the Indiana Permanent Supportive Housing Institute. Permanent Supportive Housing developments will also be funded through the Rental Housing Tax Credit (RHTC) program.
- Group homes;
- Creation of secondary housing attached to a primary unit;
- Acquisition, rehabilitation, or construction of nursing homes, convalescent homes, hospitals, residential treatment facilities, correctional facilities, or student dormitories;
- Rehabilitation of mobile homes;

- Acquisition, rehabilitation, refinancing, or new construction if any part of a home or its land is located within the boundaries of a 100-year floodplain. A flood determination must be provided for each parcel associated with the development;
- Acquisition, rehabilitation, or construction of any developments that will be applying for RHTC. These developments must apply for HOME funds as part of the RHTC application (also called the Qualified Allocation Plan);
- Any housing activity funded under Title VI of NAHA, prepayment of mortgages insured under the National Housing Act, public housing developments, or acquisition, rehabilitation or construction of any developments funded under HUD's former Rental Rehabilitation Program;
- Costs for supportive services, homeless prevention activities, operating expenses, or for the use of commercial facilities for transient housing;
- Acquisition, rehabilitation, or construction of transitional housing or emergency shelters that are designed to provide temporary daytime and/or overnight accommodations for homeless persons;
- Payment of HOME loan servicing fees or loan origination costs;
- Tenant-based rental assistance;
- Payment of back taxes.

In addition, IHCDA **does not** fund:

- Requests from individuals, political, social, or fraternal organizations;
- Endowments, special events, arts, or international developments;
- Scholarships requested by individuals;
- Institutions that discriminate on the basis of race, color, national origin, sex, religion, familial status, disability, sexual orientation, gender identity, or against victims of domestic violence, dating violence, sexual assault, or stalking in policy or in practice;
- Developments in furtherance of sectarian religious activities, impermissible lobbying, legislative or political activities;
- Medical research or medical profit-making enterprises.

3.3 HOME Program Requirements

The proposed HOME development must follow these minimum requirements, and all other requirements laid forth in the Program Manual, to be eligible for funding. For further details on each requirement, please see IHCDA's Program Manual at http://www.in.gov/myihcda/2490.htm.

- Recipients must comply with all regulatory requirements listed in 24 CFR Part 92.

Applicants should familiarize themselves with IHCDA's CDBG & HOME Program Manual. Requirements include, though are not limited to the following

- **Policy Requirements**:
    - Homebuyer activities must assist households at or below 80% of the Area Median Income for the county, as published by HUD and distributed by IHCDA. Households must also meet the definition of "low-income families" at 24 CFR 92.2 which limits occupancy based on certain student status rules..
- **Lead Based Paint**:

- Each recipient of a HOME award is subject to the HUD requirements of addressing lead-based paint hazards pursuant to 24 CFR Part 35. If a risk assessment is required, then all lead-based paint issues must be addressed.
- Anyone who conducts lead-based paint activities in the State of Indiana must be licensed. Licenses are issued only after an applicant has successfully completed course certification by an accredited training facility and has passed the licensing examination administered by the ISDH. A separate license is required for each of the authorized lead disciplines. All licenses must be renewed every three years by successfully completing refresher training approved by the ISDH. Activities requiring licensing include:
    - Inspection for lead-based paint
    - Risk assessment for lead hazards
    - Clearance examination following lead abatement
    - Abatement of lead-based paint
    - Project design, supervision, and work in abatement projects
- Anyone who is paid to perform work that disturbs paint in housing and child-occupied facilities built before 1978 must be EPA certified. This includes all firms, even sole proprietorships. Firms can't advertise or perform renovation activities covered by the regulation in homes or child occupied facilities built before 1978 without firm certification. Examples of the types of firms covered:
    - Residential rental property owners/managers
    - General contractors
    - Special trade contractors, including
        - Painters
        - Plumbers
        - Carpenters
        - Electricians
- Federal law requires that a "certified renovator" be assigned to each job, and that all involved individuals be trained in the use of lead-safe work practices.
    - To become a certified renovator, a person must complete a renovator training course accredited by EPA or an EPA authorized program which will teach them how to work lead safe.
    - All remaining individuals must also be trained. They can either be certified renovators (meaning they successfully completed the accredited training) or they can have been trained on the job by a certified renovator (such training must be documented and the documents must be retained).

- **Section 504:**
    - Housing must meet the accessibility requirements of 24 CFR Part 8 which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and covers multifamily dwellings, as defined in 24 CFR Part 100.201. It must also meet the design and construction requirements of 24 CFR 100.205 which implement the Federal Fair Housing Act Amendments of 1988 (42 U.S.C. 3601-3619).
- **Uniform Relocation Act:**
    - Each recipient of a HOME award is subject to the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA). See IHCDA's Program Manual Chapter 4 for guidance on the regulatory requirements of the URA, as amended, the Federal regulations at 49 CFR Part 24, and the requirements of

Section 104(d) of Title I of the Housing and Community Development Act of 1974, as amended.

- **Affirmative Marketing Procedures**
  - Rental and homebuyer housing with five or more HOME-assisted units must adopt IHCDA's Affirmative Marketing Procedures.
- **Section 3:**
  - Any recipient receiving an aggregate amount of $200,000 or more from one (1) or more of the HUD CPD programs (i.e. CDBG, HOME, NSP, HOPWA, ESG, etc.) in a program year must comply with the Section 3 requirements. Section 3 provides preference to low- and very-low-income residents of the local community (regardless of race or gender) and the businesses that substantially employ these persons, for new employment, training, and contracting opportunities resulting from HUD-funded projects.
- **Income Verification**:
  - An income verification is valid for a period of six months. If more than six months pass between income verification and contract execution/purchase agreement, then a new income verification must be completed.
- **Procurement Procedures:**
  - Each recipient of a HOME award will be required to provide proof of adequate builder's risk insurance, property insurance, and/or contractor liability insurance during construction and property insurance following construction for the assisted property throughout the affordability period of the award.
  - If the recipient of the HOME award is a Local Unit of Government, or a non-profit not acting as a developer, the recipient must follow competitive procurement procedures when procuring all materials, supplies, equipment, and construction or professional services related to the HOME award. Please note that public non-for-profits (ie Housing or Redevelopment Authorities_ and public agencies may not act as Developers and must competitively procure.
  - If the non-for-profit recipient is acting as a developer, competitive procurement standards are not required. To be considered a non-for-profit developer, the non-profit must meet the following criteria:
    - Must have site control (either through ownership or a lease) of the property;
    - Must be in sole charge of the development processes - and not just acting as a contractor, which includes:
      - Obtaining zoning and other approvals;
      - Obtaining other non-HOME financing for the project;
      - Selecting architect the, engineers, general contractors and other members of the development team; and,
      - Overseeing the progress of the work and cost reasonableness.
  - Public Housing Authorities (PHA's) using PHA funds in conjunction with IHCDA funds are subject to Davis Bacon requirements. Each recipient of a HOME award must follow competitive procurement procedures when procuring all materials, supplies, equipment, and construction or professional services related to the HOME award.
- **Environmental Review:**
  - To help facilitate timely expenditure of HOME funds, all applicants are required to submit the Environmental Review Record (ERR) and Section 106 Review at the time of application. If awarded HOME funds, the HOME recipient must receive an IHCDA

Release of Funds before the fully executed award documents are released and any funds are drawn. For more information, contact the IHCDA Placemaking Manager.
- Applicants may not purchase any property to be assisted with HOME funds, sign contracts, or begin rehab/construction until the ERR/Release of Funds process has been completed and approved.

- **Construction Standards:**

  All IHCDA-assisted units must be inspected twice during the award period. The first inspection will occur when 50% of the funds drawn for single site projects, or when half the units are complete for scattered site projects. The second inspection will be conducted upon completion of the construction for the award. Site visits during construction may be conducted to monitor progress of all projects. The IHCDA Inspector will conduct the physical inspections.
- **Match:**
  - The match requirement for the HOME program is 25% of the total amount of HOME funds requested except HOME funds used for environmental review costs (pursuant to §92.206(d)(8)), administrative and planning costs (pursuant to §92.207); CHDO operating expenses (pursuant to §92.208); capacity building (pursuant to §92.300(b)) of CHDOs; and predevelopment or seed money loans to CHDOs (pursuant to §92.301) when IHCDA waives repayment under the provisions of §92.301(a)(3) or §92.301(b)(3).
  - Labor, property, funds, or other sources of match contribution donated by the applicant to itself, or by a principal or investor in the development, are not eligible for match as defined in §92.220(b)(4).
  - All required match must be committed by the time closeout documentation is submitted.
- **Davis Bacon:**
  - Each recipient of a HOME award must follow the Davis Bacon requirements found in 29 CFR Parts 1, 3 and 5 to ensure workers receive no less than the prevailing wages being paid for similar work for the following type of projects:
  - Rehabilitation or new construction of a residential property containing twelve (12) or more HOME-assisted units; and
  - Affordable housing containing twelve (12) or more units assisted with HOME funding regardless of whether HOME funding is used for construction or non-construction activities.
  - Such properties may be one (1) building or multiple buildings owned and operated as a single development.
- **Other HOME Required Construction Standards:**
  - Units must, at a minimum, meet the stricter of the local rehabilitation standards or the Indiana State Building Code.
  - Any units utilizing gas appliances must provide carbon monoxide detectors in addition to standard smoke detectors.
  - Recipients of HOME funds must meet additional energy efficiency standards for new construction as described in 24 CFR 92.251.
- **Housing Counseling:**
  - The recipient of HOME funds must ensure that every HOME-assisted homebuyer receives housing counseling before purchasing a home. The counseling can be provided by the recipient, an organization under contract with the recipient, or a qualified third

party independent recipient (e.g., a HUD-approved housing counseling agency). The counseling should be comprehensive by including post-purchasing counseling, if feasible.

- **Selling unit to eligible buyer:**
    - Any HOME-assisted homeownership unit that has not been sold by the recipient to an eligible homebuyer within **nine months** of completion must be converted to a HOME-assisted rental unit.
    - In accordance with CPD Notice 12-003, the recipient must also execute a HOME written agreement with the homebuyer before or at the time of sale. The purpose of the agreement is to ensure that all parties are aware of the provisions related to the lien and restrictive covenant agreement and HOME requirements applicable to the HOME-assisted unit (i.e., period or affordability, principal residency requirement, etc.). The recipient will be required to use IHCDA's form of Homebuyer Recapture Agreement.
- **Meaningful Access for Limited English Proficient Persons**
    - Persons who, as a result of national origin, do not speak English as their primary language and who have limited ability to speak, read, write, or understand English ("limited English proficient persons" or "LEP") may be entitled to language assistance under Title VI in order to receive a particular service, benefit, or encounter. In accordance with Title VI of the Civil Rights Act of 1964 (Title VI) and its implementing regulations, the recipient must agree to take reasonable steps to ensure meaningful access to activities funded by federal funds by LEP persons. Any of the following actions could constitute "reasonable steps", depending on the circumstances: acquiring translators to translate vital documents, advertisements, or notices, acquiring interpreters for face to face interviews with LEP persons, placing advertisements and notices in newspapers that serve LEP persons, partnering with other organizations that serve LEP populations to provide interpretation, translation, or dissemination of information regarding the development, hiring bilingual employees or volunteers for outreach and intake activities, contracting with a telephone line interpreter service, etc.
- Recipient must follow the non-discrimination requirements of the Fair Housing Act, the Violence Against Women Reauthorization Act of 2013, and the Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity rule.

3.4 Affordability Requirements

HOME subsidized activities must be secured throughout the affordability period by a recorded lien and restrictive covenant agreement created by IHCDA. The affordability period begins after development completion. The affordability period begins on the date the activity is completed in IDIS. To be completed in IDIS, the project must be completed, completion and close out documents submitted and approved, final monitoring is completed and, when any findings or concerns are resolved, all of the funds are drawn and/or de-obligated. For more information, see IHCDA Program Manual, Lien and Restrictive Covenants & Affordability Requirements Chapter 15.

The following affordability periods apply to all HOME homebuyer activities:

Amount of HOME subsidy per unit:	Affordability Period
Under $15,000	5 years
$15,000 - $40,000	10 years
Over $40,000	15 years

Amount of HOME subsidy per unit:	Affordability Period
or any rehabilitation/refinance combination activity	

Annual Certification of Compliance:

In order to ensure compliance with the Affordability Period and principal place of residency requirements of the HOME Program for HOME-assisted homebuyer units, the recipient must submit a “Homebuyer Activity Annual Certification of Compliance” annually throughout the Affordability Period. Confirmation that the buyer is using the property as his or her principal residence can often be accomplished by verifying that the buyer’s name appears on utility company records and/or insurance company records for the home. In addition, postcards or letters mailed with “do not forward” instructions can demonstrate whether the buyer is receiving mail at the home.

This will require the recipient to certify compliance to IHCDA annually, under penalties of perjury, for each year of the Affordability Period. The recipient must certify that each home/homeowner assisted with HOME funds under this Award meets the affordability requirements. This will require the recipient to request each homeowner to sign the “Exhibit A: Principal Place of Residency Certification.”

The “Homebuyer Activity Annual Certification of Compliance” is due on or before January 31st of each year and will certify information for the preceding twelve (12) month period. The first annual owner certification is due by January 31st of the year following closeout date (i.e. the first year of the affordability period) of this Award.

A complete submission includes the Certification, Exhibit A, and Exhibit B. The “Homebuyer Activity Annual Certification of Compliance” and related exhibit forms are made available on the compliance and asset management page of IHCDA’s website at http://www.in.gov/myihcda/2342.htm. IHCDA will not send these forms to the recipient annually. Rather, it is the responsibility of the recipient to download the necessary forms and to contact IHCDA if there are any questions or concerns.

If the annual certification is not submitted for the Award by the January 31st due date, IHCDA will contact the recipient with a reminder letter. Failure to submit reports by the deadline will result in a $100 late fee. This fee will be requested in the reminder letter sent by IHCDA.

Repeated failure to submit reports or to comply with requests for reports could result in repayment of HOME funds associated with these home-assisted homebuyer units or suspension or debarment of the recipient. For more information on IHCDA’s suspension and debarment policy, refer to Chapter 17 of IHCDA’s Program Manual.

3.4 Homebuyer Resale Provisions

Applicants are encouraged to structure homebuyer projects to include a direct subsidy which can be achieved by reducing the sales price below the fair market value of the property. IHCDA does not recommend the use of resale provisions due to the risks associated with foreclosure, non-compliance and the administrative burdens associated with ensuring a fair return.

When a homebuyer property is constructed, redeveloped, rehabilitated, or acquired, in whole or in part, with HOME funds and the HOME funds are provided to the homebuyer property in the form of a development subsidy and there is no homebuyer subsidy the recipient must implement resale requirements. A direct homebuyer subsidy consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidizes the purchase ("homebuyer subsidy"). The development subsidy consists of the difference between the cost of producing the unit and the market value of the property.

There are two different consequences that may be associated with a resale provisions (1) the resale provision can be triggered and its requirements must be met (as described below) or (2) an event of non-compliance can occur (as described further below).

The resale provisions are triggered if any of the following occur during the Affordability Period:

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

The resale provision requires that the property:

1. Be marketed to families at or below 80% AMI;
2. Be resold to another individual or family whose income is at or below 80% of the area median income;
3. Be occupied by that individual or family as its primary residence for the remainder of the Affordability Period;
4. Be resold at a price that does not exceed 29% of the reasonable range of low income buyer's income towards the principal, interest, taxes and insurance for the property on a monthly basis ("Affordable Price"); and
5. Be affordable for a reasonable range of low income families between 50% and 80% of the median area income for the geographic area published annually by HUD.

The homebuyer is entitled to a fair return on its investment (as described below) upon the sale of the property. The fair return will be based on the percentage change in the Consumer Price Index for All Urban Consumers Owners' Equivalent Rent of Primary Residence category in Table I of the CPI Detailed Report (the "CPI Index") during the period of the homebuyer's ownership of the property. Accordingly, the CPI Index during the month the residence was completed (the month during which the completion reports were received by and approved by IHCDA) will be compared to the CPI Index during the month the homebuyer sells the residence to determine the percentage of the return. This percentage will be multiplied by the homebuyer's investment. Here is an example:

Original sales price = $100,000

Initial homebuyer investment = $5,000
Capital investment = $9,000
Percentage change in CPI = 3.5%

($5,000 + $9,000) x 3.5% = $490 fair return
$5,000 + $9,000 + $490 = $14,490 total return to original homebuyer at sale

$100,000 + $14,490= maximum allowable subsequent sales price.

The homebuyer's investment will include any down payment, plus any capital improvements. A capital improvement is any property enhancement that increases the overall value of the property, adapts it to new uses, or extends its life such as: adding windows, insulation, a new drive way, a new furnace, a garage, bedroom, new roof, remodeling kitchen, etc. Any capital improvement will be valued based on actual cost as documented by the homebuyer's receipts submitted to, and approved by IHCDA. Generally, replacing worn or dated components such as appliances or carpet would not be considered an improvement that adds value or adapts it to new uses. In certain circumstances, such as a declining housing market where home values are depreciating, the homebuyer may not receive a return on his or her investment because the home sold for less or the same price as the original purchase price and a loss on investment may constitute a fair return.

IHCDA will provide HOME assistance to the subsequent homebuyer to ensure that the original homebuyer received a fair return and that the unit is affordable to the defined low-income population.

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

Non-Compliance - Occurs during the Affordability Period when an owner (1) vacates the unit or rents the unit to another household, (2) sells the unit to a buyer that is not income-eligible, (3) sells the unit to a buyer that will not agree to use the property as its principle residence for the remainder of the Affordability Period (will not sign a lien and restrictive covenant agreement), or (4) does not sell it to the buyer at a reasonable price. In the event of noncompliance, the recipient must repay the entire amount of HOME funds invested in the housing.

Under resale guidelines the Affordability Period is based upon the total amount of HOME funds invested into the property and this is the amount that would need to be repaid by the recipient in the event of non-compliance or foreclosure that occurs during the affordability period.

Applicants are encouraged to structure homebuyer projects to include a direct subsidy which can be achieved by reducing the sales price below the fair market value of the property. IHCDA does not recommend the use of resale provisions due to the risks associated with foreclosure, non-compliance and the administrative burdens associated with ensuring a fair return.

3.6 Homebuyer Recapture Guidelines

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

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

The recapture provisions are triggered if any of the following occur during the Affordability Period:

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

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

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

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

If there is both a development subsidy and a direct homebuyer subsidy or just a direct homebuyer subsidy, a recapture provision must be implemented. In cases where a direct homebuyer subsidy was not provided and there is only a development subsidy, resale restrictions must be executed on the property.

Under recapture guidelines the Affordability Period is based upon the total amount of the direct homebuyer subsidy that the homebuyer received in HOME funds. A direct homebuyer subsidy consists of any financial assistance that reduces the purchase price from fair market value to an affordable price, or otherwise directly subsidizes the purchase (e.g., down-payment or closing cost assistance, subordinate financing).

Non-Compliance - Occurs during the Affordability Period when any of the following occur: 1) the original homebuyer no longer occupies the unit as his or her principal residence (i.e., unit is rented or vacant), or 2) the home was sold during the Affordability Period and the recapture provisions were not enforced. In the event of noncompliance, the recipient must repay the entire amount of the HOME funds invested in the property. Net Proceeds (“as defined above”) and the Forgiven Ratio (“as defined above”) are not applicable when there is a non-compliance.

Part 4: CHDO

4.1 IHCDA CHDO Set-Aside
IHCDA must allocate at least 15% of its HOME funds for CHDO developments.

4.2 CHDO Eligible Activities
For this round, single-family homebuyer housing is considered a CHDO-eligible activity for purposes of the CHDO set-aside as long as the activity takes place within the CHDO's state-certified service area and the CHDO develop the homeownership activity. As Developer, the CHDO must solely own the property in fee simple during the development period. The CHDO must further arrange financing for the development and be in sole charge of construction.

4.3 CHDO Program Requirements
CHDOs must adhere to all HOME requirements listed in this Application Package and the additional CHDO specific program requirements:

- Applicants that would like to apply as a CHDO must apply for CHDO certification at the time of submitting a HOME application. The CHDO application can be found as a separate document on the IHCDA website here: http://www.in.gov/myihcda/2541.htm. The CHDO application must be submitted at the same time as submittal of the HOME application.
- Treatment of Program Income by a CHDO:
    - CHDOs receiving loan repayments back from homebuyers during the affordability period may retain these funds. The funds must be utilized for housing activities that benefit low-income families as provided in 24 CFR 92.300(a)(2). However, if at any time during the affordability period, the CHDO becomes decertified or no longer has a mission of providing affordable housing then all CHDO proceeds must immediately be remitted to IHCDA. Additionally, funds recaptured because housing no longer meets affordability requirements are not considered CHDO proceeds and are subject to the requirements of 24 CFR 92.503(b) and must be returned to IHCDA. Please contact your Compliance Monitor for further assistance in this area.
- An application for a CHDO eligible undertaking must demonstrate the following:
    - Low- and moderate-income persons have had the opportunity to advise the CHDO in its decision regarding the design, site, development, and management of the affordable housing undertaking.
    - Certify that the organization continues to meet the definition of a CHDO by being a certified CHDO by IHCDA.
    - Complete the CHDO related sections in the HOME 2016 FY Application Forms.
- Homebuyer provision for CHDO-eligible activities: HOME funds may be provided as a homebuyer deferred payment or forgivable loan and must carry a 0% interest rate and the term must not exceed the affordability period. The Single Family proforma that is submitted to IHCDA at set-up must include:
    - The affordable payment (principal, interest, taxes, insurance, and utilities) must have a front-end ratio of 29% of gross income.
    - Applicants should not allow a mortgage payment that exceeds the back-end affordable payment ratio calculated at 41% of gross monthly income.

- If the activity is for new construction, at least $50 per month must be budgeted for property taxes, unless documentation is provided that indicates that taxes will be lower than this amount.
- Applicants must include a utility allowance between $125 and $200, unless documentation is provided that indicates utilities will be lower than this amount.
- Donations toward a home must be counted at 100% of the value; however, in the financial analysis 75% of this value must be counted toward either development and/or homebuyer subsidy. But if including a developer fee this is not eligible and 100% of the value must be counted.

4.4 CHDO Operating Supplement

CHDOs may apply for supplemental funds in the HOME application forms. A CHDO may not receive CHDO operating supplement funds in an amount to exceed $50,000 within oneprogram year.

Eligible costs include:

- Accounting Services/Audit
- Communication Costs
- Education/Training
- Equipment/Software
- Insurance
- Lead-Based Paint Equipment
- Legal Fees
- Postage
- Professional Dues/Subscriptions
- Rent
- Staff Salary/Fringe
- Taxes
- Travel
- Utilities

CHDOs can be eligible for a second year of CHDO Operating Support. CHDOs funded within the past 12-24 months for a HOME project can apply for additional supplemental operating support of up to $25,000, if they have met the following criteria:

- Have begun construction within the first 12 months of the executed agreement with IHCDA;
- Have drawn a minimum of 25% of the IHCDA housing development award;
- Have drawn 100% of the original CHDO Operating Support award.

CHDO Operating Support cannot exceed to greater of $50,000 within one program year.

4.5 CHDO Predevelopment and Seed Money Loans

CHDOs are eligible for development specific predevelopment or seed money loans. Applicants may request up to $30,000 in loans for special project-specific pre-development expenses. All loans may not exceed customary and reasonable project preparation costs and must be repaid from construction loan proceeds or other program income. The CHDO must apply for the predevelopment or seed money through a separate application process. Please contact your Real Estate Production Analyst for more details.

Part 5: Subsidy Limitations & Eligible Activity Costs

5.1 Subsidy & Budget Limitations

The maximum request amount per application is $500,000 for homebuyer activities.

Subsidy Limitations

HOME funds used for acquisition, rehabilitation, new construction, program delivery, relocation, rent-up reserve, and developer's fee combined cannot exceed $40,000 per unit.

Minimum amount of HOME funds to be used for rehabilitation or new construction is $1,001 per unit.

Budget Limitations

- All subsidies must be secured throughout the affordability period by a written, legally binding, recorded restrictive covenant.
- HOME funds budgeted for developer's fee cannot exceed 15% of the HOME award.
- HOME funds budgeted for soft costs and environmental review, or soft costs, environmental review and developer's fee together cannot exceed 20% of the HOME award.

5.2 Form of Assistance

HOME funds will be awarded to the recipient in the form of a grant or loan. Award documents must be executed in order to access funds and may include, but are not limited to: award agreement, resolution, and a lien and restrictive covenant agreement.

The applicant may then provide the HOME award as a forgivable, amortized, or deferred loan to as many other entities as they choose, known as subgrantees (beneficiaries if a homebuyer award). However, subgrantees must be identified in the application and approved by IHCDA.

A title company is required to be used for all loans that occur between the IHCDA recipient and the beneficiary or subgrantee of the program. For example, an IHCDA recipient providing funds for a homebuyer activity must use a title company when the loan is made to the homeowner. Another example is when an IHCDA recipient is assisting a property that that it does not own. When the loan is made from the IHCDA recipient to the subgrantee, a title company must be used.

The IHCDA recipient must execute a promissory note, mortgage, lien and restrictive covenant agreement, security agreement, UCC Financing Statement(s), and other documents as directed by IHCDA in order to secure IHCDA's investment in the assisted property. The recipient is required to deliver these documents to the county recorder's office for recording. These documents will be reviewed during monitoring visits.

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

5.3 Eligible Activity Costs

The bolded items listed below are included in the application budget. If you have a question about which line item an expense goes under, contact your IHCDA Real Estate Production Analyst.

ACQUISITION – Limited to the purchase price and related costs associated with the acquisition of real property. Recipients must use a title company when purchasing or selling assisted properties.

DEMOLITION – Costs associated with the demolition and clearance of existing structures.

DEVELOPER'S FEE – Developer's fees are only available with HOME funded activities and cannot exceed 15% of the HOME award. Additionally, the total of developer's fee, soft costs, and environmental review cannot exceed 20% of the HOME request.

DOWN PAYMENT ASSISTANCE – Down payment assistance may include closing costs, principal reduction, or interest rate buy-downs provided to program participants, or any assistance that reduces the purchase price from the fair market value to an affordable price.

ENVIRONMENTAL REVIEW – This line item includes expenses associated with the NEPA compliance Environmental Review, which is a requirement of the Release of Funds process. This does not refer to a Phase I Environmental Assessment. Those expenses should be included in the Program Delivery line item. This line item along with developer's fee, program delivery, and administration cannot exceed 20% of the HOME request. Eligible costs for this line item are generally between $2,000 and $5,000 and include professional services, publication costs, photocopying, and postage. For further information regarding this activity, please read the Environmental Review Guide found in Chapter 11 of the IHCDA CDBG & HOME Program Manual.

HOMEOWNERSHIP COUNSELING – Costs associated with formal training provided to prospective homebuyers. This item is limited to $1,000 per homebuyer. This line item applies to homebuyer developments only.

Eligible costs include:

- Course material development
- Credit reports
- Income verification
- Intake
- Loan processing
- Marketing and advertising
- Postage
- Professional services
- Program management
- Related travel
- Training location
- Underwriting

LEAD HAZARD TESTING – Costs associated with lead hazard testing includes Risk Assessment, Clearance Test, etc. The limits for this line item are $1000 per unit.

NEW CONSTRUCTION – Eligible costs include:
- Hard costs associated with new construction activities;
- Utility connections including off-site connections from the property line to the adjacent street;
- Site work related to driveways, sidewalks, landscaping, etc.
- Related infrastructure costs - improvements to the development site that are in keeping with improvements of surrounding, standard developments. Site improvements may include on-site roads and water and sewer lines necessary to the development
- Stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners

SOFT COSTS – Soft costs are those costs that can be directly tracked by address. They include soft costs and client-related costs that are reasonable and necessary for the implementation and completion of the proposed activity. This line item along with administration and environmental review or developer's fee and environmental review cannot exceed 20% of the HOME request.Recipients are allowed to draw down this line item as costs are incurred. Additionally, program delivery may be used to pay off a HOME CHDO Predevelopment or CHDO Seed Money loan but may not exceed the 20% line item cap.

Eligible costs include:
- Appraisals
- Builders risk insurance
- Building permits
- Client in-take / Income verification
- Closing costs paid on behalf of homebuyer
- Consultant fees
- Cost estimates
- Credit reports
- Demolition permits
- Engineering/Architectural Plans
- Impact fees
- Inspections
- Legal and accounting fees
- Other professional services
- Phase I Environmental Assessments
- Plans, specifications, work write-ups
- Private lender origination fees
- Realtor fees
- Recording fees
- Title Searches
- Travel to and from the site Lead hazard testing
- Utilities of assisted units

REHABILITATION – Eligible costs include:
- Hard costs associated with rehabilitation activities
- Lead-based paint interim controls and abatement costs
- Mold remediation
- Site work related to driveways, sidewalks, landscaping, etc.
- Stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners
- Utility connections and related infrastructure costs - off-site connections from the property line to the adjacent street are eligible when it is deemed a threat to health and safety. Improvements to infrastructure when there will be no rehabilitation work done on the actual house to be served

RELOCATION - This includes relocation payments and other relocation assistance for permanently and/or temporarily relocated individuals, families, businesses, not-for-profit organizations, and farm operations where assistance is required and appropriate. Relocation payments include replacement housing payments, payments for moving expenses, and payments for reasonable out-of-pocket expenses for temporary relocation purposes. For additional information on relocation and displacement, please refer to the information provided in the IHCDA's Program Manual Chapter 4.

RETAINAGE POLICY - IHCDA will hold the final $5,000 of an award until all match documentation, closeout documentation, and completion reports are received and approved. Closeout documentation will not be approved until the final monitoring and inspection is completed and all associated findings and/or concerns are resolved.

5.4 Ineligible Activity Costs

- Annual contributions for operation of public housing
- Commercial development costs **-** All costs associated with the construction or rehabilitation of space within a development that will be used for non-residential purposes such as offices or other commercial uses. This does not include the common area used by tenants of rental property or the leasing office of the apartment manager. HOME awards cannot be used to underwrite any portion of commercial development costs. The expenses incurred and income to be generated from commercial space must be reported in a separate "Annual Expense Information" sheet and 15-year proforma.
- Costs associated with any financial audit of the recipient.
- Costs associated with preparing an application for funding through IHCDA
- Cost of supportive services
- General operating expenses or operating subsidies
- Loan guarantees
- Mortgage default/delinquency correction or avoidance
- Providing tenant based rental assistance
- Purchase or installation of equipment, furnishings, tools, or other personal property that is not an integral structural feature, such as window air conditioner units or washers and dryers.
- Purchase or installation of luxury items, such as swimming pools or hot tubs

5.5 Program Income

Income generated by CHDOs acting as owners, sponsors or developers of HOME units may be retained by the CHDOs but it must be used for housing activities that benefit low-income families as provided in 24 CFR 92.300(a)(2). However, funds recaptured because housing no longer meets affordability requirements are not considered CHDO proceeds, are subject to the requirements of 24 CFR 92.503(b) and must be returned to IHCDA.

Income generated by not-for-profits or for-profits, acting as developers of HOME units, may be retained by the developer and is not subject to HOME Program requirements.

Additionally, all legal documents, such as mortgages, security agreements, UCC financing statements, and liens executed by the IHCDA recipient, beneficiary, or subrecipient receiving assistance, must be recorded at the county recorder's office. These documents must be submitted to IHCDA at closeout along with the IHCDA recipient's completion reports and will be reviewed during monitoring visits conducted by IHCDA staff.

Part 6: Homebuyer Requirements

The purpose of this activity is to provide funding to improve the quality of housing stock while making it affordable for homebuyers. Funding is available for the acquisition, rehabilitation and new construction of housing that will be sold to income-eligible homebuyers.

6.1 Eligible Beneficiaries

Each household must have an annual income equal to or less than 80% of the area median family income (adjusted for household size) at the time the contract to purchase the home is signed. The Section 8 definition of household income applies. See the CDBG, HOME and HTF Program Manual for instructions on calculating and verifying household income. Households must also meet the definition of "low-income families" at 24 CFR 92.2 which limits occupancy based on certain student status rules.

To be eligible for homebuyer activities, the prospective purchaser beneficiary must be low-income and must occupy the property as a principal residence upon purchase.

The purchasing household must be low-income at either:

- In the case of a contract to purchase existing housing, at the time of purchase; or
- In the case of a contract to purchase housing to be constructed, at the time the contract is signed.

6.2 Affordability Periods and Resale/Recapture Requirements

All homebuyer developments are subject to an affordability period as defined in Part 3.4 of this document.

The recipient must implement resale or recapture provisions through a recorded lien and restrictive covenant agreement as described in Parts 3.5 and 3.6 of this document.

6.3 Homebuyer Provisions

- All new construction homebuyer units must meet the "visitability" standard (see below). In addition, all units shall be made accessible upon the request of the prospective buyer.
    - Visitability is defined as design concepts that allow persons with mobility impairments to enter and stay, but not necessarily live, in a residence. There are three specific design elements that must be incorporated to satisfy the visitability mandate:
        - Each unit must contain at least one zero-step entrance on an accessible route. This can be any entrance to the unit;
        - All main floor interior doors (including bathroom doors and walk-in closets) in each unit must provide at least at least 31 ¾ inches of clear opening width; and
        - Each unit must contain at least one half or full bathroom on the main level that is accessible per ICC A117.1.Section 1004.11.
- Recipients will be required to provide an "after rehab" or "construction value" appraisal; whichever is appropriate, from a licensed appraiser for all property assisted with the award with the first draw that includes hard costs. If the applicant is acquiring property, an "as-is" appraisal

is required with the first draw request for acquisition reimbursement. See IHCDA's Program Manual for details.

- Applicants also performing rehabilitation on the housing in this activity must purchase:
  - Homebuyer residential units, or
  - Rental units that have been vacant for three or more months.

  See the IHCDA's Program Manual for further guidance.
- According to 24 CFR 92.254(a)(2) in the case of acquisition of newly constructed housing or standard housing, the property must have a purchase price that does not exceed the Homeownership Values as determined by HUD. The HOME-assisted housing unit must be occupied as the homebuyer's principal residence throughout the affordability period.
- Recipients are required to identify and qualify homebuyers prior to acquiring and beginning construction on the HOME-assisted units; however, HOME-assisted units are not considered completed until occupied by an income eligible homebuyer. The Developer Fee cannot be claimed until the unit is occupied by an eligible applicant, and the paperwork is submitted and approved by IHCDA staff.
- Subsidy analysis must be based on a borrower's payment for a minimum of a 20-year mortgage.
- The recipient may not charge servicing, origination, processing, inspection, or other fees for the costs of providing homeownership program assistance.
- If the not-for-profit applicant anticipates selling the HOME-assisted unit to a buyer that will utilize an FHA or VA insured mortgage, they may be required to first be approved by HUD to be a secondary lender. Information on how to become a HUD-approved lender can be obtained at HUD's website or by calling the HUD's Atlanta Homeownership Center toll free at (888) 696-4687 ext. 2055.
- Homebuyer units that are multi-family (four or less units) must meet all program requirements. The owner must be income qualified (income from the rental units must be included). The occupants of the rental units must also be income qualified and impose all rental requirements.
- Any HOME-assisted homeownership unit that has not been sold by the recipient to an eligible homebuyer within nine months of completion of construction or rehabilitation (meaning all necessary title transfer requirements and construction work has been performed and the housing unit complies with the property standards as evidenced by a final inspection) must be converted to a HOME-assisted rental unit subject to all compliance requirements of HOME-assisted rental housing in accordance with 24 CFR 92.252

6.6 Market Assessment Guidelines for Homebuyer Projects

The following market assessment guidelines must be followed for any homebuyer development. The numbers submitted should accurately reflect the market feasibility of the proposed activity.

MARKET AREA – Describe the market area from which the majority of the development's homebuyers are likely to come and provide a map with a scale. Describe how the market area was determined to be appropriate for the development.

SOCIOECONOMIC PROFILE AND TRENDS – Describe the trends in population and households by age and income and estimate the number of eligible homebuyers for the development.

HOUSING STOCK – Describe the existing housing stock within the market area including the number of housing units, type (single family or multifamily), percent vacant, percent owner-occupied and renter-occupied, etc. In addition, provide a list of all other rent restricted properties in the market area and indicate whether they are age restricted.

CAPTURE RATE AND ABSORPTION PERIOD – Provide an estimate of the capture rate for the development (project's units divided by the number of eligible homebuyers from the market area), and estimate the absorption period to ensure the sale of all units within nine months of construction completion.

NEEDS ASSESSMENT – Describe how the development addresses the community's housing needs, given the market area's socioeconomic profile, trends, and housing stock.

DEVELOPMENT SITE DESCRIPTION – Explain how the site is adequate in size, exposure, and contour to accommodate the number and type of units proposed. In addition, describe whether there are adequate utilities (water, sewer, gas, and electricity) to accommodate the development.

Part 7: Completeness & Threshold Requirements

Each proposed development must satisfy the Federal requirements of the HOME program and any additional requirements established by IHCDA. To be considered for funding, an applicant must meet all of the completeness and threshold requirements listed below.

7.1 Completeness Requirements

- Timeliness – All documentation must be turned in by the application due date.
    - On or before the application deadline, the applicant must provide all documentation as instructed in this application policy as well as required documentation listed in the HOME Application Form.
    - If IHCDA requests additional information from the applicant, all requests are due on or before the date provided by IHCDA staff.
    - Any forms that are late will be denied review and will be sent back to the applicant.
- Responsiveness – All questions must be answered and all supporting documentation must be provided.
    - The applicant must provide all documentation as instructed in this application policy as well as required documentation listed in the HOME Application Forms.
    - The applicant must provide all documentation as requested (i.e. uploaded or hard copies, labeled correctly, etc.)
    - Required signatures must be originally signed.

7.2 Threshold Requirements

Completeness	Location
Application and Supporting Documents • Submit two copies of fully-completed HOME Homebuyer application, one as an Excel file and one as a searchable PDF. • Submit all required supporting documents via the IHCDA Syncplicity Site. Mail one complete original copy of the signed application and the signed Environmental Review Record (ERR) to IHCDA by the application deadline. Do not submit paper copies of any other supporting documents.	Syncplicity site and mailed to IHCDA
Threshold	**Location**
SAM Registration • Submit a copy of the applicant's System of Award Management (SAM) registration. https://www.sam.gov/portal/SAM/#1	Tab A_SAM Registration
Debarment Information • Submit a copy of the debarment information for each development team entity identified in the application.	Tab B_Debarment

Grievance Procedures • Submit applicant's Grievance Procedures. Grievance Procedures must address (1) how grievances will be submitted, (2) who will review them, (3) timeframe for the review, and (4) the appeal process.	Tab C_Grievance Procedures
Market Need • HUD requires that IHCDA certify that there is adequate need for each home based on the neighborhood's housing market. In order to help make this determination please answer all of the questions in the Market narrative in the application. Attach any relevant support material such as market studies, planning documents, and maps.	Tab D_Market Need
Home-Assisted Households at or Below 80% AMI • Commit to assisting households at or below 80% of the area median income for the county.	Application
Not-for-Profit Applicant Documentation (if applicable) • Submit an IRS determination letter for 501(c)3 status. • Provide a copy of the Certificate of Existence from the Indiana Secretary of State to provide proof that the organization is in good standing. •	Tab E_Not-for-Profit
Audited Financial Statements • Submit the most recent copy of audited financial statements.	Tab F_Capacity
Local Unit of Government Notification • Provide a copy of notification letter sent to local unit of government. • Provide proof of delivery of local government notification letter, either an email read receipt or a mail delivery receipt.	Tab G_Local Support
Owner Authorization (if applicable) • If the applicant is different from the owner of the development, provide a letter from the owner authorizing the applicant to apply for funding for the owner's property.	Tab H_Notifications

Administrator Documentation (if applicable)
• If the applicant has hired an administrator to administer the award, please provide documentation demonstrating that the administrator has been properly procured using the Competitive Negotiation (RFP) Procedure.
  • Submit a copy of the Request for Proposals (RFP).
  • Submit the published advertisement that was put in a general circulation newspaper for the RFP.
  • Submit a copy of the signed contract between applicant and administrator.
	Tab I_Administrator

Previous HUD or USDA-RD Funding • If development received funding directly from HUD or Rural Development, the applicant must send a notification letter to the appropriate HUD or Rural Development Office and provide proof of sending.	Tab H_Notifications

Homebuyer Identification • All homebuyers must be identified prior to application. Submit the Client Intake Form identifying each income eligible homebuyer. Please note, any HOME-assisted homeownership unit that has not been sold by the recipient to an eligible homebuyer within nine months of completion of construction or rehabilitation (meaning all necessary title transfer requirements and construction work has been performed and the housing unit complies with the property standards as evidenced by a final inspection) must be converted to a HOME-assisted rental unit subject to all compliance requirements of HOME-assisted rental housing.	Tab J_Homebuyer Identification
Visitability Mandate • Any development involving the new construction of single family homes, duplexes, triplexes, or townhomes must meet the following visitability mandate. Visitability is defined as design concepts that allow persons with mobility impairments to enter and stay, but not necessarily live, in a residence. There are three specific design elements that must be incorporated to satisfy the visitability mandate: • Each unit must contain at least one zero-step entrance on an accessible route. This can be any entrance to the unit; • All main floor interior doors (including bathroom doors and walk-in closets) in each unit must provide at least at least 31 ¾ inches of clear opening width; • Each unit must contain at least one half or full bathroom on the main level that is accessible per ICC A117.1.Section 1004.11.	Application
Site Map and Photos • Submit a clear, colored, site map • Submit clear, colored site photos including views from all cardinal directions.	Tab K_Site Map
Title Search • Submit evidence of clear title with a title insurance commitment, title search documentation, or an attorney's opinion letter.	Tab L_Readiness
Construction Cost Estimate • Submit detailed construction cost estimate for the development.	Tab L_Readiness
Site Control • Submit a purchase option or purchase agreement that expires no less than 30 days subsequent to the award announcement date.	Tab L_Readiness
Unit Plans • Submit unit plans that include the square footage for each type of unit.	Tab L_Readiness

Environmental Review • Submit completed environmental review forms. Instructions and forms can be found in Chapter 11 of the IHCDA CDBG & HOME Program Manual. • A FIRM floodplain map must be submitted with each parcel identified on the map. (Any property located in any variation of zone "A" on the map is ineligible for funding). **HUD requires official FEMA maps – third-party maps, even those created using FEMA data, are ineligible. If a FEMA map is not available for an area, the applicant must submit a printout or screenshot of the FEMA website documenting that no map is available. In this specific instance, the applicant may submit a DNR map in place of a FEMA map.** Maps may be downloaded from the FEMA website here: https://msc.fema.gov/portal.	Tab M_Environmental Review
Affirmative Fair Marketing Plan (if applicable) • In accordance with 24 CFR 200.620 and 24 CFR 92.351 (a), the recipient must adopt an Affirmative Fair Housing Marketing Plan for rental and homebuyer developments containing five or more HOME-assisted housing units. Submit form HUD 935.2A.	Tab N_Fair Housing
Development Fund • Developments requesting a Development Fund loan must designate at least 50% of the Development Fund-assisted units for households at or below 50% AMI with the remaining Development Fund-assisted units designated for households at or below 80% AMI.	Application
Funding Committed Prior to Application • All other development funding, including AHP funds, must be committed prior to submitting an application for HOME funding to IHCDA. Please complete the sources and uses tab in the application. • If the project is utilizing funding committed more than one year prior to the application due date please provide a letter confirming that the funds are still available and accessible to the applicant.	Application
Letters of Commitment • Submit signed letters of commitment for all funding sources with funding terms and amounts. This includes Deferred Developer Fee.	Tab O_Financial Commitments
CHDO Operating Supplement • If applying for a CHDO Operating Supplement, fill out Section F of the Sources and Uses tab and the CHDO Operating Supplement tab in the Application Forms.	Application
Homebuyer Proforma • Complete Homebuyer Proforma tab in the IHCDA HOME Homebuyer Application Forms.	Application

Match Requirement
• The match requirement for the HOME program is 25% of the total amount of HOME funds requested minus administration costs and environmental review costs. Match must be committed prior to submitting an application for HOME funding to IHCDA.
    ○ Submit the relevant sections of the Match Spreadsheet.
    ○ Submit letters of commitment for each source of Match.
	Tab O_Financial Commitments

Universal Design Features	Application
• Applicants must adopt a minimum of two universal design features from each universal design column below. Features found in Column A are regarded as being of high cost and/or high burden of inclusion to the development. Features found in Column B are regarded as being of moderate cost and/or moderate burden of inclusion to the development. Features found in Column C are regarded as being of low cost and/or low burden of inclusion to the development. By columnizing such features, IHCDA encourages applicants to diversify their universal design portfolio to the greatest extent possible.	

Universal Design Features		
Column A	**Column B**	**Column C**
Front loading washer and dryer with front controls, raised on platforms or drawers in each unit or all laundry facilities	At least one entrance to the ground floor of a unit shall be on a circulation path from a public street or sidewalk, a dwelling unit driveway, or a garage. That circulation path shall be a ramp or sloped walking surface. Changes in elevation shall not exceed ½" (All one & two family dwellings only)	Audible and visible smoke detectors in each unit
Walk-in Bathtub or shower with a folding or permanent seat (Senior Living Facilities 10% of the units, and 5% of the units for non-senior)	In kitchens, provide pull out shelves or Lazy Susan storage systems in base corners cabinets	Light switches located 48" maximum above the finished floor in each unit
Range/oven with controls located to not require reaching over burners in 10% of the units	All interior doors shall have a minimum clear width opening of 31-3/4"	Lighting controls are rocker, or touch sensitive control
Wall oven with 27" minimum knee clearance under the door in the open position and controls 48" maximum above the floor in 10% of the units	Adjustable height shelves in kitchen wall cabinets in each unit	Over bathroom lavatories, mirrors with the bottom edge of the reflecting surface 40 inches maximum above the floor or a tilt mirror that provides a similar view in each unit

Toilets that meet the provisions for location, clearance, height and grab bars in 2009 ICC A117.1 Section 604.5 in one bathroom in each unit	Where provided, telephone entry systems shall comply with ANSI.SASMA 303.-2006, Performance Criteria for Accessible Communication Entry Systems	Lever handle faucets on lavatories and sinks in each unit
Provide an accessible route from the garage into the dwelling in 10% of the units with attached private garages	Provide one of the following in one bathroom within each unit: 1. Adjustable height shower head that allows for a shower head to be located below 48" above the tub or shower floor; or 2. Hand-held showerhead with a flexible hose 59" minimum in length	Full length mirrors with the bottom of the reflecting surface lower than 36" and top to be at least 72" above the floor in each unit
Detectable Warnings at curb cuts throughout the development in accordance with 2009 ICC A117.1 Sections 406.13 and 705	Remote control heating and cooling in each unit	Where provided, signage identifying unit numbers shall be visual characters, raised characters and braille
Side by side refrigerators in each unit	In the kitchen, provide a 30" x 48" clear floor space adjacent to the sink, dishwasher, cooktop, oven, refrigerator/freezer and trash compactor	Where room lighting is provided, provide remote controls or motion sensor controls
Where private garages are provided, automatic garage door openers on the garage doors	At least one section of the counter or a pull out surface shall provide a work surface with knee and toe clearances in accordance with ICC A117.1 Section 1003.12.3	Bathtub/shower controls located 48" maximum above the tub floor in each unit
Provide in the kitchen a sink and a work surface in accordance with ICC A117.1 Sections 1003.12.3.2 and 1003.12.4.2 in 10% of the units	Built in microwave with an adjacent clear floor space and controls located 48" maximum above the floor in each of the units	Pulls on drawers & cabinets in each unit
Provide Motion detector controls for the outside lights at least on entrance in each unit	For kitchen and bathroom countertops, provide a visual contrast at the front edge of the counter or between the counter and the cabinet in all units	At least one garden area raised to a minimum of 15" above the adjacent grade

A removable base cabinet in kitchens at the sink and one work surface and at the lavatory in at least one bathroom in accordance with ICC A117.1 Sections 1003.12.3.1, 1003.12.4.1 and 1003.11.2 in all bottom level units	Provide a 30" x 48" clear floor space in each bathroom. Where bathroom doors swing in, the clear floor space must be beyond the swing of the door	Provide 10 fc lighting for at least one work surface in each unit
In kitchens, provide pull out shelving for all standard base cabinets in each unit	All hallways 42" or wider in each unit	Controls for bathtubs or showers located between the centerline of the bathtub or shower stall and the front edge of the opening in at least one bathroom in each unit
Provide a roll-in shower in at least one bathroom in accordance with ICC A117.1 Section 608.2.2 or 608.2.3 in each unit	All wall reinforcements for a second handrail at stairways in each unit	All closet rods adjustable or provide a portion of each closet with two clothes rods at different heights in each unit
In 10% of the units, provide cook top with toe & knee clearance underneath in accordance with ICC A117.1 Section 1003.12.5.4.2. The underside of the cook top shall be insulated or otherwise configured to protect from burns, abrasions or electric shock	Where walls are provided adjacent to toilets, bathtubs or showers, provide blocking for a future installation of grab bars in accordance with ICC A117.1 Section 1004.11.1	Slide or bi-folding closet doors for reach-in closets in all units
Dishwasher unit with all operable parts and shelving between 15" and 48" above the flooring 10% of the units	All doors intended for user passage shall have a minimum clear width opening of 31-3/4"	Levers hardware doors intended for user passage in each unit
A fixed or fold down seat in the shower or a bathtub with a seat in at least one bathroom of 10% of the units	Kitchen Faucet with pull out spout in lieu of side mount sprayer in each unit	Electric outlets raised 15" minimum above the finished floor in each unit. Dedicated outlets and floor outlets are not required to comply with this section
Grab bars in bathroom and shower in 10% of the units (1st bathroom only for two bathroom units)	Provide a means of identifying visitors without opening the door in accordance with ICC A117.1 Section 1006.5.2	Provide a lighted doorbell at the outside of the primary entrance door to each unit in accordance with ICC A117.1 Section 1006.5.1

Remote controlled drape, blinds and/or curtains in 5% of the units	Significant color contrast between floor surfaces and trim in each unit	Countertop lavatories with lavatories located as close to the front edge as possible in 10% of the units
Carpet complying with ICC A117.1 Section 302.2 or slip resistant flooring	Visual contrast between stair risers and stair treads in each unit that contains stairways	Self-closing drawers on kitchen cabinets
		Mailboxes located between 24”-48” above the ground

Part 8: Scoring

If an application meets all applicable requirements, it will be evaluated and scored based on:

Scoring Category	Points Possible
Development Characteristics	23
Development Features	25
Readiness	8
Capacity	23
Leveraging of Other Sources	6
Bonus	5
Total Possible Points	**90**

When there is a scoring criteria based on the county being served and there are multiple counties, the applicant should add up the scores from each county and average them, rounding to the nearest whole number. An application must score at least 55 points to be considered for funding.

8.1 Development Characteristics — Category Maximum Points Possible: 23

This scoring category describes the proposed project. The points can be achieved through the following sub-categories: Mixed Income Housing, Targeted Population, Opportunity Index and Health and Qualify of Life Index.

1) *Mixed-Income Housing* — *Maximum Number of Points: 1*

Community Integration	Points
10% of development units are Market Rate	1

2*). Targeted Population* — *Maximum Number of Points: 4*

Points will be awarded to applicants of which 30% or more units target one or more of the following designations:

- Single parent households
- Victims of domestic violence
- Families with children six and under

3) *Opportunity Index* — *Maximum Number of Points: 10*

Applicants may earn up to 10 points (with two points for each feature) for developments located within areas of opportunity.

- Public Transportation (2 points): Points will be awarded to developments located within a half-mile of a public transit station or bus stop. For communities with a population of 14,999 or less, point-to-point transportation is eligible as long as it is provided by a public or not-for-profit organization and is available to all residents of the development. Taxis, Uber, or other ride-sharing programs are not eligible for points. For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

  In order to receive points for this scoring subcategory, the applicant must submit a map in **Tab P_Project Characteristics** including:
  - Specific development location,
  - Transit station or bus stop location, and
  - A half-mile radius drawn from the development location.

- Unemployment Rate (2 points): Points will be awarded to developments located within a county that has an unemployment rate below the state average. (http://opportunityindex.org/). For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- Job Growth (2 points): Points will be awarded to developments located within a county that has a 12 month change in employment percentage in the top half of the state using the Department of Labor's Quarterly Census of Employment and Wages as listed on https://beta.bls.gov/maps/cew/us. For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- Employer Proximity (2 points): Points will be awarded to developments located within five miles of at least one of a county's top 10 employers. County employer data can be found at http://www.hoosierdata.in.gov/buslookup/BusLookup.aspx.

  In order to receive points for this scoring subcategory, the applicant must submit a map in Tab P_Project Characteristics including:
  i. Specific development location;
  ii. The location of the qualifying employer(s)
  iii. A five mile radius drawn from the project location.

- Poverty Rate (2 points): Points will be awarded to developments located within a county that has a poverty rate below the state average (http://opportunityindex.org/). For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- County Median Household Income (2 points): Points will be awarded to developments located within a county that has a median household income above the state average (http://opportunityindex.org/). For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

- Census Tract Income Level (2 points): Points will be awarded to applicants proposing developments located in higher income neighborhoods compared to surrounding areas.

Points will be determined according to the Federal Financial Institutions Examination Council's (FFIEC) income level of its census tract. Find the census tract income level by entering the project address at the FFIEC website (https://geomap.ffiec.gov/FFIECGeocMap/GeocodeMap1.aspx) and clicking "Census Demographic Data" below the matched address. For scattered site developments, points will be averaged according to the number of units within each income level.

FFIEC Income Level	Points
Upper	2
Middle	1
Moderate	.5
Low	0

4) Health and Quality of Life Factors *Maximum Number of Points: 8*

Applicants may earn up to 8 points for developments located in counties with high health outcomes or in areas in close proximity to fresh produce and other positive land uses.

- Health Factors (2 points): Points will be awarded to developments located within a county that has a ratio of population to primary care physicians of 2,000:1 or lower. http://www.countyhealthrankings.org/app/indiana/2017/measure/factors/4/data) (For scattered site developments, at least 50% of the proposed units must meet this requirement to be eligible for points.

- Fresh Produce (2 points): Points will be awarded to applicants proposing developments located within a mile of a supermarket or grocery store with fresh produce. For scattered site developments, at least 75% of the proposed homes must meet this requirement to be eligible for points.

  Stores with fresh produce must:
  - Be currently established;
  - Have a physical location; and
  - Have regular business hours.

  Staff will independently verify that the location meets the above requirements. As part of the clarification process, the applicant may be required to provide additional information. For the purposes of this scoring subcategory, farmers' markets, produce stands, gas stations, convenience stores, and drug stores do not qualify.

  In order to receive points for this scoring subcategory, the applicant must submit a map in **Tab P_Project Characteristics** including:
  - Specific development location;
  - Store or market location; and
  - A mile radius drawn from the project location.

- Proximity to Positive Land Uses (4 points): Points will be awarded to applicants proposing developments located within three miles of the locations listed in the table below. A maximum of four points is available in this category. For scattered site developments, at least 75% of the proposed units must meet this requirement to be eligible for points.

Site	Points
Community or recreation center	1 point
Park or public greenspace	1 point
Primary care physician or urgent care facility	1 point
Pharmacy	1 point
Sidewalks or Trails	.5 point
Clothing, department store	.5 point
Bank	.5 point
International or ethnic food market	.5 point
Education facility	.5 point
Licensed child care facility	.5 point
Social service center	.5 point
Government office (i.e. town hall, trustee's office)	.5 point
Post Office	.5 point
Public Library	.5 point
Cultural arts facility	.5 point

In order to receive points for this scoring subcategory, the applicant must submit a map in Tab P_Project Characteristics including:

i. Specific development location;
ii. The location of the qualifying site(s)
iii. A three mile radius drawn from the project location.

8.2 Development Features — Category Maximum Points Possible: 25

This category describes the features of the overall proposed HOME project.

1) *Infill New Construction* — *Maximum Number of Points:* 5

Points will be awarded to demolition and new construction developments that meet IHCDA's HOME criteria for infill. For the HOME program, IHCDA defines infill housing as the process of developing on vacant or underused parcels of land within existing areas that are already largely developed or previously developed. At least two sides of the project must be adjacent to occupied residential development, operating commercial development, active public space, or another active community activity.

For purposes of this category, the following will not qualify as infill housing:

- Existing agricultural land,
- Land where agriculture was the last use and it was within the last 5 years except within corporate limits,
- Undeveloped Master Planned Communities, or
- Existing structures that will be rehabilitated.

In order to receive points, the applicant must submit in **Tab Q_Development Features:**

- Aerial photos of the proposed site(s) with the site labeled;
- For scattered site projects, all of the proposed development sites must meet the infill attribute scoring criteria to receive points.

2) *Provision of Additional Bedrooms* *Maximum Number of Points: 5*

Points will be awarded to developments where at least 30% of the HOME assisted units contain three or more bedrooms.

In order to receive points, the applicant must submit in **Tab Q_Development Features:**

- Preliminary floor plans that clearly identify the units with three or more bedrooms.

3) *Design Features* *Maximum Number of Points: 5*

Points will be awarded for each design feature chosen, for a maximum of four points in this category.

Design Feature	Points
Exterior walls are at least 50% durable material (brick, stone, or cement board)	1
Includes LED lighting	1
Roofing system has at least a 30-year warranty (must provide supporting documentation from the manufacturer to qualify)	1
Porch with a minimum of 48 square feet with a roof that is permanently attached to the residence	1
Deck or patio with a minimum of 64 square feet that is made of wood or other approved materials	1
Framing consists of 2” X 6” studs to allow for higher R-Value insulation in walls	1
Garage with a minimum of 200 square feet that is made of approved materials, has a roof, is enclosed on all sides and has at least one door for vehicle access	1
Crawl space or basement	1
Security system	1
Carport with a minimum of 200 square feet that is made of approved materials, has a roof, and is open on at least two sides	1
Attached or unattached storage space measuring at least 5' x 6' (not a mechanical closet)	1
Playground	1
Community room	1

4) *Universal Design Features* *Maximum Number of Points: 5*

Points will be awarded for applicants that propose developments that go beyond the minimum threshold requirement for universal design features. Please refer to the universal design features chart in the threshold section of this policy. The applicant will be required to submit the Building Form identifying the Universal Design Features of the project. The applicant will be awarded points as follows:

Number of Universal Design Features in Each Column	Points
5	5
4	4
3	3

Please refer to the table of universal design features on page 29.

5) *Green Building* *Maximum Number of Points: 5*

Up to five points will be awarded for the green building techniques listed below. The signed application forms will be proof of these commitments.

Green Building Technique	Points
Orient structures on East/West axis for solar exposure	1
Include new trees in landscaping to curb winter winds and provide shade	1
Low VOC paints and finish materials	1
Install flow reducers in faucets and showers	1
Minimize the disruption of existing plants and trees	1
Include recycling bins in the kitchen	1
Install recycled content flooring and underlayment	1
Install a light colored roofing material	1
Low flow toilets or dual flush toilets	1
R-Value insulation exceeding Indiana State Building Code	1
Recycle deconstructed building material	1
Incorporate permeable paving	2
Install high-efficiency, tank-less water heaters	2
Use on-site solar energy to reduce resident utility costs	2

8.3 Readiness Category Maximum Points Possible: 8

This category describes the applicant's ability to begin and timely execute an awarded project.

1) *Predevelopment Activities* *Maximum Number of Points: 5*

Points will be awarded to applicants that have completed some predevelopment activities according to the chart below. Applicants are eligible to receive up to five points. Points will only be awarded if the required supporting documentation, italicized below the activity description, is included in **Tab L_Readiness.**

For scattered site developments, documentation for each site must be submitted in order to receive the points. Documents should be clearly labeled with the site addresses for ease in reviewing the documentation.

Predevelopment Activity Completed	Points
Asbestos Testing *Submit a copy of the assessment report.*	1
Lead Testing *Submit a copy of the assessment report.*	1
Appraisal *Provide an appraisal that is no older than 6 months.*	1
Preliminary Design Plans *Provide electronic copies of architectural and/or engineering plans.*	1
Property Survey *Provide an electronic copy of the property survey.*	1
Capital Needs Assessment/Structural Needs Report *Provide a copy of the report performed by a licensed professional.*	1
CHDO Predevelopment Loan *Applicants that fully utilized a CHDO Predevelopment Loan for the current HOME application are eligible for one point.*	1
Comprehensive Community Plan *Provide a copy of ONE plan for each jurisdiction that meets all of the following criteria:* • *Specific references to the creation of or need for housing* • *No older than 15 years* • *Public participation and narrative about efforts leading to the creation of the plan* • *A target area map with the proposed development sites labeled* • *Resolution showing adoption by the highest local unit of government*	2

2) *Contractor Solicitation* *Maximum Number of Points: 3*

Points will be awarded to applicants who invite material participation in the proposed development by Indiana contractors. To qualify for these points, a minimum of five letters inviting contractors to participate in the bidding of the project must be sent, with at least 20% of these letters going to state certified Minority Business Enterprises (MBE), Women Business Enterprises (WBE), Federal Disadvantaged Business Enterprises (DBE), Veteran- Owned Small Businesses (VOSB), and/or Service Disable Veteran Owned Small Businesses (SDVOSB).

In order to receive points, the applicant must submit in **Tab L_Readiness**

- A copy of the letter inviting the various contractors to participate in the bidding of the project,
- Evidence of received receipt of invitation by five contractors, and
- A copy of each of the 20% of applicable and current state certifications or a print out from the State's certification list clearly indicating the entities and when the certification list was printed.

Eligible Certification Summary Table		
Certification	**Certifying Agency**	**Website**
MBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
	Indiana Minority Supplier Development Council	http://midstatesmsdc.org/
WBE	Indiana Department of Administration	http://www.in.gov/idoa/2352.htm
DBE	Indiana Department of Transportation	http://www.in.gov/indot/2576.htm
VOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/
SDVOSB	U.S. Department of Veterans Affairs	http://www.va.gov/osdbu/

8.4 Capacity **Category Maximum Points Possible: 23**

This category evaluates the applicant's ability to successfully carry out the proposed project based on certifications and/or experience in affordable housing development.

1) *Certification* *Maximum Number of Points:* 5

Points will be awarded for a member of the development team, property management team, applicant, and/or administrator staff who has completed the following certifications. Five points will be awarded for the completion of two of the six certifications listed below. The completion of only one of the certifications below will receive three points. If two staff members hold the same certification, points will be awarded for two certifications.

If you do not see a certification you have received on the list that you believe would be relevant, please consult with your Real Estate Production Analyst at least one week prior to the application due date to request that it be eligible for points.

Required IHCDA Compliance Trainings, IHCDA application and policy webinars, IHCDA application and policy trainings, and IHCDA feedback sessions are not eligible for points in this category.

Attach copies of the certification completion in **Tab S_Capacity**.

Certification	Sponsoring Organization
CHDO Capacity Building Certification (Must have attended all webinars in either 2016 or 2017)	Indiana Housing and Community Development Authority (IHCDA)/HPG Network
Project Development Training	Prosperity Indiana

Housing Development Finance Professional	National Development Council (NDC)
Certified Aging-in-Place Specialist	National Association of Home Builders (NAHB)
Home Sweet Home: Modifications for Aging in Place	University of Indianapolis / Indiana Housing and Community Development Authority
Grant Administration Certification	Indiana Housing and Community Development Authority (IHCDA)
Certified HOME Program Specialist	HUD/CPD

2) *Overall IHCDA Award Performance of the Applicant* *Maximum Number of Points: 8*

Applicants with an IHCDA award monitored within the past five years may be eligible for points based on the applicant's overall performance. Only the most recently monitored award is eligible for points. An award may be eligible, whether it is closed or open, as long as an official IHCDA monitoring has occurred. Please list the most recently monitored award number in the application forms.

Applicants cannot qualify for points under both the New Administrator Experience and IHCDA Award Performance.

Description of Overall Award Performance	**Points**
Applicant's most recently monitored HOME award had no findings and no concerns.	8
Applicant's most recently monitored HOME award had no findings, but concerns were noted. **OR** No HOME experience, but **Applicant's** most recently monitored CDBG award had no findings and no concerns.	6
Applicant's most recently monitored HOME award had only one finding. **OR** No HOME experience, but **Applicant's** most recently monitored CDBG award had no findings but concerns were notes.	4

No HOME experience, but **Applicant's** most recently monitored CDBG award had only one finding.	2
Does not meet any category above. Examples: • More than one finding on most recently monitored award. • Applicant has no experience with IHCDA within the past five years.	0

3) *Administrator Experience* *Maximum Number of Points: 5*

Only applicants without an IHCDA award in the past five years that have properly procured an administrator with previous IHCDA HOME experience may receive points in this category. Five points will be awarded if the administrator has successful experience administering an IHCDA HOME award that has been monitored within the past five years. In order to qualify for points, the most recently monitored award must not have had any findings. An award may be eligible, whether it is closed or open, as long as an official IHCDA monitoring has occurred. Please list the most recently monitored award number in the application forms.

Experience	Points
Administrator's most recently monitored HOME award had no findings.	5

4) *Timely Expenditure of Funds* *Maximum Number of Points: 5*

Points will be awarded to an applicant or administrator that has expended their most recent IHCDA award (HOME or CDBG) funds by the award expiration date without requesting award extensions. The award must be from within the past five years. Please list the award number in the application forms.

Award Length	Points
Applicant or administrator's most recent IHCDA award (HOME or CDBG) completed by the award expiration date.	5

5) *IHCDA Award Inspection Performance of the Applicant* *Maximum Number of Points: 2*

Applicants or administrators with an IHCDA award inspected within the past five years may be eligible for points based on their IHCDA inspection results. Points will be awarded if zero building code issues were noted on their last monitored inspection of their most recent award.

6) *CHDO Certification* *Maximum Number of Points: 3*

An applicant that applies and is certified as a Community Housing Development Organization will receive three points.

8.5 Leveraging of Other Sources Category Maximum Points Possible: 10

Points will be awarded to applicants whose proposed project has received either a firm commitment to leverage other funding sources. A "firm commitment" means that the funding does not require any further approvals.

"Other Funding Sources" include (but are not limited to) private funding, funds from a local community foundation, volunteer labor, Federal Home Loan Bank funding, federal, state or local government funds, in-kind donations for labor or professional services, sweat equity, donated material and equipment. Banked or shared match is not eligible.

Points will be awarded based on the Amount of Funding divided by the Total Development Costs:

Percentage of Total Development Costs	Points
.50% to 1.99%	1
2.00% to 3.99%	2
4.00% to 5.99%	3
6.00% to 7.99%	4
8.00% to 9.99%	5
Greater than 10%	6

To receive points in this category, the applicant must submit the following in **Tab O_Financial Commitments:**

- Provide a letter from the appropriate authorized official approving the funds. The letter must include a description of the type of approved funding for the proposed development and the amount of funding.
- In-Kind Donations – Labor or Professional Services: Submit commitment letter from donor(s) specifying number of hours they intend to donate and their professional service pay rate.
- In-Kind Donations – Sweat Equity: Submit a copy of sweat equity policy.
- In-Kind Donations – Donated Material and Equipment: Submit commitment letter from donor(s) specifying either the total value of the donated materials or the rental equipment rate and number of hours the equipment will be donated.
- Banked Match: Submit commitment letter signed by non-profit Board President.

8.6 Bonus **Category Maximum Points Possible: 5**

1) *Bonus* *Maximum Number of Points: 5*

Points will be awarded to applications that are submitted according to IHCDA's submittal guidelines (see list below), and which pass Threshold with one or less technical errors or incomplete information.

To receive points in this category, the applicant must:
- Submit a searchable PDF of the application on the Syncplicity site;
- Submit an Excel file of the application on the Syncplicity site;
- Answer all questions in the policy and application;
- Submit all required threshold items in the correct tabs;
- Submit all required threshold items in the correct form (mailed and/or on the Syncplicity site); and
- Label and include all tabs on the Syncplicity site as described in the Application Policy. All tabs must be included regardless of whether documentation is required in each tab.

Part 9: Glossary of Terms

Below are definitions for commonly used terminology found throughout the IHCDA HOME application policy and forms and applicable to the IHCDA HOME program.

Administrator: A procured entity that will assist carrying out the HOME award.

Beneficiary: The household or unit that received homeowner repair work as a result of the HOME award.

CHDO: A Community Housing Development Organization. A non-profit, community- based organization with the capacity to develop affordable housing for the community it serves, as defined in the HOME rule and as certified by IHCDA. Participating Jurisdictions (IHCDA) must set aside a minimum of 15% of their HOME allocations for activities in which CHDOs are the owners, developers, and/or sponsors of the housing.

Comprehensive Community Development: Every community strives to be a place where people choose to live, work, and play. Comprehensive development means that a community's potential lies in the identification and creation of a shared vision, planned by local leadership, and carried out by an array of partners. When successful, it yields results beyond what can be achieved by individual organizations or disparate programs because of the unique synergy they generate. A thriving community is a community with job opportunities, strong schools, safe neighborhoods, a full range of housing choices, and a vibrant culture. Comprehensive development marshals resources and deploys coordinated strategies in a concentrated area to create opportunities for others in the community to take prudent risks and reap the rewards. The demolition of blighted structures, the rehabilitation of long-vacant housing and the creation of new community amenities and retail opportunities serve as a tipping point for future development through market forces.

Development: The HOME activity proposed in the application.

HOME: The Home Investment Partnerships Program as created by the National Affordable Housing Act of 1990.

IHCDA: Indiana Housing and Community Development Authority

Income Limits: Maximum incomes as published by HUD for developments giving the maximum Income Limits per unit for beneficiary (30%, 40%, 50%, 60% and 80% of median) units.

Large City: For purposes of this policy, a large city is defined as a city with a population of 75,000 or more. To qualify as being located within a large city, the development must be located within one mile of the zoning jurisdiction and/or use city utility services (water and sewer).

Median Income: A determination made through statistical methods establishing a middle point for determining income limits. Median is the amount that divides the distribution into two equal groups, one group having income above the median and one group having income below the median.

MOU: A Memorandum of Understanding (MOU) is a document describing a bilateral or multilateral agreement between two or more parties.

Narrative: A written description by the applicant that describes the application question and generally supports the need of the development.

Rural: A development is considered to be rural if it meets one of the following criteria:

a. The development is located within the corporate limits of a city or town with a population of 14,999 or less; or

b. The development is located in an unincorporated area of a county that does not contain a city or town that meets the definition of large city or small city as set forth in this glossary; or

c. The development is located in an unincorporated area of a county whereas;

i. The development is outside the 2-mile jurisdiction of either a large city or small city as defined in this glossary; and

ii. The development does not have access to public water or public sewer from either the large city or small city as defined in this glossary.

Small City: For purposes of this policy, a small city is defined as a city with a population of between 15,000 and 74,999. To qualify as being located within a small city, the development must be located within one mile of the zoning jurisdiction and/or use city utility services (water and sewer).

Visitability: Visitability is defined as design concepts that allow persons with mobility impairments to enter and stay, but not necessarily live, in a residence. There are three (3) specific design elements that must be incorporated to satisfy the visitability mandate:

- Each unit must contain at least one (1) zero-step entrance on an accessible route. This can be any entrance to the unit;
- All main floor interior doors (including bathroom doors and walk-in closets) in each unit must provide at least at least 31 ¾ inches of clear opening width; and
- Each unit must contain at least one (1) half or full bathroom on the main level that is accessible per ICC A117.1.Section 1004.11.

Part 10: Development Fund

1.1 Overview

The Indiana Affordable Housing and Community Development Fund ("Development Fund") was established in 1989 to provide financing options for the creation of safe, decent, and affordable housing and for economic development projects in Indiana communities. Development Fund regulations may be found in Indiana Code 5-20-4. Developments also involving federal funding (e.g. HOME Investment Partnership Program or Community Development Block Grant), tax-exempt bonds, or Low-Income Housing Tax Credits ("LIHTC") must comply with the requirements of those programs.

The Development Fund provides a loan of up to $500,000 (or a grant in limited special circumstances) for eligible activities as defined within this policy.

For more detailed information on the Development Fund program please consult the Development Fund Manual.

1.2 How to Apply

Development Fund awards are approved through the IHCDA Development Fund Application or in conjunction with LIHTC applications through the Qualified Allocation Plan ("QAP"), HOME applications through the HOME funding round, or with CDBG applications through the CDBG funding round.

Development Fund requests in conjunction with other funding sources must be submitted in accordance with the application procedures and deadlines for those programs.

1.3 Eligible Applicants

Applicants eligible to apply in conjunction with a HOME application include nonprofit corporations and local units of government. IHCDA must allocate at least 50% of the fund to recognized nonprofit corporations under Section 501(c)(3) of the U.S. Internal Revenue Code.

Awardees with current Development Fund awards are eligible to apply for additional funding. All outstanding awards must be current (if loans), in compliance with all program requirements, and otherwise in good standing in order to be considered for additional awards. However, no individual project sponsor or its affiliates may hold more than 20% of the Development Fund's total portfolio at any one time.

Individuals or organizations currently on IHCDA's suspension or debarment list are not eligible to apply for Development Fund awards.

1.4 Eligible Beneficiaries

The Development Fund can be used to finance assisted units for occupancy by households earning up to 80% of the area median income, as published annually by HUD. Indiana Code governing the Development Fund requires at least 50% of the dollars allocated to be used to serve "very low-income households" (households earning less than 50% of the area median income). **Therefore, at least 50% of the Development Fund assisted units must be designated for households at or below 50% AMI, and the remaining Development Fund assisted units must be designated for households at or below 80% AMI.**

1.5 Eligible Residential Activities

Eligible HOME activities include, but are not limited to, acquisition, new construction, and/or rehabilitation of homes for sale, permanent rental units, and permanent supportive housing projects that have successfully completed the Indiana Supportive Housing Institute.

1.6 Eligible Activity Costs

For more information on eligible and ineligible activity costs please see §1.8 and §1.9 of the Development Fund Manual. Questions about eligible vs. ineligible soft costs under the Development Fund program can be directed to the IHCDA Underwriting and Closing Manager.

1.7 Match Requirements

Applicants for Development Fund must be able to document a local match in an amount of at least 10%. Acceptable match sources include in-kind donations, donated land, owner equity, building materials, loans, cash grants, or any combination of both in-kind and cash. Other sources of match may also qualify, **except for funds administered by IHCDA**.

1.8 Development Fund Activity Provisions

The Development Fund may provide loans or grants up to $500,000 per development. Development Fund grants will only be made in conjunction with special IHCDA initiatives as announced by IHCDA. Except for these special initiatives, IHCDA will only accept Development Fund applications for loans.

The Development Fund may be used for the following types of loans:

- Pre-development: to pay project pre-development expenses;
- Acquisition: to pay for purchase and closing costs for property acquisition;
- Construction: to pay for hard and soft costs of new construction and rehab projects;
- Permanent: to provide permanent financing to the project; and/or
- Bridge: financing to bridge the timing gap between project or program costs and cash from committed sources not yet available (equity).

Homebuyer projects are not eligible for permanent or bridge financing.

1.9 Loan Terms

The base interest rate for loans is 3%. The interest rate offered by IHCDA will be determined during underwriting. **Underwriting will start at 3% and make a final determination based on financial capacity. The final interest rate will not be less than 3%, but may exceed 3% based on capacity.**

1.10 Underwriting Guidelines

For more information on underwriting guidelines please see §2.4 of the Development Fund Manual. Questions about these guidelines can be directed to the IHCDA Underwriting and Closing Manager.

1.11 Affordability Period/Lien and Restrictive Covenants

Rental developments will be subject to a Lien and Restrictive Covenant Agreement that must be executed against every residential property constructed, rehabilitated, or acquired, in whole or in part, with Development Fund funds. If the award is made in conjunction with HOME or CDBG funding, the development will be subject to the applicable program affordability period.

Upon occurrence of any of the following events during the affordability period, the entire sum secured by the lien, without interest, shall be due and payable by developer and/or owner upon demand. Repayment may be demanded upon: (1) transfer or conveyance of the real estate by deed, land contract, lease, or otherwise, during the affordability period; (2) commencement of foreclosure proceedings by any mortgagee (or deed in lieu of foreclosure), within the affordability period; or (3) determination that units are not being used as a residence by a qualifying tenant or not leased according to the program affordability requirements. The award recipient will be responsible for repaying IHCDA. At the end of the affordability period, if the borrower/recipient has met all conditions, the lien will be released.

1.12 Income and Rent Restrictions/Ongoing Compliance

All Development Fund-assisted units in residential developments must be income and rent restricted. If the award is made in conjunction with HOME funding or is Development Fund only, then the HOME program income and rent limits will apply. Developments with Development Fund combined with another program must follow the recertification requirements of that program.

When Development Fund is combined with other funding sources, the audit/inspection cycle will occur based on the cycle and frequency prescribed by that program.

1.13 Modifications

IHCDA may consider requests for changes to the characteristics of a development. **A modification fee of $500 will be imposed if loan documentation has been finalized. Additionally, a $1,500 fee will be required if any legal documents, such as the recorded Lien and Restrictive Covenant, need to be amended as a result of the request.**

Approval of modification requests is at the sole discretion of IHCDA. IHCDA must evaluate each request to see how the change would have affected original funding and underwriting of the development as well as to ensure that the proposed change will not cause noncompliance.

When submitting a modification request, please provide the following:

a. Formal written request from the Owner/Developer detailing the specific request and the reason the request is needed
b. The impact to the project in the event the modification request is not approved
c. Modification fee of $500.00 if loan documentation has been finalized

d. Updated HOME application pages that reflect changes to the original application based on the current closing projections and/or proposed modification

At its discretion, IHCDA may request additional supporting documentation.

HTF and RHTC Application Policy

National Housing Trust Fund
Application Policy
Program Year 2018

SUMMARY

This policy describes the manner in which IHCDA will allocate part of its Fiscal Year 2018 funds under the Housing Trust Fund ("HTF") program. IHCDA's total allocation of FY18 HTF funds is $3,937,462 a portion of which will be used for IHCDA administration of the program.

The Housing Trust Fund is designed to create new housing opportunities for households with extremely low-incomes (at or below 30% of area median income). By regulation, the focus of the HTF program is rental housing.

IHCDA will allocate all of its FY18 HTF funds for affordable rental housing, specifically for supportive housing for persons experiencing homelessness. HTF awards will be made as gap financing in conjunction with applications for Rental Housing Tax Credits ("RHTC") under the Qualified Allocation Plan ("QAP"). Requests for HTF awards must be made as a supplemental request along with an RHTC application. Additional information about eligible activities can be found within this policy manual. In addition to meeting the requirements of this policy, all proposed developments must also meet the threshold requirements within the QAP in order to be eligible for funding.

Contents

Available Online

HTF Program Webpage

Part 1: Application Process

1.1 Overview and Funding Priorities:

The purpose of this Housing Trust Fund (HTF) application is to provide subsidies in the form of grants to selected applicants for the acquisition, rehabilitation and/or new construction of supportive housing for persons with extremely low-income (at or below 30% of area median income). Through this program, the Indiana Housing and Community Development Authority (IHCDA) seeks to improve the quality of existing housing stock in Indiana.

This program is designed to allocate HTF funds as gap financing in conjunction with Rental Housing Tax Credits (RHTC) to be used for the rehabilitation and/or new construction of supportive housing among selected applicants having projects that meet the requirements of the program and IHCDA's goals for the program.

The applicant must demonstrate the following in its application:

1. The activities proposed are eligible, and provide a certification that the HTF-assisted housing units will comply with all HTF requirements;
2. The activity meets the needs of their specific community;
3. Serve populations that are extremely low-income and experiencing homelessness. The target population served by the development must be the target population that was identified based on community need and relevant data through the Supportive Housing Institute process;
4. Support geographical diversity as to the location of the HTF-funded projects;
5. It will comply with the requirements of the HTF program during the entire period that begins upon selection of the recipient to receive HTF funds, and ending upon the conclusion of all HTF-funded activities by making assurances;
6. The applicant's ability and financial capacity to undertake, comply, and manage the eligible activity;
7. The applicant's familiarity with the requirements of other Federal, State, or local housing programs that may be used in conjunction with HTF funds to ensure compliance with all applicable requirements and regulations of such programs; and
8. The applicant's experience and capacity to conduct an eligible HTF activity as evidenced by its ability to:
   - (i) Own, construct, or rehabilitate, and manage and operate an affordable multifamily rental housing development; or
   - (ii) Design, construct, or rehabilitate, and market affordable housing for homeownership.
   - (iii) That the applicant has the capacity to undertake the activities set forth in its application upon receipt of the HTF award and begin construction within 12 months of receipt of the award and complete the development within a 24 month period.
9. Proceed with the activity upon receipt of the award and begin construction within 12 months of receipt of the award;
10. Link the project to the revitalization of existing neighborhoods, preferably through a comprehensive approach (i.e. as part of a published and approved community revitalization plan);
11. Propose projects that are energy-efficient and are of the highest quality attainable within a reasonable cost structure; and,
12. Propose the use of state certified Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Federal Disadvantaged Business Enterprise (DBE) Participation, Veteran-Owned Small

Business (VOSB), and/or Service Disabled Veteran Owned Small Business (SDVOSB) contractors, employees, and products when applicants are planning and undertaking their housing activities.

1.2 HTF Application Forms and HTF Policy Discrepancies

In the event of a conflict or inconsistency between the HTF Rental Policy and the HTF Application Form and/or Appendices, the procedures described in the HTF Application Policy will prevail.

1.3 Permanent Supportive Housing Institute in the QAP

For this funding cycle, a portion of the HTF funds will be offered exclusively to Rental Housing Tax Credit developments that (1) apply for funding under the 2018/2019 Qualified Allocation Plan (QAP) for the Rental Housing Tax Credit Program (RHTC) and (2) successfully completed the 2018 Indiana Supportive Housing Institute. To be eligible to submit an HTF supplemental application, a proposed project must meet all threshold requirements of the QAP, including the specific threshold requirements applicable to supportive housing developments. For FY18 HTF funds, IHCDA will not entertain stand-alone applications.

Per the QAP, supportive housing developments must further the creation of community-based housing that targets the extremely low income (less than 30% AMI) with intensive service programs that have a direct impact on reducing homelessness through the Housing First model. Housing First is an innovative approach to engage and rapidly house individuals who are homeless into supportive housing and to provide intensive and flexible services to stabilize and support housing tenure.

Eligible applicants for tax credits and HTF funds must have successfully fulfilled all requirements and demonstrated meaningful and successful participation in the 2018 Indiana Supportive Housing Institute for the specific development for which they are applying. The Indiana Supportive Housing Institute provides training and support to organizations that plan to create supportive housing. Tenant outreach, selection, property management and service plans must be approved as part of the Institute process and prior to submission of a RHTC application. Participation in the Institute is based on a competitive RFP selection process.

Application and the Anticipated Reservation date for the 2019 Annual Rental Housing Tax Credit Round are below:

Application Deadline	Anticipated Reservation Date
July 30, 2018 5:00 PM Eastern Time	November 15, 2018

1.4 Application Fee

All fees should be made payable to IHCDA. If a check is returned for insufficient funds, the application will be immediately denied.

All applicants must submit a non-refundable Application fee with each Application as a condition of having the Development considered. Application fees for 2017 and 2018 are as follows:

RHTC Application Fee	IHCDA Supplemental Application Fee (HTF)
$2,000	$750

Applicants should refer to the QAP for guidance on all other applicable fees.

1.5 Application Review

Each application must address only one development. Reviews of applications follows the steps as outlined in the QAP.

Funded applications will be announced at the published IHCDA Board Meeting date. Confirmation letters and score sheets will be uploaded to the FTP site by the close of business on the day of the Board Meeting. Applications that are not funded will be notified by IHCDA via denial letters and final score sheets being uploaded to the FTP site by the close of business on the day of the Board Meeting. Applications not funded will not be rolled over into the next funding round.

1.6 IHCDA CDBG & HOME Program Manual

The IHCDA *CDBG, HOME, and HTF Program Manual* outlines the requirements for administering IHCDA's CDBG and HOME awards.

A complete copy of the *CDBG ,HOME, and HTF Program Manual*, including exhibits, is available on IHCDA's website at this location:
http://www.in.gov/myihcda/2490.htm

Part 2: Eligible Applicants

2.1 HTF Program Eligibility

Eligibility will be determined based on:

1. Whether the development demonstrates a need for HTF in order to make a greater number of units affordable to extremely-low and very low households;
2. Whether the development meets State and Federal requirements of all programs for which the applicant is applying, including the threshold requirements;
3. Successful completion of the Permanent Supportive Housing Institute;
4. If the development ranking is sufficient for it to be awarded RHTC pursuant to the RHTC process as outlined in the 2018/2019 QAP; and,
5. The availability of HTF funds.

2.2 Eligible Applicants

National Housing Trust Fund (HTF)	**Community Housing Development Organizations (CHDO)**	**501(c)3 and 501(c)4 Not-For-Profit Organizations and PHAs***	**Joint Venture Partnerships**	**For Profit Entities Organized Under the State of Indiana****
Rental Housing Rehabilitation/ Adaptive Reuse	✓	✓	✓	✓
Acquisition and Rental Housing Rehabilitation	✓	✓	✓	✓
Rental Housing New Construction	✓	✓	✓	✓

*PHAs are eligible to apply under the conditions set forth in 24 CFR 93.203.

**Applicant may be a non-profit or for-profit developer. The HTF award will be structured as a grant from IHCDA to the entity with the expectation that the entity will then loans the HTF funds to the Limited Partnership to allow the funds to remain in tax credit eligible basis (in accordance with Section 42 rules regarding the exclusion of federal grants from eligible basis).

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

2.3 Ineligible Applicants

IHCDA reserves the right to disqualify from funding any application that has an applicant, sub-recipient, administrator, preparer, or related party of any of the aforementioned, with a history of disregarding the policies, procedures, or staff directives associated with administering any IHCDA program or program administered by any other State, Federal, or affordable housing entity. This includes, but is not limited to, the Indiana Office of Community and Rural Affairs, the U.S. Department of Housing and Urban Development (HUD), the U.S. Department of Agriculture - Rural Development, and the Federal Home Loan Bank.

Additionally, any entity currently on IHCDA's suspension or debarment list is ineligible to submit an application. IHCDA's Suspension and Debarment Policy can be found in the Program Manual Chapter 17.

2.4 Religious and Faith-Based Organizations

- *Equal treatment of program participants and program beneficiaries.* (1) *Program participants.* Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the HTF program. Neither the Federal Government nor a State or local government receiving funds under the HTF program shall discriminate against an organization on the basis of the organization's religious character or affiliation. Recipients and subrecipients of program funds shall not, in providing program assistance, discriminate against a program participant or prospective program participant on the basis of religion or religious belief.
- *Beneficiaries.* In providing services supported in whole or in part with federal financial assistance, and in their outreach activities related to such services, program participants shall not discriminate against current or prospective program beneficiaries on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice.
- *Separation of explicitly religious activities.* Recipients and subrecipients of HTF program funds that engage in explicitly religious activities, including activities that involve overt religious content such as worship, religious instruction, or proselytization, must perform such activities and offer such services outside of programs that are supported with federal financial assistance separately, in time or location, from the programs or services funded under this part, and participation in any such explicitly religious activities must be voluntary for the program beneficiaries of the HUD-funded programs or services.
- *Religious identity.* A faith-based organization that is a recipient or subrecipient of HTF program funds is eligible to use such funds as provided under the regulations of this part without impairing its independence, autonomy, expression of religious beliefs, or religious character. Such organization will retain its independence from Federal, State, and local government, and may continue to carry out its mission, including the definition, development, practice, and expression of its religious beliefs, provided that it does not use direct program funds to support or engage in any explicitly religious activities, including activities that involve overt religious content, such as worship, religious instruction, or proselytization, or any manner prohibited by law. Among other things, faith-based organizations may use space in their facilities to provide program-funded services, without removing or altering religious art, icons, scriptures, or other religious symbols. In addition, a HTF program-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select

its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

- *Alternative provider.* If a program participant or prospective program participant of the HTF program supported by HUD objects to the religious character of an organization that provides services under the program, that organization shall, within a reasonably prompt time after the objection, undertake reasonable efforts to identify and refer the program participant to an alternative provider to which the prospective program participant has no objection. Except for services provided by telephone, the Internet, or similar means, the referral must be to an alternate provider in reasonable geographic proximity to the organization making the referral. In making the referral, the organization shall comply with applicable privacy laws and regulations. Recipients and subrecipients shall document any objections from program participants and prospective program participants and any efforts to refer such participants to alternative providers in accordance with the requirements of §92.508(a)(2)(xiii). Recipients shall ensure that all subrecipient agreements make organizations receiving program funds aware of these requirements.
- *Structures.* Program funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for explicitly religious activities. Program funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. When a structure is used for both eligible and explicitly religious activities, program funds may not exceed the cost of those portions of the acquisition, new construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to the HTF program. Sanctuaries, chapels, or other rooms that a HTF program-funded religious congregation uses as its principal place of worship, however, are ineligible for HTF program-funded improvements. Disposition of real property after the term of the grant, or any change in the use of the property during the term of the grant, is subject to government wide regulations governing real property disposition (see 24 CFR parts 84 and 85).
- *Supplemental funds.* If a State or local government voluntarily contributes its own funds to supplement federally funded activities, the State or local government has the option to segregate the federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.

Part 3: Eligible Activities & HTF Program Requirements

3.1 Eligible Activities

This program is intended to have a long-term impact on the availability and quality of the affordable housing stock in Indiana. The program is intended for the rehabilitation and/or new construction of supportive housing in conjunction with RHTC developments that have completed the Indiana Supportive Housing Institute and are eligible under the Housing First set-aside or the integrated supportive housing scoring category of the QAP. Acquisition only is not an eligible activity; however acquisition in conjunction with another activity is permitted.

- Rehabilitation, new construction, and acquisition/rehabilitation or acquisition/new construction of rental housing in the form of traditional apartments, single room occupancy units (SROs), or single family housing.
    - SRO housing consists of single room dwelling units that are the primary residence of the occupant(s). Neither kitchen nor bathroom facilities are required to be in each unit. However, if individual units do not contain bathroom facilities, the building must contain bathroom facilities that are shared by tenants. SRO housing does not include facilities for students.
- If HTF funds are used for acquisition of vacant land or demolition in conjunction with another activity, then construction must commence within 9 months of the demolition or acquisition.

3.2 Ineligible Activities

The following are ineligible activities:

- Preservation of existing affordable housing, including supportive housing. HTF must be used to create new affordable housing units;
- Refinancing of existing permanent debt;
- Development of housing for homebuyer programs;
- Performing owner-occupied rehabilitation;
- Group homes;
- Transitional housing;
- Acquisition, rehabilitation, or construction emergency shelters that are designed to provide temporary daytime and/or overnight accommodations for persons experiencing homelessness;
- Creation of secondary housing attached to a primary unit;
- Acquisition, rehabilitation, or construction of nursing homes, convalescent homes, hospitals, residential treatment facilities, correctional facilities, or student dormitories;
- Rehabilitation of mobile homes;
- Acquisition, rehabilitation, refinancing, or new construction if any part of a development or its land is located within the boundaries of a 100-year floodplain. A flood determination must be provided for each parcel associated with the project;
- Any housing activity funded under Title VI of NAHA, prepayment of mortgages insured under the National Housing Act, public housing developments, or acquisition, rehabilitation, or construction of any developments funded under HUD's former Rental Rehabilitation Program;
- Costs for supportive services, homeless prevention activities, or operating expenses;
- The use of commercial facilities for transient housing;
- Payment of HTF loan servicing fees or loan origination costs;

- Tenant-based rental assistance;
- Payment of back taxes.

In addition, IHCDA **does not** fund:

- Requests from individuals, political, social, or fraternal organizations;
- Endowments, special events, arts, or international projects;
- Scholarships requested by individuals;
- Institutions that discriminate on the basis of race, color, national origin, sex, religion, familial status, disability, sexual orientation, gender identity, or against victims of domestic violence, dating violence, sexual assault, or stalking in policy or in practice;
- Projects in furtherance of sectarian religious activities, impermissible lobbying, legislative or political activities;
- Medical research or medical profit-making enterprises.

3.3 HTF Program Requirements

The proposed HTF project must follow these minimum requirements, and all other requirements laid forth in the Program Manual, to be eligible for funding. For further details on each requirement, please see IHCDA's Program Manual at http://www.in.gov/myihcda/2490.htm.

- Recipients must comply with all regulatory requirements listed in 24 CFR Parts 91 and 93.

Applicants should familiarize themselves with IHCDA's *CDBG, HOME, and HTF Program Manual*. Requirements include, but are not limited to the following:

- **Lead Based Paint**:
  - Each recipient of a HTF award is subject to the HUD requirements of addressing lead-based paint hazards pursuant to 24 CFR Part 35. If a risk assessment is required, then all lead-based paint issues must be addressed.
  - Anyone who conducts lead-based paint activities in the State of Indiana must be licensed. Licenses are issued only after an applicant has successfully completed course certification by an accredited training facility and has passed the licensing examination administered by the ISDH. A separate license is required for each of the authorized lead disciplines. All licenses must be renewed every three years by successfully completing refresher training approved by the ISDH. Activities requiring licensing include:
    - Inspection for lead-based paint
    - Risk assessment for lead hazards
    - Clearance examination following lead abatement
    - Abatement of lead-based paint
    - Project design, supervision, and work in abatement projects
  - Anyone who is paid to perform work that disturbs paint in housing and child-occupied facilities built before 1978 must be EPA certified. This includes all firms, even sole proprietorships. Firms can't advertise or perform renovation activities covered by the regulation in homes or child occupied facilities built before 1978 without firm certification. Examples of the types of firms covered:
    - Residential rental property owners/managers
    - General contractors
    - Special trade contractors, including

        - Painters
        - Plumbers
        - Carpenters
        - Electricians
    - Federal law requires that a “certified renovator” be assigned to each job, and that all involved individuals be trained in the use of lead-safe work practices.
        - To become a certified renovator, a person must complete a renovator training course accredited by EPA or an EPA authorized program which will teach them how to work lead safe.
        - All remaining individuals must also be trained. They can either be certified renovators (meaning they successfully completed the accredited training) or they can have been trained on the job by a certified renovator (such training must be documented and the documents must be retained).
- **Section 504**:
    - Housing must meet the accessibility requirements of 24 CFR Part 8 which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and covers multifamily dwellings, as defined in 24 CFR Part 100.201. It must also meet the design and construction requirements of 24 CFR 100.205 and implement the Federal Fair Housing Act Amendments of 1988 (42 U.S.C. 3601-3619).
- **Uniform Relocation Act:**
    - Each recipient of a HTF award is subject to the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA). See IHCDA’s Program Manual Chapter 4 for guidance on the regulatory requirements of the URA, as amended, the Federal regulations at 49 CFR Part 24, and the requirements of Section 104(d) of Title I of the Housing and Community Development Act of 1974, as amended.
- **Affirmative Marketing Procedures:**
    - Rental housing with five or more HTF-assisted units must adopt IHCDA’s Affirmative Marketing Procedures. See the IHCDA Program Manual Chapter 5 for guidance on Affirmative Marketing Procedures.
- **Section 3**:
    - Any recipient receiving an aggregate amount of $200,000 or more from one (1) or more of the HUD CPD programs (i.e. CDBG, HOME, NSP, HOPWA, ESG, etc.) in a program year must comply with the Section 3 requirements. Section 3 provides preference to low- and very-low-income residents of the local community (regardless of race or gender) and the businesses that substantially employ these persons, for new employment, training, and contracting opportunities resulting from HUD-funded projects.
- **Income Verification:**
    - An income verification is valid for a period of six months. If more than six months pass between income verification and contract execution/lease execution/purchase agreement, then a new income verification must be completed.
- **Procurement Procedures:**
    - Each recipient of a HTF award will be required to provide proof of adequate builder’s risk insurance, property insurance, and/or contractor liability insurance during construction and property insurance following construction for the assisted property throughout the affordability period of the award.

  - Each recipient of a HTF award must follow competitive procurement procedures when procuring all materials, supplies, equipment, and construction or professional services related to the HTF award.
- **Environmental Review:**
  - To help facilitate timely expenditure of HTF funds, all applicants are required to submit the Environmental Review Record (ERR) and Section 106 Review at the time of application. If awarded HTF funds, the HTF recipient must receive an IHCDA Release of Funds before the fully executed award documents are released and any funds are drawn. (IHCDA Program Manual, Environmental Review Chapter 11). For more information, contact the IHCDA Placemaking Manager.
  - Applicants may not purchase any property to be assisted with HTF funds, sign contracts, or begin rehab/construction until the ERR/Release of Funds process has been completed and approved.
- **Construction Standards and Physical Inspections:**
  - All IHCDA-assisted units must be inspected twice during the award period. The first inspection will occur when 50% of the funds drawn for single site projects, or when half the units are complete for scattered site projects. The second inspection will be conducted upon completion of the construction for the award. Site visits during construction may be conducted to monitor progress of all projects. The IHCDA Inspector will conduct the physical inspections.
- **Registering Vacancies:**
  - Applicants that are proposing to develop rental housing must register vacancies for HTF-assisted housing in the IndianaHousingNow.org affordable housing database.
- **Capital Needs Assessment:**
  - Projects performing the rehabilitation activity with a total of 26 or more units (the total of HTF-assisted and non-HTF assisted units) must complete and provide a Capital Needs Assessment (CNA).
- **Federal Programs Ongoing Rental Compliance:**
  - Recipient must ensure that each owner of a HTF-assisted rental project enters tenant events into IHCDA's Indiana Housing Online Management System at https://ihcdaonline.com/ within 30 days of the tenant's event date. Tenant events include move-ins, move-outs, recertification, unit transfers, and rent and income changes. In addition, Annual Owner Certification Rental Reports must be submitted electronically using the Indiana Housing Online Management System throughout the affordability period in the Annual Rental Report. See IHCDA's Program Manual for further guidance.
  - Recipient must ensure that there is a written lease between any tenant and the owner of rental housing assisted with HTF funds. The term of the lease may not be less than one year, unless a shorter period is specified upon mutual agreement between the tenant and the owner. The lease may not contain any of the prohibited provisions set forth in 24 CFR 93.303
  - Recipient shall ensure that written tenant selection policies and criteria for the project are adopted and followed that comply with 24 CFR 93.303 and the additional requirements as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual, as amended from time to time by IHCDA.

- In accordance with 93.404(d), the recipient must provide IHCDA with the financial documentation and/or reports needed by IHCDA to conduct its examination of the financial condition of the project, if project has ten (10) or more assisted units.
- Rental housing developments must assist households at or below 30% of the Area Median Income for the county, as published by HUD and distributed by IHCDA. Units must be both income and rent restricted at the 30% AMI level. Households must meet the definition of "extremely low income families" families at 24 CFR 93.2.).

- **LEP**:
  - Persons who, as a result of national origin, do not speak English as their primary language and who have limited ability to speak, read, write, or understand English ("limited English proficient" or "LEP") may be entitled to language assistance under Title VI in order to receive a particular service, benefit, or encounter. In accordance with Title VI of the Civil Rights Act of 1964 and its implementing regulations, the recipient must agree to take reasonable steps to ensure meaningful access to activities funded by federal funds for LEP persons. Any of the following actions could constitute "reasonable steps", depending on the circumstances: acquiring translators to translate vital documents, advertisements, or notices; acquiring interpreters for face to face interviews with LEP persons; placing advertisements and notices in newspapers that serve LEP persons; partnering with other organizations that serve LEP populations to provide interpretation, translation, or dissemination of information regarding the project; hiring bilingual employees or volunteers for outreach and intake activities; contracting with a telephone line interpreter service; etc.
- **Nondiscrimination Requirements:**
  - Recipient must follow the non-discrimination requirements of the Fair Housing Act, the Violence Against Women Reauthorization Act of 2013, and the Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity rule.
- **SAM and DUNS:**
  - Applicants must register for System Award Management (SAM) and have a valid DUNS in order to apply for HTF.
- **HMIS**:
  - Applicants proposing permanent supportive housing will be required to participate in the Homeless Management Information System (HMIS).
- **Broadband Infrastructure:**
  - As described in the HUD Final Rule 81 FR 92626, any new construction or substantial rehabilitation of more than four rental units must provide for installation of broadband infrastructure, as defined in 24 CFR 5.100, except when IHCDA determines and documents that one or more of the exceptions listed in HUD Final Rule 81 FR 92626 apply.
- **Tenant Selection Plan**
  - All HOME-funded properties must create a written tenant selection plan that meets all requirements outlined in Part 4.2E of IHCDA's Federal Programs Ongoing Rental Compliance Manual, as amended from time to time. This includes compliance with the nondiscrimination requirements of the Fair Housing Act, Violence Against Women Reauthorization Act, Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity Rule, and the 2016 HUD Office of General Counsel Guidance on Criminal Records.

3.4 Property Standards

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

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

3.5 Affordability Requirements

The affordability period for all HTF developments is 30 years.

HTF subsidized activities must be secured throughout the affordability period by a recorded lien and restrictive covenant agreement created by IHCDA. The recipient shall comply with the following requirements of the HTF Program throughout the affordability period: (1) ensuring that the property meets the Property Standards set forth in 24 CFR 93.301; ensuring that the tenants meet the affordability requirements set forth in 24 CFR 93.205 by documenting and verifying the income of tenants as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual, as amended from time to time by IHCDA; (3) submitting annual tenant events and annual owner certifications to IHCDA through its online reporting system as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual; (4) participating in periodic monitoring and inspections of the Property by IHCDA and/or the U. S. Department of Housing and Urban Development ("HUD"); (5) complying with the Federal income and rent limits issued by HUD and published annually on IHCDA's website; (6) providing IHCDA with information regarding unit substitution and filling vacancies, if the Project has floating units; and (7) ensuring that each tenant enters into a lease that does not contain HUD prohibited lease language as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual. The affordability period begins after the project has been completed and the completion forms have been submitted to and approved by IHCDA. During the affordability period all HTF program rental requirements apply to the property. See IHCDA's *Federal Programs Ongoing Rental Compliance Manual* for a full discussion of affordability period compliance.

3.6 Lien and Restrictive Covenant Agreement

Each recipient of a HTF award must ensure that a lien and restrictive covenant is executed and recorded against every property constructed, rehabilitated, or acquired, in whole or in part, with HTF funds. Upon the occurrence of any of the following events during the Affordability Period, the entire sum secured by the lien shall be due and payable by developer and/or owner upon demand. Repayment may be demanded upon: (1) Transfer or conveyance of the real estate by deed, land contract, lease, or otherwise, during the Affordability Period; (2) Commencement of foreclosure proceedings by any mortgagee (or deed in lieu of foreclosure), within the Affordability Period; (3) The real estate no longer meets the property standards set forth in 24 CFR 93.301.; (4) HTF-assisted units are not being used by qualifying tenants as their principal residence; (5) annual tenant events and annual owner certifications are no longer being submitted to IHCDA through its online reporting system as set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual; (6) non-compliance with the federal income and rent limits issued by HUD; and (7) units are not leased in accordance with the requirements set forth in IHCDA's Federal Programs Ongoing Rental Compliance Manual.

The recipient of the HTF award will be responsible for repaying IHCDA any HTF funds utilized for any housing constructed, rehabilitated, or acquired that does not remain affordable and in compliance in accordance with 24 CFR 93.302 for the entire Affordability Period. Recapture is not prorated; failure to meet the entire affordability period will result in full repayment of the HTF award.

3.7 Geographic Diversity

IHCDA will make every effort to distribute HTF funds geographically. The ability to do so may be limited by the location of eligible applications and projects which receive adequate scoring to be funded.

Applicants for HTF funds must have completed the Indiana Supportive Housing Institute. Teams are selected and admitted into the Institute based on the criteria laid out in an annual Request for Proposals (RFP). During review of the RFP responses, IHCDA staff considers geographic diversity as part of its evaluation to ensure that we are creating supportive housing developments throughout the state. In addition, the applicant must demonstrate need for supportive housing as supported by local data sources, including but not limited to data from the Point In Time Count and other data sources collected by the Continuum of Care.

3.8 Award Term

The HTF award must be fully expended within a 24 month period. The award generally expires on the last day of the month, 24 months following execution of the award agreement by the recipient and IHCDA.

Part 4: Subsidy Limitations & Eligible Activity Costs

4.1 Subsidy & Budget Limitations

The maximum request amount per application is $400,000 for eligible rental projects. At IHCDA's discretion, IHCDA may allow recipients to apply for additional HTF funding.

Subsidy Limitations

The maximum per-unit subsidy limits for HTF will be set at IHCDA's applicable HOME maximum per-unit subsidy limits. They will be applied statewide and are adjusted by the number of bedrooms per unit. These limits can be found in the table below.

The decision to use the HOME subsidy limits and apply them statewide is based on an analysis of the actual total development costs of affordable multifamily rental housing applications in Indiana from 2010-2015. Two separate analysis were conducted. The first compared projects in large cities (population of 75,000 or greater), small cities (population of 15,000-74,999) and rural localities (population under 14,999); the second compared the four evaluation regions as set by IHCDA. While there is some difference in individual project costs, there is relatively little variation in the 2010-2015 averages through both scenarios. The per/unit subsidy for each of the geographical subsets did not greatly differ from either each other and, or from the state average. The highest total development cost per unit can be found in the small city category; the difference between the statewide average is less than 8% higher. Large cities had the lowest cost per unit; there was only a 4% difference in cost per unit compared to the statewide average.

Setting the HTF maximum per-unit subsidy limits at the existing HOME limits is allowed by HUD and cost data indicate the use of the HOME limits is appropriate as the initial baseline cap for the amount of HTF investment that may be put into any HTF-assisted unit. However, it is important to note that the cap is not the only mechanism. IHCDA will use to allocate no more HTF funds than allowable and necessary for project quality and affordability. Each application for HTF funding will be reviewed and analyzed in accordance with IHCDA's underwriting process, which includes a subsidy layering review. IHCDA staff has extensive experience in this area, including through its administration of HOME. The review includes an examination of sources and uses (including any operating or project-based rental assistance) and a determination that all costs are reasonable. Through its underwriting process, IHCDA will ensure that the level of HTF subsidy provided: 1) does not exceed the actual HTF eligible development cost of the unit, 2) that the costs are reasonable and in line with similar projects across the state, 3) the developer is not receiving excessive profit, and 4) HTF funding does not exceed the amount necessary for the project to be successful for the required 30 year affordability period.

As required by HUD, the HTF maximum subsidy limits will be assessed and adjusted annually. IHCDA's review for the next program year will be further informed by the first years' experience working with developers and the HTF requirements as well as the issuance of HUD guidance on using HTF funding for operating assistance and reserves.

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

Bedroom Size	Per Unit Subsidy Limit
0	$90,000
1	$105,000
2	$120,000
3	$145,000
4+	$160,000

Minimum amount of HTF funds to be used for rehabilitation or new construction is $1,001 per unit.

Budget Limitations

- HTF funds cannot be used for reserve accounts for replacement or operating costs, but may be used as a Rent-Up Reserve.
- All subsidies must be secured throughout the affordability period by a written, legally binding, recorded restrictive covenant.

IHCDA may approve, at their sole discretion, requests for higher per unit subsidy limits dependent upon verification of the need for increased costs.

4.2 Form of Assistance

HTF funds will be awarded to the recipient in the form of a grant. Award documents must be executed in order to access funds and will include, but are not limited to: award agreement, resolution, and a lien and restrictive covenant agreement.

The applicant may then provide the HTF award as a forgivable, amortized, or deferred loan to as many other entities as it chooses, known as subgrantees. However, subgrantees must be identified in the application and approved by IHCDA.

A title company is required to be used for all loans that occur between the IHCDA recipient and the subgrantee of the program. The IHCDA recipient must execute a promissory note, mortgage, lien and restrictive covenant agreement, and other documents as directed by IHCDA in order to secure IHCDA's investment in the assisted property. The recipient is required to deliver these documents to the county recorder's office for recording. These documents will be reviewed during monitoring visits.

4.3 Eligible Activity Costs

The bolded items listed below are included in the application budget. If you have a question about which line item an expense goes under, contact your IHCDA Real Estate Production Analyst.

ACQUISITION – Limited to the purchase price and related costs associated with the acquisition of real property. Recipients must use a title company when purchasing or selling assisted properties.

DEMOLITION – Costs associated with the demolition and clearance of existing structures.

NEW CONSTRUCTION

Eligible costs include:

- Hard costs associated with new construction activities;

- Utility connections including off-site connections from the property line to the adjacent street;
- Site work related to driveways, sidewalks, landscaping, etc.
- Related infrastructure costs - improvements to the development site that are in keeping with improvements of surrounding, standard developments. Site improvements may include on-site roads and water and sewer lines necessary to the development
- Stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners
- General Requirements, Contractor Contingency and CMC

REHABILITATION
Eligible costs include:

- Hard costs associated with rehabilitation activities
- Lead-based paint interim controls and abatement costs.
- Mold remediation
- Site work related to driveways, sidewalks, landscaping, etc.
- Stoves, refrigerators, built-in dishwashers, garbage disposals, and permanently installed individual unit air conditioners
- Utility connections and related infrastructure costs - off-site connections from the property line to the adjacent street are eligible when it is deemed a threat to health and safety. Improvements to infrastructure when there will be no rehabilitation work done on the actual house to be served
- General Requirements, Contractor Contingency and CMC

RETAINAGE POLICY - IHCDA will hold the final $5,000 of an award until, closeout documentation, and completion reports are received and approved. Closeout documentation will not be approved until the final monitoring and inspection is completed and all associated findings and/or concerns are resolved.

4.4 Ineligible Activity Costs

- Annual contributions for operation of public housing
- Commercial development costs **-** All costs associated with the construction or rehabilitation of space within a development that will be used for non-residential purposes such as offices or other commercial uses. This does not include the common area used by tenants of rental property or the leasing office of the apartment manager. HOME awards cannot be used to underwrite any portion of commercial development costs. The expenses incurred and income to be generated from commercial space must be reported in a separate “Annual Expense Information” sheet and 15-year proforma.
- Costs associated with any financial audit of the recipient.
- Costs associated with preparing an application for funding through IHCDA
- Cost of supportive services
- General operating expenses or operating subsidies
- Loan guarantees
- Mortgage default/delinquency correction or avoidance
- Providing tenant based rental assistance
- Purchase or installation of equipment, furnishings, tools, or other personal property that is not an integral structural feature, such as window air conditioner units or washers and dryers.
- Purchase or installation of luxury items, such as swimming pools or hot tubs

- Any additional prohibited activities and fees as listed in 93.204.

4.5 Allocating Costs in Mixed-Income Developments

HTF may only pay actual costs related to HTF-assisted units. If the units in a development are comparable (in terms of size, features and number of bedrooms), then the actual costs can be determined by pro-rating total development costs. HTF funds could pay the pro-rated share of the HTF-assisted units. When units are not comparable, the applicant must allocate the HTF costs on a unit-by-unit basis, charging only actual costs to the HTF program. Because units in rental developments with-the "floating" HTF designation must be comparable, an applicant should always pro-rate costs in these developments. When units are generally comparable but vary slightly in size or amenities, a combination of the two approaches may be used.

Unit Size - Comparability in size is defined by the bedroom count and square footage of individual units. Not all units with the same number of bedrooms are comparable in size. If there is a substantial difference in the square footage of two units with the same number of bedrooms, the units are not considered comparable.

Amenities - Comparability in amenities means similar fixtures, appliances and other features. In many mixed-income developments, to receive varying rents, the quality and types of amenities may vary among units. For instance, a development might charge a higher rent for a unit with wall-to-wall carpeting, garbage disposal, dishwasher, and finer fixtures than for a unit without these amenities. This type of development does not typically have comparability of units, unless there is an equal distribution of assisted and non-assisted units that have these amenities.

Common Costs - Common costs are costs incurred for acquisition of improved or unimproved real property that benefits all residents of units in a development, rehabilitation or construction of shared systems (heating, plumbing, roofing) or shared facilities (community rooms, laundry facilities located in residential buildings); and on-site improvements. Costs associated with a development's on-site management office or the apartment of a resident manager may be counted as common costs. The manner in which the costs for common elements of a development may be charged is dictated by the method chosen for allocating costs.

5.1 Eligible Projects

HTF projects can propose rental activities with this policy and corresponding application forms.

5.2 Eligible Rental Activities

Eligible activities include new construction, rehabilitation only, or acquisition/rehabilitation. Acquisition is allowed only in conjunction with the rehabilitation activity and is ineligible as a stand-alone activity. Permanent rental housing units may not be used for temporary or emergency housing at any time. Eligible rental activities also include the rehabilitation or acquisition/rehabilitation of assisted-living facilities as long as they meet IHCDA's definition. IHCDA defines an assisted living facility as living arrangements in which some optional services are available to residents (meals, laundry, medication reminders), but residents still live independently within the assisted-living complex. Residents of such facilities pay a regular monthly rent, and then pay additional fees for the services that they desire.

All households occupying HTF-assisted rental units must be income-qualified based at or below 30% of area median income and all units must be rent restricted at the 30% rent limit. See the *Federal Programs Ongoing Rental Compliance Manual* for more information on household qualification.

5.3 Income Restrictions

HTF-assisted rental units will income-restricted for occupancy by extremely low-income households, defined as households that are certified as having incomes at or below the 30% area median income HTF income limit, as published by HUD. The 2018 income limits for Indiana (effective 6/1/18) can be found HUD's website found on HUD's website at https://www.hudexchange.info/resource/reportmanagement/published/HTF_IncomeLmts_State_IN_2018.pdf.

All households that occupy HTF-assisted rental housing units must be income certified at the time of move-in and then recertified on an annual basis. The 24 CFR Part 5 (Section 8) definition of household income applies.

5.4 Rent Restrictions

HTF-assisted rental units will be rent-restricted at the 30% rent restriction throughout the affordability period to ensure that the units are affordable to extremely low-income households. Please refer to the most recent HTF rent limits. The 20187 rent limits for Indiana (effective 6/1/18) can be found on HUD's website at https://www.hudexchange.info/resource/reportmanagement/published/HTF_RentLimits_State_IN_2018.pdf.

The following restrictions apply:

- Published rent limits include the cost of any tenant-paid utilities. For all utilities that the tenant will be responsible for you must subtract any IHCDA or HUD approved utility allowance from the published rent limit. For example, if the rent limit in a given county is $300 with a utility allowance for gas heat of $28, $20 for other electric, and $13 for water, the maximum allowable rent would be $239 for a unit where the tenant pays all the above utilities ($300 - $28 - $20 - $13 = $239).

- All units must be leased for initial occupancy within 18 months.
- If a SRO-unit has both food preparation and sanitary facilities, then use the zero bedroom (efficiency) unit rent or 30% of the household's adjusted income, whichever is most restrictive.
- If a SRO-unit has neither food preparation nor sanitary facilities, or only one of either, then the rent may not exceed 75% of the fair market rent (FMR) for a zero bedroom unit. For example, if the FMR for a zero bedroom unit in a given county is $300, then the 30% rent limit in that county for a SRO unit that only has a bathroom and not a kitchen would be $225 ($300 x .75 = $225).
- Gross rent must be at or below the published rent limit. Gross rent = tenant-paid rent + tenant-based rental assistance + utility allowance + non-optional charges.
- If the applicant proposes to receive all or a portion of the rent payment via a tenant-based voucher (rental subsidy), the gross rent (including the rental assistance amount) cannot exceed the published rent limits for the applicable income level. For example, a tenant residing in a unit set-aside for households at or below 30% of the area median income has a voucher that pays $100 of his/her rent, and the published utility allowance for tenant paid utilities for the unit is $50. If the published 30% rent limit is $300, the tenant paid portion of rent cannot exceed $150 ($300 rent limit - $100 Section 8 Voucher - $50 utility allowance = $150 maximum tenant paid portion).
- If the development receives a federal or state project-based rent subsidy and the unit is designated as 30% or below and the household is at or below 30% AMI and the household pays no more than 30% of his/her adjusted income for rent, then the maximum rent may be the rent allowable under the project-based rental subsidy program as set forth in 24 CFR 93.302(b)(2).
- If the development charges non-optional fees for food or the costs of supportive services, then these costs must be included in the gross rent calculation

5.5 Affordability Periods

All rental projects are subject to a 30-year affordability period as defined in Part 3.4 of this document.

The recipient is subject to recapture provisions through a recorded lien and restrictive covenant agreement as described in Parts 3.5 of this document.

5.6 Underwriting Guidelines for Rental Projects

The following underwriting guidelines must be followed for any rental development as per 24 CFR 93.300 (b). The numbers submitted should accurately reflect the true nature and cost of the proposed activity. IHCDA will consider underwriting outside of these guidelines, if supporting documentation is provided.

TOTAL OPERATING EXPENSES – All developments must be able to underwrite with a minimum operating expense of $3,500 per unit per year (net of taxes and reserves).

MANAGEMENT FEE – The maximum management fee allowed is described in the table below, based on the number units within the project. The percentage is based on the "effective gross income" (i.e. gross income for all units, less vacancy rate).

Number of Units	Maximum Management Fee Percentage
1 – 50	7%
51 - 100	6%
101 or more	5%

VACANCY RATE – All developments must be able to underwrite with a vacancy rate between 6% and 8%. Applicants must substantiate the vacancy rate.

RENTAL INCOME GROWTH – All developments must be able to underwrite with a rental income growth between 0% and 2% per year beyond the 30 year affordability period.

OPERATING RESERVES – All developments must be able to underwrite with operating reserves, using the greater of four-to-six months of expenses (i.e. operating expenses, plus debt service) OR $1,500 per unit.

RENT-UP RESERVE – HTF funds may be used to fund a rent-up reserve for new construction and rehabilitation rental housing developments. This reserve can be used to meet shortfalls in development income during the rent-up period and may only be drawn down after all construction is completed at the development. The following terms apply:

- The term of the rent-up reserve account may not exceed six months after all construction is completed, after which time any unused reserves left in the account will be de-obligated by IHCDA.
- These funds can be used only for development operating expenses, scheduled payments to replacement reserves, and/or debt service payments.
- The recipient must receive IHCDA's approval prior to accessing its rent-up reserve funding.
- The amount of HTF funds that can be utilized for a rent-up reserve is limited to three months development operating expenses plus three months of development debt service.

REPLACEMENT RESERVES – All developments are required to have replacement reserves. Replacement reserves must be included in the operating budget but are not included as part of the operating reserves. Contributions must be made to the reserve account starting at or before the conversion date of the construction loan to permanent loan and must be funded for the term of the loan. Replacement reserve funds must only be used for capital improvements (substantial improvements to the real estate such as re-roofing, structural repairs, or major projects to replace or upgrade existing furnishings, but not including replacement of individual appliances or minor repairs) and must **not** be used for general maintenance expenses. Less restrictive provisions required by lenders must be approved by IHCDA.

Replacement reserves must escalate at a rate of 3% per year.

IHCDA will, at its discretion, adjust the replacement reserve to reflect reasonable and customary capital and replacement expenditures. The following minimum contributions must be used.

Development Type	Minimum Contribution per unit per year
Rehabilitation/ Adaptive Reuse*	$350

Development Type	Minimum Contribution per unit per year
New Construction (if age restricted)	$250
New Construction (if non age-restricted)	$300
Single Family Units	$420
Historic Rehabilitation	$420

* For rehabilitation developments, the Capital Needs Assessment will be reviewed to determine whether sufficient reserves have been established.

CAPITALIZED SERVICE RESERVES- All developments receiving an allocation of HTF funds must establish a capitalized service reserve to help ensure that supportive services can be provided to the tenants throughout the affordability period. The service reserve cannot, however, be funded from HTF funds. The developer must account for the source of the service reserves and take this into effect when considering uses for tax credit equity and other sources. The amount of the service reserve must be based on development size and service budget. The application must include a narrative describing the methodology used to determine the size of the service reserve.

IHCDA will, at its discretion, issue additional guidance via a RED Notice to set a more standardized requirement on the allowable size (minimum and maximum) of the capitalized service reserve requirement to reflect reasonable and customary expenditures.

OPERATING EXPENSE GROWTH – All developments must be able to underwrite with operating expense growth between 1% and 3% per year.

IHCDA requires operating expense growth to be at least 1% higher than rental income growth.

STABILIZED DEBT COVERAGE RATIO – All developments must be able to underwrite with a stabilized debt coverage ratio (DCR) within the following standards (stabilization generally occurs in year 2):

Development Location	Minimum Acceptable Debt Coverage Ratio
Large or Small City	1.10 – 1.40
Rural	1.10 – 1.50

- Stabilization usually occurs in year two; however, the debt coverage ratio for a development must not go below 1.10 during the affordability period to be considered financially feasible.
- IHCDA does recognize that rural deals may have higher debt coverage ratios at the beginning of the affordability period in order to remain feasible. Documentation to support these higher debt coverage ratios must be provided.
- Developments without hard debt are permissible, but will be subject to additional scrutiny from IHCDA. Developments with no debt will not have a debt coverage ratio, but will be required to have cash flow without an undue profit. This will be determined by a ratio of Effective Gross Income to Total Annual Expenses (including Replacement Reserves). A ratio of 1.10 shall be the minimum required to be considered feasible by IHCDA, throughout the affordability period.

- Tax abatement may cause the DCR to be higher than these guidelines.

The following documentation is required for Stabilized Debt Coverage Ratio:

- Documentation of estimated property taxes and insurance for the proposed development (i.e. a statement of how the applicant determined the estimated taxes and insurance for the development); AND

- If the underwriting is outside these guidelines, the applicant must provide a written detailed explanation with third party documentation supporting the explanation (approval of underwriting from other financing institutions/funding sources will not constitute acceptable supporting documentation).

5.7 Market Assessment Guidelines

The following market assessment guidelines must be followed for any rental development. The numbers submitted should accurately reflect the market feasibility of the proposed activity.

MARKET AREA – Describe the market area from which the majority of the development's tenants are likely to come and provide a map with a scale. Describe how the market area was determined to be appropriate for the development.

SOCIOECONOMIC PROFILE AND TRENDS – Describe the trends in population and households by age and income and estimate the number of eligible tenants for the development.

HOUSING STOCK – Describe the existing housing stock within the market area including the number of housing units, type (single family or multifamily), percent vacant, percent owner-occupied and renter-occupied, etc. In addition, provide a list of all other rent restricted properties in the market area and indicate whether they are age restricted.

CAPTURE RATE AND ABSORPTION PERIOD – Provide an estimate of the capture rate for the development (project's units divided by the number of eligible tenants from the market area), and estimate the absorption period to ensure lease-up within 18 months of project completion.

NEEDS ASSESSMENT – Describe how the development addresses the community's housing needs, given the market area's socioeconomic profile, trends, and housing stock.

DEVELOPMENT SITE DESCRIPTION – Explain how the site is adequate in size, exposure, and contour to accommodate the number and type of units proposed. In addition, describe whether there are adequate utilities (water, sewer, gas, and electricity) to accommodate the development.

5.8 Site and Neighborhood Standards

IHCDA administers the HTF program in a manner that promotes housing opportunities and provides housing that is suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964, the Fair Housing Act, E.O. 11063, and HUD regulations issued pursuant thereto. For new construction of HTF -assisted rental units, the applicant must demonstrate that the proposed development meets the site and neighborhood standards as given at 24 CFR 983.6(b) and 93.150 by completing the appropriate form in the HTF Section.

- The site must not be located in an area of minority concentration, except as permitted under paragraph (e)(3) of this section, and must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
- A project may be located in an area of minority concentration only if:
    - Sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration or
    - The project is necessary to meet overriding housing needs that cannot be met in that housing market area
    - “Sufficient” does not require that in every locality there be an equal number of assisted units within and outside of areas of minority concentration. Rather, application of this standard should produce a reasonable distribution of assisted units each year that, over a period of several years, will approach an appropriate balance of housing choices within and outside areas of minority concentration. An appropriate balance in any jurisdiction must be determined in light of local conditions affecting the range of housing choices available for low income minority families and in relation to the racial mix of the locality's population.
    - Units may be considered “comparable opportunities,” if they have the same household type (elderly, disabled, family, large family) and tenure type (owner/renter); require approximately the same tenant contribution towards rent; serve the same income group; are located in the same housing market; and are in standard condition.
    - Application of this sufficient, comparable opportunities standard involves assessing the overall impact of HUD-assisted housing on the availability of housing choices for low-income minority families in and outside areas of minority concentration, and must take into account the extent to which the following factors are present, along with other factors relevant to housing choice:
        - A significant number of assisted housing units are available outside areas of minority concentration.
        - There is significant integration of assisted housing projects constructed or rehabilitated in the past 10 years, relative to the racial mix of the eligible population.
        - There are racially integrated neighborhoods in the locality.
        - Programs are operated by the locality to assist minority families that wish to find housing outside areas of minority concentration.
        - Minority families have benefited from local activities (e.g., acquisition and write-down of sites, tax relief programs for homeowners, acquisitions of units for use as assisted housing units) undertaken to expand choice for minority families outside of areas of minority concentration.
        - A significant proportion of minority households has been successful in finding units in non-minority areas under the tenant-based assistance programs.

- Comparable housing opportunities have been made available outside areas of minority concentration through other programs.

- Application of the “overriding housing needs” criterion, for example, permits approval of sites that are an integral part of an overall local strategy for the preservation or restoration of the immediate neighborhood and of sites in a neighborhood experiencing significant private investment that is demonstrably improving the economic character of the area (a “revitalizing area”). An “overriding housing need,” however, may not serve as the basis for determining that a site is acceptable, if the only reason the need cannot otherwise be feasibly met is that discrimination on the basis of race, color, religion, sex, national origin, age, familial status, or disability renders sites outside areas of minority concentration unavailable or if the use of this standard in recent years has had the effect of circumventing the obligation to provide housing choice.

Part 6: Completeness & Threshold Requirements

Each proposed project must satisfy the Federal requirements of the HTF program listed in 24 CFR Part 93 and any additional requirements established by IHCDA. To be considered for funding, an applicant must meet all of the completeness and threshold requirements listed below.

6.1 Completeness Requirements

a. Timeliness – All documentation must be turned in by the application due date.
   - On or before the application deadline, the applicant must provide all documentation as instructed in this application policy as well as required documentation listed in the HOME Application Forms.
   - If IHCDA requests additional information from the applicant, all requests are due on or before the date provided by IHCDA staff.
   - Any forms that are late will be denied review and will be sent back to the applicant.

b. Responsiveness – All questions must be answered and all supporting documentation must be provided.
   - The applicant must provide all documentation as instructed in this application policy as well as required documentation listed in the HTF Application Forms.
   - The applicant must provide all documentation as requested (i.e. uploaded or hard copies, labeled correctly, etc.)
   - Required signatures must be originally signed.

6.2 HTF Criteria

In accordance with 24 CFR 91.320(5)(i), IHCDA will address and weigh the required priority funding factors in the following manner:

a. *Priority Housing Needs of Indiana – high priority*: Through the 2015-2019 Consolidated Plan, the State of Indiana includes extremely low income households and permanent supportive housing/integrated supporting housing as "housing priority needs" (see AP-25 Allocation Priorities).

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

   In addition, IHCDA may award additional scoring of 140 points under Sections 7.1 Rents Charged; 7.2 Development Characteristics; and 7.3 Sustainable Development to prioritize projects which best serve their residents.

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

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

d. *Extent of Non-Federal Funding – moderate priority*: As stated under the Threshold Items Section 6.3 (c), the applicant must demonstrate all subsidy sources. IHCDA may also award up to 14 points for projects that meet the criteria as outlined in Sections 7.2 (o) Tax Credit Per Unit; 7.2 (p) Tax Credit per Bedroom; 7.4 (a) Firm Commitment; and 7.4 (b) Previous Funding in a Local Government.

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

f. *Geographic Diversity – medium priority*: As identified in Section 3.7, IHCDA will make no preference to geographic diversity in projects during the HTF application scoring process. IHCDA will, however, make every effort to distribute HTF funds geographically. The ability to do so may be limited by the location of eligible applications and projects which receive adequate scoring to be funded. The primary consideration for geographic diversity will be handled through the selection of teams that are admitted into the Indiana Supportive Housing Institute. Completion of the Institute is a threshold requirement for HTF eligibility.

IHCDA will, however, consider geographic factors in scoring related to “desirable sites” as defined within the QAP. An application can score up to 10 points in the desirable sites scoring categories as summarized below and listed in Part 7.3 F.

- Location Efficient Projects: An application can score up to 3 points for being within walking distance of stores with fresh produce and other amenities including civic or community facilities, services, retail opportunities, or healthcare.
- Transit Oriented Development: An application can score up to 2 points for being near fixed transit infrastructure, or for rural or small city developments if there is established public or point-to-point transit services that pick up near the site.
- Opportunity Index: An application can score up to 5 points for being located in a county in the top quartile of median household income in the state and not within a qualified census tract, in a county in the bottom quartile of poverty in the state and not within a qualified census tract, in a location with at least one “A” rating public school, in a county with an unemployment rate below state average, and/or in a county ranked in the top quartile of overall healthy outcome rankings in the state.
- Undesirable Sites: An application can receive a negative point if the proposed development is near undesirable facilities and locations that produce objectionable noise, smells, excessive traffic, hazardous activity, etc.

Additionally, IHCDA considers where it has previously allocated funds. The QAP contains two scoring categories worth up to 6 points that attempt to incentivize developments in areas that have not obtained recent IHCDA funding.

- Previous Funding within a Local Government: An application can receive up to 3 points for falling in the boundaries of a unit of local government that has not received an allocation of low-income housing tax credits in the past 3 years.
- Census Tract without Active Tax Credit Developments: An application can receive 3 points for if the proposed development is in a census tract that does not have any active tax credit developments of the same occupancy type (elderly or family). An “active” tax credit project is one that has received a reservation of credits, is in its compliance period, or is in its extended use period.

6.3 Threshold Items

Each Development applying for an allocation of Rental Housing Financing and HTF must satisfy the requirements of both Section 42 and 24 CFR 93. In the event that an application is competitive for RHTC but either the application fails the HTF threshold review, or HTF funds are not available to award, IHCDA will allow the application to submit additional information to identify other ways to fill the development’s financing gap.

Applicants must meet the threshold requirements are outlined in the QAP as well as the following threshold items for those projects requesting HTF:

a. The HTF-assisted units must meet affordability requirements for not less than 30 years, beginning at development completion. The affordability requirements apply without regard to the term of any loan or mortgage or the transfer of ownership. The affordability requirements must be imposed by deed restrictions or covenants running with the land. Please note that the HTF affordability period may differ from that of the RHTC program.

b. IHCDA is required to complete a subsidy layering review at any time a development receives HTF funds, along with other governmental subsidies to assure that the development is not being overly subsidized. In reviewing requests for HTF in conjunction with RHTC, IHCDA will utilize the underwriting analysis as outlined in Section 5. If the applicant is also applying for Project-Based Section 8, the applicant must provide the required documentation as listed in the QAP.

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

d. The applicant must demonstrate experience and capacity to conduct an eligible HTF activity as evidenced by its ability to:
    1. Own, construct, or rehabilitate, and manage and operate an affordable multifamily rental housing development; or
    2. Design, construct, or rehabilitate, and market affordable housing for homeownership.
    3. That the applicant has the capacity to undertake the activities set forth in its application upon receipt of the HTF award and begin construction within 12 months of receipt of the award and complete the development within a 24 month period.

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

Part 7: Scoring Criteria

IHCDA developed five (5) categories of scoring criteria within its QAP, based on the needs assessment conducted and established housing goals. If an Application satisfies all applicable threshold requirements in the QAP, and meets the federal regulations under 24 CFR 93, then it will be evaluated and scored based on:

Scoring Section	Total Number of Eligible Points
1. Rents Charged	16 Points
2. Development Characteristics	63 Points
3. Sustainable Development Characteristics	14 Points
4. Financing & Market	17 Points
5. Other	33 Points
Total Number of Points	**143 Points**

Applicants both seeking a Rental Housing Tax Credit Allocation and funding through the National Housing Trust Fund must score a total of eighty (80) or more points in order to meet the minimum threshold score and be considered for funding. For more detail, please see the 2018-2019 QAP. If there is a discrepancy or conflict between the below categories/points, and the QAP, the QAP will prevail.

7.1 Rents Charged

If the Development intends to charge rents lower than the maximum allowable for the area median income (AMI) required, and maintains rents for units at a level to exceed the maximums outlined in the QAP. See the table below. Please note all PY 2018 HTF units must be for persons at or below 30% of the AMI.

Points	% of units at 30% AMI Rent	TOTAL% of units at or below 50% AMI Rent (including 30% units)
16	25%	50%
12	25%	40%
8	25%	25%
4	Less than 25%	33.33%

Maximum Points: 16.

7.2 Development Characteristics

a. Amenities: IHCDA will award points for the development's amenities. All amenities chosen by the Applicant should conform to the needs of the Development and its residents.

Maximum Points: 6.

b. Accessible/adaptable units: IHCDA encourages the adoption of additional accessible or adaptable units.
Maximum Points: 5.

c. Universal Design Features: Applicants are encouraged to adopt universal design features.
Maximum Points: 5

d. Vacant Structure: IHCDA will award up to five points to applications who convert a vacant structure into rental housing, or a portion for commercial use.
Maximum Points: 6.

e. Development Historic in Nature: At least 50% of the total units must be located in eligible historic buildings.
Maximum Points: 3

f. Preservation of Existing Affordable Housing: Points may be awarded for either an application which proposes the preservation of an existing Rental Housing Tax Credit affordable housing development or, an application which proposes the preservation of HUD or USDA affordable housing.
Maximum Points: 6

g. Infill New Construction: IHCDA will award points to applications which meet IHCDA's criteria for infill development.
Maximum Points 6.

h. Promotes Neighborhood Stabilization: Points will be awarded to a proposed development that is recognized by the local government as assisting in the stabilization of a neighborhood by demolishing or redevelopment property that has been foreclosed, abandoned, or constitutes blights or greyfield redevelopment.
Maximum Points: 4

i. Local Redevelopment Plan: Points will be awarded if there is an adopted redevelopment or community revitalization plan that clearly targets the specific neighborhood in which the project is located.
Maximum Points: 4.

j. Federally Assisted Revitalization Award: Points will be awarded if the proposed project is a phase or a component of certain federally assisted awards. See the QAP for a list of eligible awards.
Maximum Points: 4

k. Off Site Improvement, Amenity and Facility Investment: Points will be awarded if an investment of resources is provided that will result in off-site infrastructure improvements.
Maximum Points: 4

l. Tax Credit Per Unit: Points will be awarded for development that implement cost containment measures.
Maximum Points: 4.

m. Tax Credit Per Bedroom: Points will be awarded for development that implement cost containment measures.
Maximum Points: 4.

7.3 Sustainable Development Characteristics

a. Building Certification: Points will be awarded if the Development commits to going beyond the minimum green standards and all buildings register and receive one of the certifications listed in the QAP.
Maximum Points: 2.

b. Water Conservation: To promise sustainable water uses practices, points may be earned for the integration of water conservation methods. A listing of methods can be found in the QAP.
Maximum Points: 1.

c. Desirable Sites: Desirable sites, which are or will be, located in close proximity and are accessible to desirable facilities tailored to the needs of the development's tenants will be awarded points. The listing of the desirable sites and the targeted area points (urban or rural) can be found in the QAP.
Maximum Points: 11.

7.4 Financing & Market

a. Leveraging Capital Resources: The Development has received a firm commitment that does not require any further approvals for public or private funds that specifically enhance and/or create significant costs savings for the Development.
Maximum Points: 4

b. Non-IHCDA Rental Assistance: Developments that have received a commitment of non-IHCDA funded rental assistance will receive two points.
Maximum Points: 2.

b. Previous funding within a Local Government: Points will be awarded if a Development's proposed site does not fall within the boundaries of a Local Government in which there has been an RHTC,

and/or Tax Exempt Bond allocation within the last three year calendars years as of the application due date.
Maximum Points: 3.

c. Census Tract without Active Tax Credit Developments: Points will be awarded if the proposed project is in a Census Tract without any active RHTC developments of the same occupancy type (elderly or family).
Maximum Points: 3.

d. Housing Need Index: The proposed Development Site may earn up to 3 points if the area to be served demonstrates a need for affordable housing units.
Maximum Points: 3

e. Lease-Purchase: Development that will offer homeownership opportunities to qualified tenants after 15 years will be eligible (this option is not available for elderly developments).
Maximum Points: 2.

7.5 Other

a. Certified Tax Credit Compliance Specialist Points will be awarded for completion of certified trainings. Please see the QAP for a listing of eligible awardees and certifications.
Maximum Points: 3.

b. MBE/WBE/DBE/VOSB/SDVOSB: Points will be awarded for each certification submitted which meets the criteria outlined in the QAP.
Maximum Points: 4.

c. Unique Features: The Development has unique features that contribute to the Development of affordable housing in the community where the Development is located.
Maximum Points: 6

d. Tenant Investment Plan. Points in this category will be awarded based on the overall Tenant Investment Plan.
Maximum Points: 6

e. Integrated Supportive Housing: Developments proposing to create Integrated Supportive Housing, defined as housing in which no more than 25% of the units, but no less than 7 units, are designated as supportive housing for persons experiencing homeless. Developments proposing that 100% of the units will be supportive housing are eligible to complete in the Housing First Set aside, but are not eligible for points in this evaluation category.
Maximum Points: 5.

f. Smoke Free Housing: Points will be awarded to developments that commit to operating as smoke-free housing.

Maximum Points: 3

g. Community Participation: Points will be awarded if the applicant, owner, or developer is a member of the Board of Directors of a 501(c)3 nonprofit organization within the State of Indiana that has been in existence for at least one year from the time of application submission.
Maximum Points: 2

h. Technical Correction: During the funding round, and after IHCDA's review of Threshold for each Application, IHCDA will award bonus points for applications that have two or less technical corrections.
Maximum Points: 4.

Part 8: Glossary

Below are definitions for commonly used terminology found throughout the IHCDA HTF application policy and forms and applicable to the IHCDA HTF program.

Development: The HTF activity proposed in the application.

Extremely Low-Income: A household at or below 30% of area median income.

HTF: The Housing Trust Fund program.

IHCDA: Indiana Housing and Community Development Authority

Income Limits: Maximum incomes as published by HUD for projects giving the maximum income limits per household for program units. For HTF, the maximum income limit is 30% of area median income.

Median Income: A determination made through statistical methods establishing a middle point for determining income limits. Median is the amount that divides the distribution into two equal groups, one group having income above the median and one group having income below the median.

Rent Limits: The HUD published maximum rent amount, including a utility allowance and any non-optional fees. Rent limits are published by bedroom size and by AMI level. For HTF, the maximum rent limit is the 30% AMI rent limit.

IHCDA National Housing Trust Fund Rehabilitation Standards

IHCDA has established rehabilitation standards of which all HTF-assisted housing undergoing rehabilitation must meet at the time of project completion, pursuant to the regulations at 24 CFR 93. These standards are designed to outline the requirements for building rehabilitation for all IHCDA national Housing Trust Fund funded multi-family housing projects.

All IHCDA National Housing Trust Fund (HTF) projects constructed or rehabilitated must meet the stricter of the Indiana State Building Code, local building codes, or manufacturer's instructions. The General Administrative Rules at 675 IAC 12 provides State of Indiana codes and standards for rehabilitation. The Rules can be accessed at the following address: http://www.in.gov/dhs/2490.htm

At the time of publication and adoption of the HTF Standards, the adopted codes referenced are believed to be those in force. As standard sand codes change and put into effect by the governing authorities having jurisdiction, the new standards and codes will apply in lieu of those referenced.

Please note this Guide is to be used only as a supplement to compliance with all applicable State and Federal codes, laws, regulations, statutes, and rules. This Guide should not be considered a complete guide to physical inspection compliance. The responsibility for compliance with Federal program regulations lies with the HTF grantee and/or property owner. IHCDA's obligation to monitor for compliance with the requirements of the Code does not make IHCDA or its subcontractors liable for any non-compliance issues.

I. Health and Safety

If the housing is occupied at time of rehabilitation, any life-threating deficiencies must be identified and addressed immediately. Appendix A defines the list of Inspectable Items and Observable Deficiencies, including the identification of life-threating deficiencies for the property site, building exterior, building systems, common areas and units. Critical Violation code deficiencies (CVC) are identified in both the following Rehabilitation Standards, as well as Appendix A. Critical violations must be repaired within 24 hours of the inspection and IHCDA must be provided with written notification of the action taken to complete the correction(s). The following would be considered a Critical Violation Code:

- Exposed Energized Electrical
- Water Leak by Electrical equipment
- Gash/Methane Leaks
- Fire Exit Blocked
- Unusable Fire Escapes
- Flue Gas Vents with CO leakage
- Missing/inoperable smoke detector
- Expired/Discharged Fire Extinguisher/Inspector Tag
- Inoperable Emergency Escape/Rescue Windows
- Inoperable Emergency Lightening
- Inoperable EXIT sign
- Improper Fuel Storage
- Missing or Lose Guard Rail
- Ground Fault Protection Inoperable
- Fire Alarm Inoperable
- Other with Explanation

II. Major Systems

The remaining useful life of the major systems must be determined for rental housing and a Capital Needs Assessment will be required for projects of 26 units or more. For more information on the CNA the certificate and affidavit, please see Schedule F.

- All developments are required to have replacement reserves. Replacement reserves must be included in the operating budget but are not included as part of the operating reserves. Contributions must be made to the reserve account starting at or before the conversion date of the construction loan to permanent loan and must be funded for the term of the loan. Replacement reserve funds must only be used for capital improvements (substantial improvements to the real estate such as re-roofing, structural repairs, or major projects to replace or upgrade existing furnishings, but not including replacement of individual appliances or minor repairs) and must not be used for general maintenance expenses. Less restrictive provisions required by lenders must be approved by IHCDA.

    - Replacement reserves must escalate at a rate of 3% per year.
    - IHCDA will, at its discretion, adjust the replacement reserve to reflect reasonable and customary capital and replacement expenditures.
    - See 5.6: Underwriting Guidelines for Rental Projects in the HTF Policy for more information.

- An independent, experienced third party must perform the CNA and this party can have no financial interest in ownership of the development. It is required that an Indiana licensed professional, an engineer/architect, perform the assessment and supply IHCDA with their professional opinion of a property’s current overall physical condition. This includes the identification of significant deferred maintenance, existing deficiencies, and material building code violations that effect the property’s use and tis structural or mechanical integrity.

- The assessment should include a site visit and physical inspection of the interior and exterior of units and structures, as well as an interview with available on-site property management and maintenance personnel to inquire about past repairs/improvements, pending repairs and existing or chronic physical deficiencies. The assessment should include an opinion as to the proposed budget for recommended improvements and should identify critical building systems or components that have reached or exceeded their expected useful lives. The assessment should also include recurring probably expenditures for significant systems and components impacting use and tenancy, which are not considered operation or maintenance expenses, in order to determine the appropriate replacement reserve deposits on a per unit per year basis. The following components should be examined and analyzed for a CNA:

    - Site, including topography, drainage, pavement, curbing, sidewalks, parking, landscaping, amenities, water, sewer, storm drainage, gas and electric utilities and lines;
    - Structural systems, both substructure and superstructure, including exterior walls an balconies, exterior doors and windows, roofing system and drainage.
    - Interiors, including unit and common area finishes and appliances, unit bathroom finishes and fixtures, and common area lobbies and corridors;
    - Mechanical systems, including plumbing and domestic hot water, HVAC, electrical, and fire protection; and
    - Elevators (if applicable).

- The CNA must provide the following information in the order and format below:
    - Company certification;

- Executive summary – including a general building description, evaluation definitions, process used to create the Capital Needs Assessment (including interviews with the current owner and/or management company;
- Existing Building Systems and Conditions Summary;
- Critical Repair Items Cost Summary – including all health and safety deficiencies violation of state or local building codes that require immediate correction:
  - Site and grounds
  - Building exteriors
  - Common areas
  - Building interiors
- Rehab and Renovations Cost Summary – An estimate of the repairs, replacements and renovations that will be completed before the final placed in service date:
  - Site and grounds
  - Building exteriors
  - Common areas
  - Building interiors
  - Market improvements
  - Contingency (not to exceed 15%)
- Long Term Physical Needs Cost Summary – an estimate of the repairs and replacements, during and beyond the final placed in service date, that will be required to maintain the properties physical integrity over the next 15 years.
  - Remaining useful life schedule
- Physical condition Inspection Report
- Site, building and floor plans
- Capital Needs Assessment Certification
- Photo Log

- IHCDA will, after receiving the application and the CNA, schedule a physical inspection of the development in order to verify the accuracy of the CNA submitted with the application. Additionally, IHCA may make a report, which identifies deficiencies and/or inaccurate statements concerning the identification of repairs in the CNA submitted with the application.

III. Lead Based Paint:
HUD's Lead Safe Housing Rule 24 CFR Part 35 must be addressed in all projects receiving IHCDA HTF funding. The Rule may be accessed here:
http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes/enforcement/lshr

IV. Accessibility
The Uniform Federal Accessibility Standards sets standards for facility accessibility by physically handicapped persons for Federal and federally-funded facilities. These standards are to be applied during the design, construction, and alteration of buildings and facilities to the extent required by the Architectural Barriers Act of 1968, as amended. Guidelines and standards may be found at:
https://www.access-board.gov/guidelines-and-standards/buildings-and-sites/about-the-aba-standards/ufas

Section 504 of the Rehabilitation Act of 1973- provides accessibility requirements for New Construction, Substantial Rehabilitation, and Rehabilitation. Please see Chapter 3 - Accessibility Requirements of the IHCDA CDBG & HOME Program Manual for an outline of Section 504 requirements.

V. Disaster Mitigation
These standards require housing to be improved to mitigate any potential impacts from potential disasters, such as earthquakes, hurricanes, floods, and wildfires. Improved housing must comply with State or local codes, ordinances, and any other HUD requirements. Currently new projects located in a flood hazard

area will not be funded, and any other rehabilitation of existing units must comply with any federal, State and local flood mitigation plans. Any other potential disaster issues will be mitigated as necessary.

VI: Uniform Physical Condition Standards

The property conditions must also be in accordance with the Uniform Physical Conditions Standards. These are the standards to which projects requiring on-going compliance will be inspected by during the affordability period.

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Site Conditions

1. **Site Drainage**

    a. There shall be positive surface water drainage away from all dwellings.
    b. The storm water drainage system shall be free of obstructions, structurally sound, free of hazards, and properly drain.

2. **Concrete and Masonry**

    a. Cracks in concrete, and/or masonry porches, steps or landings more than ¼ inch wide and change in elevation more than ½ inch tall shall be corrected.
    b. Walkways/Steps: cracking, spalling, exposed reinforcing material creating health/safety issues shall be repaired.
    c. Foundations: Cracking, spalling, excessive bowing (bulges vertically), sweeping (bulges horizontally), leaning, and mortar deterioration shall be corrected. Cracks 1/8 inch and larger shall be corrected.

3. **Accessory Buildings**

    a. Health and/or Safety issues shall be corrected.

4. **Trees and Shrubs**

    a. Landscaping shall not pose any health or safety hazard.
    b. Trees near the foundation shall not cause an immediate or potential drainage and/or structural problem.
    c. Excessive bushes and trees shall not cause health or safety hazards (overgrown areas).
    d. Dead branches and/or trees, which pose a hazard of falling and/or causing personal harm or property damage, shall be removed.

5. **Refrigerator/Stoves**

    a. It is recommended that the appliance(s) be replaced if any of the following conditions exist:
        - Broken or missing shelving.
        - Deteriorated seals.
        - Health and safety hazards.
        - Coolant leaks from the refrigerator.
        - Missing hardware (handles, controls knobs).
        - Inefficient or inoperable.

6. **Fencing and Gates**

    a. Shall be fully functional, securely installed, and free of health and safety issues.
    b. Any missing sections, holes, and/or components shall be repaired.

7. **Air Quality**

    a. Indoor and outdoor spaces must be free from high levels of sewer gas, fuel gas, mold, mildew, or other harmful pollutants.

8. Garbage, Debris, Chutes

a. Garbage and debris shall not exceed the capacity of the designated container within each unit and/or exterior collection points.
b. Exterior garbage containers shall be adequately sized for the number of units within the development.
c. Walls and gates surrounding exterior trash collection points shall remain in good repair and free of leaning, broken, and collapsing components or sections.
d. Garbage chutes shall be in proper working condition

9. Hazards

a. All sharp edges or cutting hazards which could cause bodily harm shall be properly repaired.
b. Trip and fall hazards shall be identified and repaired.

10. Infestation

a. Insect and/or rodent infestation shall be treated by a professional within 48 hours to prevent infestation of other units and areas.

11. Mailboxes/Signs

a. Mailboxes shall be present and in good repair.
b. All signage shall be present, legible, and in good repair.

12. Parking Lots, Driveways, and Roads

a. Cracks greater than ¾ inch, hinging/tilting, or missing section(s) that affect traffics ability On the property's parking lots/driveways/roads shall be repaired.
b. Water ponding affecting the use of the parking lot and/or driveway shall be properly remediated.
c. Cracks, settling, heaving, and/or potholes creating unsafe or unusable surfaces for walking or driving shall be properly repaired.

13. Play Areas, Equipment, Surface

a. Damaged or inoperable equipment creating a safety issue shall be repaired.
b. Deteriorated play surface creating a tripping hazard or not providing adequate protection from falls shall be remediated.

14. Graffiti

a. Inappropriate inscriptions or drawings scratched, painted, or sprayed on a building surface shall be removed.

<u>Exterior Wall Assembly Standards</u>

a. All exterior walls shall be reasonably weather tight as to prevent moisture from entering the building and preventing heat from leaving the building.
b. All siding and exterior wall coverings shall be free of loose, cracked, broken and/or missing sections.
c. Painted surfaces shall be free of deteriorated paint.
d. Crawl space access panels and vents shall be in good repair.
e. Basement/Cellar doors and access panels shall be in good repair.
f. Retaining walls deteriorated, damaged, falling, or leaning creating a health/safety issue shall be properly repaired.

<u>Floor Standards</u>

1. Wood Floor Standards

a. Floors shall not excessively sag or become springy when live or dead loads are applied.

2. Floor Sheathing

a. Sheathing shall be in good repair and free from structural defects and tripping hazards.

3. Floor Finishes

a. Floor finishes shall be in good repair, securely fastened, and free of any tripping hazards.
b. Sub-flooring and cement floors, in living spaces, shall be covered with carpeting or other approved floor finishes.

4. Toilet, Bath, Shower, and Kitchen Spaces

a. When a new floor finish is installed in the kitchen, it shall extend under moveable appliances, including stoves and refrigerators.

<u>Windows and Doors</u>

1. Windows

a. Window panes that are cracked or broken shall be repaired or replaced.
b. Any deteriorated components of window units shall be corrected.
c. All windows shall have properly operating locks and hardware.
d. Damaged storm windows or screens creating a possible safety hazard shall be repaired or removed.

2. Interior/Exterior Doors

a. All doors and hardware shall be present and in good working condition.
b. Interior and exterior doors shall be in good condition free of damage which may cause a hazard.
c. Doors leading to the outside of the unit shall be weather-stripped to prevent air infiltration.
d. Doors shall be located in the following areas: attic areas where there is a staircase, bathrooms, shower rooms, restrooms, bedrooms, basement entrances, and storage rooms.

e. Storm doors, components, and screens shall be in good repair.
f. Door frames, thresholds, and components shall be in good repair.

Partition Standards

1. Wall Coverings

a. All wall coverings shall be securely fastened to the wall assembly.
b. Wall coverings shall be free from excessively loose material, large gouges, holes, and cracks.
c. Excessive amounts of loose or torn wallpaper shall be corrected.

2. Bathrooms and Kitchens

a. Bathtubs with showerheads and shower compartments shall be finished with a nonabsorbent surface. Such wall surfaces shall extend to a height of not less than six feet above the floor.
b. If mildew is present, measures shall be taken to prevent future mildew as well as removing the current mildew.

3. Cabinets and Countertops

a. Cabinets shall be in good repair, all components operational, and be free of safety hazards.
b. Countertop surfaces shall be in good repair, in kitchens provide a sanitary surface to prepare food, and be free of safety hazards.

Stair Standards

1. Stairs

a. Staircases and stairwells shall be in good repair.
b. Stairs shall not pose a tripping hazard.
c. Deteriorated, missing or otherwise defective tread, risers, stringers or the supporting structure shall be corrected.

2. Illumination

a. All exterior and interior stairways shall be provided with illumination of the stairs, landings, and treads.
b. Exterior stairways shall have an artificial light source located in the immediate vicinity of the top landing of the stairway.
c. Exterior stairways providing access to a basement from the outside grade level shall have an artificial light source in the immediate vicinity of the bottom landing of the stairway.
d. The control for the illumination of interior stairways shall be accessible in habitable areas without traversing any step of the stairway. The control for the illumination of exterior stairways shall be located inside the dwelling unit. Lights that are continuously illuminated or automatically activated are exempt from the control standards.

Handrails and Guardrails

1. Handrails

a. All interior and exterior stairways having four or more risers must have at least one handrail. Spiral and winding stairways shall have a handrail on the outside perimeter.

b. Handrails shall have a height of no less than 34 inches and no more than 38 inches, and shall be in good repair. Handrails shall be securely fastened to the floor and/or wall to support loads applied by people using the rails.

2. Guardrails

a. All unenclosed floor and roof openings, open sides of stairways, landings and ramps, balconies, decks or porches that are more than 30 inches above grade or floor below, and roofs used for other than service of the building shall be protected by a guardrail in accordance with the Indiana State Building.

<u>Ceiling Standards</u>

1. Ceiling Performance

a. Ceiling framing shall be in good repair and free from structural defects.
b. Acoustical tile and suspended ceilings shall be in good repair.
c. Ceilings that excessively sag shall be corrected.
d. Any bulging, holes, or loose plaster shall be corrected.

2. Attic Access

a. Existing access panels shall be weatherized and provide a weather-tight seal between the conditioned and unconditioned space.

3. Insulation Clearance

a. Combustible insulation shall be at least three inches from recessed lighting fixtures, fan motors, and other heating devices. However, when heat producing devices are listed for lesser clearances, combustible insulation complying with the listing requirements may be located at the distance specified by the heat producing device.

4. Exhaust Ducts and Plumbing Stack Terminations

a. All plumbing stacks shall continue through the roof, wall, or gable and not terminate in the attic. Plumbing stacks shall be in good repair.
b. Exhaust ducts shall be in good repair and continue through the roof, wall, or gable and not terminate in the attic.

<u>Roofs</u>

1. *Re*-roofing

a. Roof repairs to existing roofs and roof coverings shall comply with the provisions of the Indiana State Building Code.
b. Standing-Seam metal roof systems, that are designed to transmit the roof loads directly to the buildings structure system and that do not rely on existing roofs and roof coverings for support, and comply with all provisions of the Indiana State Building Code, are permitted.

2. Sheathing

a. Sheathing that is sagging, buckling, rotted, or not structurally sound shall be repaired and/or replaced.

3. Underlayment and Moisture Barriers

a. Where shingles or sheathing need to be repaired or replaced, the underlayment and moisture barrier must also be replaced.
b. For roof slopes from 2 units vertical in 12 units horizontal (17% slope) up to four units vertical in 12 units horizontal (33% slope) underlayment shall be two layers cemented together. For roof slopes 4 units vertical in 12 units horizontal (33% slope) or greater, underlayment shall be one layer. The felt paper must be rolled and fastened according to manufacturer's directions. Successive courses shall be overlapped 2 inches, and fastened properly.

4. Shingles

a. Shingles must be replaced if one of the following exists: missing, excessive curling, cupping, or deterioration.
b. Shingles installed on a roof slope below State Building Code requirements for shingles shall be removed and an approved covering installed.
c. Standing water causing potential or visible damage shall be repaired.

5. Flat Roofs

a. Punctured, cracked, blistered, wrinkled, or otherwise distressed areas shall be corrected.
b. Drains shall be in good repair and free of obstructions.

6. Flashing and Vents

a. Flashing shall be in good repair and used wherever the roof abuts a wall or vent, around other extensions through the roof, and around masonry chimneys.
b. Properly sized attic venting shall be installed on all new construction and re-roofs and shall be free of damage or obstructions.

7. Gutters, Downspouts, Soffit, and Fascia

a. Missing, sagging, or deteriorated gutters must be repaired or replaced.
b. Wood is only acceptable if required by Department of Natural Resources – Division of Historic Preservation & Archeology.
c. Downspouts shall be color coordinated with gutters and shall be proportional in size to the drainage needs of the roof.
d. Gutters shall be supported as per the manufacturer's specifications with spikes and ferrules, wrap-around straphangers, or with hidden hangers.
e. Downspouts shall be securely attached to the house and connected to an exterior drainage system if one exists or installed in such a manner that storm water will drain away from the house and not result in washing, erosion, or damage to the foundation of the house. If there is no drainage system present, splash blocks or leaders shall be present.
f. Damage and missing soffit and/or fascia shall be repaired or replaced.

Chimney Standards

1. General Performance

a. Any operable chimney must meet all applicable chimney requirements.

b. When an existing chimney is found not fit for its intended application it shall be repaired, rebuilt, lined, relined, or replaced with a vent or chimney to conform to the applicable code.
c. Inoperable and/or deteriorated chimneys, which pose a health/safety risk, shall be corrected or removed.
d. All empty or cracked mortar joints, including those in interior areas, such as basements and attics shall be tuck-pointed.
e. Solid fuel burning chimneys, for burning of wood or coal, shall be provided with spark arrestors (screens).

2. Flue Lining

a. All operable chimneys shall have flue liners in good condition.

3. Chimney Hood

a. The chimney hood shall have a height above the vent of at least 25 percent of the narrowest dimension of the vent. Hoods shall also be free from spalling or rust.
b. Minor spalling shall be repaired. If more than small portions are spalling, the hood shall be replaced. If a metal chimney hood has excessive rust, it shall be replaced.

<u>Electrical – Hazards</u>

1. General

a. There shall be a minimum service of 100-ampre per dwelling unit.
b. Fused service panels shall be replaced by a panel with circuit breakers.
c. Open ports within a panel box shall be properly concealed.
d. Service-drop conductors shall meet the applicable code requirements.
e. All circuits within the panel-box shall be identified and labeled.
f. All wiring in basements, attics and/or garages shall be properly secured.
g. Whereas a bathroom does not have a receptacle, one shall be installed in accordance with the Indiana State Building Code. Half-bathrooms are exempt from this requirement.
h. All counter-top receptacles, in the kitchen, shall be GFCI protected.
i. Bathroom and exterior receptacles shall be GFCI protected.
j. All 240-volt appliances or equipment except baseboard heating units shall be on separate circuits.
k. Wall or ceiling light fixtures and/or ceiling fans shall be securely installed.
l. Moisture leaks, puddling, or ponding on or near energized electrical components shall be investigated and remediated.
m. Electrical panel access and working clearance shall not be obstructed.
n. Breakers with evidence of melting, arching, or carbon residue shall be investigated and properly repaired.
o. Electrical enclosures/equipment shall be free of moisture stains, water leaks in close proximity, rust, and other signs of corrosion, or safety issues.

2. Wiring

a. Existing wiring and equipment shall be in proper operating condition, free of fraying, nicks, and abrasions, and pose no health or safety risk.
b. All wiring in areas other than the basement, unused attic areas, and garages shall be run in walls, wire mold or in conduit.
c. A new or old service shall be grounded to a ground rod.

d. Circuit extensions made with flexible cord wiring in lieu of permanent wiring shall be eliminated.
e. Copper wiring shall have proper connections to aluminum wiring. It is recommended that aluminum wiring be replaced with copper wiring when possible.

3. Receptacles

a. All damaged or inoperable receptacles shall be replaced. Broken cover plates shall be replaced.
b. Replacement of an existing non-utility or non-appliance two-prong receptacle may be with a 15-ampre non-grounding type receptacle.
c. New or existing grounding type receptacles must be grounded or meet the current requirements of the Indiana State Building Code.
d. Existing baseboard receptacles properly set are acceptable.
e. Any equipment or appliances with grounded plugs shall have immediate access to a proper size grounded receptacle.

4. Lighting

a. A permanently installed light fixture controlled by a wall switch is required in the kitchen, bathroom, basement, stairwells, and hallways.
b. Light fixtures shall be installed properly and have a shield/globe installed.

<u>Plumbing</u>

1. Water Distribution System

a. Please ensure that anyone performing plumbing work meets the proper licensing requirements as required by the State of Indiana or local jurisdictions.
b. Dwelling units shall be served by an approved sanitary sewage disposal system.
c. Leaking drain or supply lines, the presence of lead piping, failed polybutylene joints or pipes, low water pressure, or corroded or broken pipes shall be repaired or replaced. Any cross connections or siphonage between fixtures shall be corrected.
d. There shall be a properly operating main shut-off valve on the house side of the meter.
e. Replacement sill-cocks shall be freeze-proof and/or have a shut-off valve located and in accordance with the Indiana State Building Code.

2. Drain, Waste, and Vent System

a. Leaks; clogged, slow, or non-working drains; or odors and any cross connections or siphonage between fixtures shall be corrected. Supplies that are located below the overflow drain must be corrected.
b. Horizontal drainage piping shall be installed in uniform alignment at uniform slopes.
c. The size of drainage pipe shall not be reduced in the direction of flow. A 4-inch by 3-inch water closet connection shall not be considered a reduction in size.

3. Hot Water Supply System

a. Each dwelling unit shall have a water heater located, equipped, and installed in accordance to the Indiana State Building Code.
b. A discharge pipe, extending from the TPR (temperature relief valve) and no less than the diameter of the TPR inlet, shall be installed not less than six inches from the floor. The end of the discharge pipe shall not be threaded.

4. Fixtures and Faucets

a. Kitchen Sink. Any sink rusted, severely chipped or with badly worn enamel or not in good repair shall be corrected.
b. Lavatory Sink and Cabinet. A rusted, severely chipped or badly worn enamel or not in good repair shall be corrected. The lavatory sink may be located in the same room as the flush water closet, or, if located in another room, it shall be in close proximity to the water closet compartment. Damaged or missing cabinet components shall be repaired/replaced.
c. Bathtub/Showers. A rusted bathtub and/or shower unit or one that is chipped or has badly worn enamel, or not in good repair shall be corrected.
d. Flush Water Closet. The water closet shall be in good repair and securely installed. All water closets, existing or newly installed, shall have a functioning shut-off valve.

HVAC Standards

1. Controls and Operation

a. Each thermostat shall be functional and user friendly.
b. Each gas and oil combustion system shall have a master switch that serves as an emergency shutoff for the HVAC burner. The switch shall be easily accessible by the client in case an emergency shutoff is necessary. The switch shall also be in the line of sight of the appliances it controls.
c. Abnormal vibrations, noise, or leaks shall be investigated and repaired if needed.

2. Fuel Supply

Piping

a. Piping shall be properly supported, but not supported by other piping. A sediment trap shall be located as close as practical to the inlet of each combustion appliance (illuminating appliances, ranges, dryers, and outdoor grills need not be equipped). Shutoff valves shall be installed where required by the Indiana State Building Code and have easy access, be user friendly, and be protected from damage.
b. Piping shall be supported with appropriate hangers for the size of pipe. Supports shall be at such an interval and strength to prevent or dampen excessive vibration. Pipe supports shall be installed so movement of the pipe being supported will not detach them.
c. Any leaks from a fuel tank or line shall be reported and immediately repaired.

3. Combustion Heat (Forced Air Systems only)

Basic Conditions

c. The unit must have the minimum manufacturer's requirements in front of the unit for maintenance. The unit shall also be free from rust or other physical damage. The heat exchanger must be free from cracks or other openings. Barometric draft regulators shall be located above the unit or on the vent or vent connector in oil burning appliances.

d. The heating system must be capable of heating all habitable rooms, bathrooms, and water closets to a temperature of at least 70° F for a local design temperature at a distance of 36 inches above floor level.

c. Combustion air requirements shall be in accordance with the Indiana State Building Code.

Vents

General Conditions

a. Vents shall be sized to properly exhaust all combustion products outdoors. Vents shall also consist of the appropriate vent type for the combustion appliance(s) being vented. Vents shall be free from damage or rust and be tightly connected.
b. Vents shall be properly supported so that they are generally vertical and comply with the listed clearance to combustible materials of the vent.
c. Direct vent sealed combustion; power venting, and other approved methods of venting are permitted if they are installed according to manufacturer's instructions.

Vent Termination

a. Gas vents 12 inches or smaller must terminate at least 8 feet from a vertical wall or other similar obstruction and have a minimum height (from highest roof penetration to lowest discharge opening) according to the Indiana State Building Code. All other gas vents must terminate at least 2 feet from the highest point where the vent passes through the roof and at least 2 feet higher than any portion of a building within 10 feet.
b. Type B or L vents shall terminate at least 5 feet above the highest connected draft hood or flue collar. Vents must terminate vertically unless direct vent sealed combustion, power venting, or other approved methods of horizontal venting are used and installed according to manufacturer's instructions.

Vent Connectors

a. Vent connectors shall be sized to properly vent combustion products. Vents shall also consist of the appropriate vent type for the combustion appliance(s) being vented. Vents shall be free from damage or rust and be tightly connected. All segments of vent connectors shall be accessible at all times.
b. Vent connectors shall be properly supported and have a minimum slope of $^{1}/_{4}$ inch per foot and comply with the listed clearance to combustible materials of the vent.

4. Electric Heat

Observable heat source

a. All heating elements shall be functional. Heating units shall also be in good condition. The heating system must be capable of heating all habitable rooms, bathrooms, and water closets to a temperature of at least 70° F for local design temperatures at a distance of 36 inches above floor level. Heating elements shall have good connections and no damaged or charred wires. Aluminum shall not be used as wiring unless specified by the manufacturer.
b. Any heating element that does not adequately heat shall be checked to make sure the connections to the element are satisfactory and that the relay is not malfunctioning.

5. Cooling

a. Central air conditioners shall be in good, working condition.
b. Unit/Window and Packaged terminal air conditioners shall have a tight seal around the unit and be properly supported. Unit/Window air conditioners shall also be properly grounded.
c. If a heat pump is equipped with a reversing valve, it shall function properly.
d. Bent fins on air conditioners should be combed to straighten them. The condensate shall be properly drained so that moisture problems are not created. Fiberglass shall not be used as an air sealant around window/unit air conditioners. Both indoor and outdoor coils should be clean. Suction lines should also be insulated to prevent possible moisture problems.
e. A disconnecting means shall be installed in accordance with the Indiana State Building Code.

6. Distribution Systems

a. Duct systems shall be intact, supported properly, and well-sealed.
b. Air shall be allowed to flow freely from supply registers into return registers.
c. When furnaces are converted from a gravity fed heating system to a forced air system the duct system should be reconfigured and properly sized so that the heating system functions properly.
d. Duck tape shall not be used to seal or connect ducts.
e. When possible, supply and return registers shall be located in the same room, except for bathrooms or kitchens. No returns should be located in bathrooms and kitchens. If supplies and returns cannot be in the same room, measures must be taken to allow for air to flow from supplies to a return even if doors are closed separating the rooms. Grills and louvers are two methods of allowing air to flow from room to room.
f. Boiler/Pump water or steam leaks creating a safety hazard shall be properly repaired.

Ventilation

1. Minimum Ventilation Standards

a. All habitable rooms shall be provided with natural or mechanical ventilation.
b. Louvers, windows and doors shall be able to let air pass freely between the room and the outdoors.
c. Exhaust fans must terminate outdoors and not in the attic. Excessive amounts of exhaust ductwork shall be avoided.

Bathrooms

a. Bathrooms that have a tub or shower shall be ventilated.
b. Windows must have at least 1.5 square feet of area that air can pass through if mechanical ventilation is not available.
c. Ventilated air shall be exhausted directly outside and not terminate in any other part of the building.
d. Any ductwork passing through attics shall be insulated.

2. Clothes Dryer Exhaust

General

a. Dryer exhaust systems shall be independent of all other systems; shall convey the moisture to the outdoors and shall terminate on the outside of the building. Screens shall not be installed at the duct termination. Transition ducts shall not be concealed within construction.
b. Exhaust ducts shall not be connected with sheet-metal screws or fastening means which extend into the duct.
c. Exhaust ducts shall be equipped with a backdraft damper.
d. Exhaust ducts shall be constructed of minimum 0.016-inch thick rigid metal ducts, having smooth interior surfaces with joints running in the direction of the airflow.
e. Flexible transition ducts used to connect the dryer to the exhaust duct system shall be limited to single lengths, not to exceed eight feet in length, and shall be listed and labeled in accordance with UL 2158A.
f. Exhaust duct terminations shall be in accordance with the dryer manufacturer's installation instructions.

Lint collector

a. All ducts expelling lint shall be provided with a lint collector unless the dryer is already equipped with one.
b. Lint collectors shall be installed according to manufacturer's instructions.

Exhaust duct size

a. The minimum diameter of the exhaust duct shall be as recommended by the manufacturer and shall be at least the diameter of the appliance outlet.

Exhaust clearance

a. Exhaust ducts for clothes dryers shall have a clearance of at least one inch from combustible materials.

Length limitation

a. The maximum length of a clothes dryer exhaust duct shall not exceed 25 feet from the dryer location to the wall or roof termination. The maximum length of the duct shall be reduced by 2.5 feet for each 45-degree turn and 5 feet for each 90-degree turn. The maximum length of the exhaust duct does not include the transition duct.

3. Range Hoods

a. Range hoods for gas stoves that discharge to the outdoors must be through a single wall duct. The duct serving the hood shall be airtight and shall be equipped with a backdraft damper. Ducts serving range hoods shall be constructed of galvanized steel or stainless steel and not terminate in an attic or crawl space or areas inside the building.
b. Variations can be made where installed in accordance with the manufacturer's installation instructions, and where mechanical or natural ventilation is otherwise provided

4. Overhead exhaust hoods

a. Overhead exhaust hoods shall discharge to the outdoors and shall be equipped with a backdraft damper. Broiler units incorporating an integral exhaust system, and listed and labeled for use without an exhaust hood, need not be provided with an exhaust hood.
b. Domestic open-top broiler units shall be provided with a metal exhaust hood, not less than 28 gauge, with a clearance of not less than 0.25 inch between the hood and the underside of

combustible material or cabinets. A clearance of at least 24 inches shall be maintained between the cooking surface and the combustible material or cabinet. The hood shall be at least as wide as the broiler unit and shall extend over the entire unit and be centered over the unit

Fire Safety

1. **Emergency Escape and Rescue Openings**

   a. Emergency escape and rescue opening shall comply with the Indiana State Building Code.
   b. Fire escapes, including ladders, shall not be blocked by stored items or barriers.
   c. All components of a fire escape such as a ladder, shall be present and in proper working order.

2. **Exits**

   a. Exits shall comply with the Indiana State Building Code.
   b. Emergency lighting that provides illumination during power outages shall be in proper working order at all times.

3. **Smoke Alarms**

   a. Individual dwelling units shall be provided with smoke alarms as required by the Indiana State Building Code.

4. **Flammable Materials**

   a. All flammable materials shall be properly stored in accordance with the manufacturer's specifications, state, and/or local codes.

5. **Fire Protection**

   a. All components of a sprinkler system shall be present and in proper working order.
   b. Required fire extinguishers shall be present, accessible, and the inspection tag up to date.

Hazardous Materials

1. **Asbestos**

   a. The Local or State Health Department should be contacted regarding any questions concerning the proper treatment and/or disposal of any material possibly containing asbestos.

2. **Lead-Based Paint** – Reference HUDs Lead Safe Housing Rule at 24 CFR Part 35

Energy Efficiency

1. **Exterior Walls**

   a. Walls should be insulated in accordance with the Indiana State Building Code when any of the following activities occur:
      - New walls,
      - Walls that have become exposed during rehabilitation, and

- If the exterior covering is removed.

2. Attics/Ceilings

a. Attic areas are recommended to have a minimum of R-38 insulation.
b. Any attic walls that connect to an interior space are recommended to be insulated at a minimum of R-18.
c. Insulation should be installed in accordance to manufacturer's specifications. All insulation in the attic should meet the appropriate fire safety codes. Thorough air sealing of the attic floor must be accomplished prior to addition of insulation.

3. Ductwork

a. All supply and return air ducts and plenums shall be insulated with a minimum of R-5 insulation when located outside the thermal boundary and with a minimum of R-8 insulation when located outside the building envelope.

4. Piping

a. All piping serving as part of a heating or cooling system shall be thermally insulated in accordance with the Indiana State Building Code.

5. Air Sealing

a. Exterior joints, seams or penetrations in the building envelope, that are sources of air leakage, shall be sealed.

Accessible Features

1. Elevators

a. Elevators shall be operational with an up to date inspection certificate present, and properly aligned and leveled with each floor to prevent trip hazards.

2. Call for aid

a. Systems shall be fully operational as designed.

APPENDIX B.

Public Comments

CURRY & ASSOCIATES, INC.
CONSULTING ENGINEERS & ARCHITECTS

March 28, 2018

Mr. Eric Ogle
CDBG Program Director
Indiana Office of Community and Rural Affairs
c/o 2018 Action Plan
One North Capitol, Suite 600
Indianapolis, IN 46204-2027

Mr. Ogle,

Thank you for the information you provided to the ACEC Funding Sources Committee on March 21, 2018. As a follow-up to that discussion, our firm would like to offer our feedback to the *State of Indiana 2018 Annual Action Plan for Housing and Community Development, July 1, 2018 - June 30, 2019.*

Curry and Associates, Inc. serves Indiana's rural cities, towns and not-for-profit utilities on a variety of community planning, infrastructure and public facility needs. We are writing today to offer feedback related to the Draft Action Plan.

For the 2018 program year, the State proposes to allocate funding to the following activities:

CDBG:

- $2.8 million for owner-occupied rehabilitation (allocated to IHCDA)—*no change in funding from PY2017*
- $4 million for Stellar Communities Program. *In PY2017, prior year funds were used for Stellar Communities. In PY2018, current program year funds will be used.*
- $1 million for Planning Fund—*no change in funding from PY2017*
- $2 million for Main Street Revitalization Program—*down $500,000 from PY2017*
- $10.6 million for Wastewater/ Drinking Water Improvements Program *down from $12 million in PY2017*
- $500,000 for Blight Clearance Program—*up $100,000 from PY2017*
- $2 million for Public Facilities Program, Program *down $2 million from PY2017*
- $4 million for Storm Water Improvements Program—*down $500,000 from PY2017*
- $0 Workforce Development Program. *Note, this program is being discontinued after an 2017 evaluation by OCRA.*
- $0 Urgent Need Fund—*no change in funding from PY2017*
- $280,000 Technical Assistance—*no change in funding from PY2017*
- $660,000 Administration—*no change in funding from PY2017*

1) Wastewater and Drinking Water (WDW) Program: Pages 5-6 of the Draft Action Plan explain Citizen Participation meetings that were held around the State. We appreciate OCRA's action as it relates to increasing the maximum grant amounts in the Wastewater and Drinking Water Program (WDW). However, we also note the WDW Program is proposed to have a decrease of $1.4 MM which in conjunction with increased grant amounts may cause fewer projects to receive funding this year. We are working with many communities as they continue to face Agreed Orders, Long Term Control Plan Compliance for wastewater systems and other infrastructure needs. Utility infrastructure is vital to long-term growth and sustainability for communities. Several studies have described the level of need as well as the importance for long-term economic growth in Indiana. The Indiana University Public Policy Institute completed a 2016 study which explains the billions of dollars of anticipated needs for utilities in the next 20 years: http://policyinstitute.iu.edu/Uploads/ProjectFiles/Financial%20Needs%20for%20Water_Final.pdf. In addition, the Indiana Chamber of Commerce has highlighted the importance of drinking water infrastructure to long-term economic development in Indiana in a 2014 study: https://www.indianachamber.com/news-resources/studies-reports/indianas-water-supply-economic-development/. The need for these funds is constant and increasing throughout the State. We are concerned that decreased overall program funding will make it more difficult for projects to move forward. We ask that OCRA consider funding this program to the maximum possible extent.

2) Stormwater (SIP) Program: Funding is proposed to have a decrease of $500,000. Our firm is seeing an increase in stormwater needs throughout Indiana, in particular given major rain and weather events of the last 5-10 years. While not all communities have established a stormwater utility, OCRA's SIP program has been integral in moving communities towards this arrangement which will ensure long-term approaches for addressing needs. We ask that OCRA consider funding this program to the maximum possible extent.

3) Public Facilities (PFP) Program: Is proposed to have a $2 MM reduction in funding. Our firm has seen an increase in needs for community buildings and non-profit owned facilities over the past year. This program is vital to providing these community service and gathering spaces, in particular for Indiana's smallest and lowest income rural communities. Without these facilities, these small communities would struggle to provide quality of life for residents of all ages. We ask that OCRA consider funding this program to the maximum possible extent.

4) Stellar Communities Program: The Action Plan states that Citizen Participation has encouraged the State to evaluate the "effectiveness and improvements needed in

community and economic development programs." We reiterate this and encourage OCRA to evaluate the effectiveness of Stellar Communities programming which takes place over a 3-5 year period. In comparison, the WDW, SIP, PFP, Planning, MSRP, and BCP programs allow for the expenditure of dollars within an 18 month or shorter timeframe. While data has been collected on the economic impact of the Stellar Communities Program, data would likely also demonstrate a strong economic impact for the WDW, SIP, PFP, Planning and MSRP programs. Our firm understands that funding and completing projects in a timely manner is of highest importance to local officials in pursing their economic and community development goals. We encourage OCRA to review the timeliness and effectiveness of the Stellar Communities Program and consider reallocating this funding to programs that will receive reduced funding in 2018 such as WDW, SIP, PFP, and MSRP. We believe OCRA will find that these programs which provide annual funding on a timelier schedule provide the greatest impact to state-wide community and economic development.

5) Planning Grants: We are pleased to note continued funding for Planning Grants without a decrease. Planning Grants are a vital step for communities as they pursue their economic and community development goals.   The availability of this program on a rolling basis is ensuring the thoughtful and strategic development of Indiana's low-moderate income communities.

We appreciate your time and review of these comments as they relate to the *State of Indiana 2018 Annual Action Plan for Housing and Community Development, July 1, 2018 - June 30, 2019.* Please do not hesitate to contact us should you have any questions.

Sincerely,

Lori A. Young   Jill Curry

Lori A. Young, P.E.   Jill Curry, Program Manager

March 29, 2018

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

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

Dear Mr. Ogle and Ms. Spergel:

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

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

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

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This year, in reviewing the draft Annual Action Plan (Plan), we weighed the current proposed Plan against prior drafts and appreciated the discussions with both of you to gain context for key updates contained within the Plan. We hope to continue more direct engagement on prioritization and program design throughout the year, in coordination with both the Indiana Housing and Community Development Authority (IHCDA) and the Indiana Office of Community and Rural Affairs (OCRA), especially as preparation for the five-year Consolidated Plan begins. We believe that a partnership approach will help ensure program priorities are responsive to community concerns.

With that in mind, we offer the following comments in response to the draft, hoping that these suggestions and notes will further facilitate partnership surrounding the Plan moving forward.

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

Prosperity Indiana commends IHCDA for engaging with our organization and our members to be responsive to local needs and thoughtful in program design to meet housing needs throughout the state. We hope to build on those conversations as we move forward.

Based on conversations this year and last, we would like to continue working with our members and IHCDA staff to gauge capacity and resources to better address the down payment assistance, counseling, and origination needs of low- and moderate-income households hoping to achieve stable, affordable homeownership. The dream of homeownership has eluded many low- to moderate-income Hoosiers in the fallout from the Great Recession. Our members across the state continue to report that increased lending restrictions—that have subsequently been adopted—are so stringent, it is nearly impossible for many individuals and families to qualify.

Prosperity Indiana members are well aware that significant housing rental needs exist and applaud worthy investments in expanding that stock; but they also know that homeownership remains one of the single most effective mechanisms to help low- and moderate-income families build assets and multi-generational wealth. As was stated in discussions regarding the draft Plan, moving the application to a rolling round for Home Investment Partnerships Program (HOME) homeownership resources seems like a positive step forward. We hope to continue conversations with regard to demand for these investments and non-profit capacity to meet those needs.

With regards to the budget allocation contingency plan, the recently enacted Omnibus funding bill for Fiscal Year 2018 included a 43 percent increase in HOME funding alone. This is welcome news for community development practitioners and advocates alike as it promises to help meet urgent affordable housing needs throughout the state. With the additional resources, Prosperity Indiana would suggest that IHCDA consider modest increases to categories not previously identified in the contingency plan; specifically, the expansion of the HOME Tenant Based Rental Assistance Program would be a welcome consideration. We were encouraged to hear that the HOME TBRA may have additional partners administering the program and, potentially, go beyond worthy investments in addressing housing barriers for ex-offenders to include additional populations.

On a technical note, we did note a potential inconsistency in the draft. In the Executive Summary, the Plan lists $600,000 for HOME TBRA and notes that, if not utilized, it will be converted to rental construction. The AP-25 Allocation Priorities chart, however, indicates the state will allocate zero (0) percent of its HOME funds to TBRA. Based on our calculations, $600,000 should result in a six (6) percent HOME TBRA allocation in the chart on page 32. With administrative costs not enumerated on this chart, we are aware these calculations may be off, but believe that would only increase the percent share of allocation noted.

Relating to citizen participation and stakeholder engagement, we applaud this year's longer time frame for survey response and the more direction questions in the survey process about the needs of extremely low-income (ELI) persons and homeless individuals. This is especially important as practitioners statewide have valuable insights on specific barriers to housing stability that can help inform and strengthen statewide strategies to respond to identified impediments.

Lastly, we look forward to seeing the impact of additional resources provided to our state through the National Housing Trust Fund, as we discussed. Investments in these worthwhile projects address the affordable rental unit deficit for vulnerable populations that exists in our state. As the eligibility for those funds in our state have been tied to participation in the Permanent Supportive Housing Institute, we would encourage awarding some resources to projects serving families that include multi-bedroom units to diversify ELI populations served by these critical, albeit limited, resources.

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

Prosperity Indiana would like to applaud the inclusive and collaborative planning efforts on behalf of the Balance of State Continuum of Care (CoC). The state's diligence in consulting diverse populations and service providers in creating the state plan is appreciated and has resulted in stronger program design and prioritization. As we discussed, we hope to continue the conversation about how to serve the diverse needs of homeless populations in our state with scarce resources.

We want to recognize the significant achievements of IHCDA and statewide CoC partners in ably serving homeless populations in communities of all sizes throughout Indiana, in particular chronically homeless individuals who are frequently battling addiction and mental health conditions or those with disabilities. The successes here, particularly for combatting homelessness among veterans, are certainly impressive. One area we have discussed that we hope to continue working on is ensuring statewide Housing First approaches are effective at serving homeless individuals fleeing domestic violence, unaccompanied youth, and families who rely on extended emergency and transitional shelter stays to ensure stability and economic security. In the situation of family homelessness, housing, in and of itself, is not the primary solution to preventing homelessness. Instead, incidences of domestic violence and/or lack of access to affordable childcare, transportation, and living wage employment opportunities are often the primary destabilizing source.

We frequently hear from homeless practitioners in our membership that rapid re-housing and permanent supportive housing have not been effective in helping clients in those situations throughout the state. Prosperity Indiana asks that, in weighing projects, IHCDA will take those considerations into account and continues the discussion on ways to meet the needs of those populations, especially with regard to homeless youth. Prosperity Indiana is very encouraged that the draft Plan references the potential for applying for the homeless youth NOFA. As we have discussed, we thoroughly endorse that and offer to partner in thinking through resources and mobilizing our membership to gather stronger data and discuss homeless youth programming moving forward. We were pleased to support legislation that was signed into law last week that should help advance these goals. HB 1314 requires the state board of education, department of education, and the department of child services to prepare an annual report on foster care youth and homeless youth educational outcomes. The data set for those educational outcomes is fairly comprehensive. Additionally, the department of education will submit a remediation plan concerning foster care and homeless youth. We hope to build on these kinds of progressive measures to better meet the needs of homeless families and youth throughout our state.

One last area under this goal that we would like to concentrate on and that we discussed is Housing Opportunities for Persons with Aids (HOPWA) planning and community engagement. As we shared verbally, we are very pleased that this draft Plan and the previous Plan recognizes that the drug and emerging HIV epidemic—still very present in our state—goes beyond a healthcare crisis. It should also be the focus of community development solutions that can empower our state in preventing the spread of new HIV infection and provide critical housing supports to affected patients. The draft Plan's recognition of those concerns and ongoing work to better combine housing supports, healthcare and landlord outreach will have positive community development impact felt throughout the state.

On a related note, we applaud the draft's commitment to have IHCDA "host a landlord training in 2018-19 to continue to educate and support landlords while ensuring the support for clients" in HOPWA and Emergency Solutions Grants Rapid Re-Housing (ESG RRH) programs as a positive step forward in addressing stigmas and needs for these clients.

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

Prosperity Indiana applauds OCRA staff for being responsive to our outreach and thoughtful in prioritization of programs and allocations to meet the needs of our communities. We also appreciate the Plan's continuing recognition that helping vulnerable Hoosiers and communities requires investments beyond those in housing. Specifically, Goals 3 and 4 of this draft again focus on promoting livable communities and enhancing economic development efforts. Prosperity Indiana also supports the community development demands for Community Development Block Grant (CDBG) infrastructure investments in improving wastewater systems. As in draft responses before, we would continue to emphasize the community development importance of weighing major infrastructure investments with the need to address roads and sidewalks to improve accessibility and, accordingly, fill the unmet community and quality of life needs throughout Hoosier communities.

We would also note that, since the Omnibus bill increased CBDG formula grants, we hope to see increased investments in certain programs. One program is particularly essential to our members' efforts to revitalize communities throughout the state: the Blight Clearance program. Understanding the necessity of proportionality with program dollars, we still believe that some increased investment in this area is warranted based on community need. As constituted in the draft Plan, the maximum grant increased slightly; but it appears the funds allocated are only enough to fund one grant when the need seemingly surpasses that. We believe the budget for this program should increase, understanding the need to maintain appropriate spending ratios.

Goal 4: Promote Activities that Enhance Local Economic Development Efforts

Prosperity Indiana appreciates OCRA's ability to recognize when its programs are not meeting the intended need and seeks to spending resources wisely. That being said, as far as economic development strategies addressed in the Plan, those that focus on workforce development are regularly the biggest priority for our members. In our member meetings, we frequently discuss the training and education needs that exist to help Hoosiers attain living wage jobs, especially as manufacturing losses present economic challenges throughout the state. New employment training and opportunities will reduce the continued strain on our emergency human services infrastructure, currently resulting from individuals and families struggling to afford basic needs while working one or multiple minimum wage positions.

As such, we are disappointed that the Workforce Development Program was eliminated. As we have commented in prior drafts, we acknowledge it had not been utilized. However, the lack of use was likely not a reflection of need, but potentially speaks to the need for program modifications. Accordingly, we would strongly encourage a reinvestment of resources into workforce development activities. Funding for a broader range of economic development activities that spark innovation and support entrepreneurship at the local level, especially for those who lack access to traditional credit or business development support is much needed.

We believe increased investments in microenterprise lending, for example, are crucial to spurring investment in local economies. Microenterprise investments, which provide assistance to organizations that help low-income entrepreneurs who lack sufficient training and education to gain access to the capital they need to establish and expand their small businesses, should be a key goal in economic development priorities of the Plan. Previously, OCRA has devoted technical assistance resources to hosting trainings on microloan programs. It would be exciting to work with OCRA and engage our members to launch a similar training program moving forward. We welcome a conversation on this and other potential approaches that would be innovative in meeting workforce development needs within the constraints of federal funding requirements.

We also noted the decrease in planning grants and, in light of the Omnibus funding levels, urge reconsideration of those resources. Our network reports these dollars are essential to developing and implementing a successful project. We sincerely hope to increasingly partner with OCRA staff and leadership to work towards shared community development goals.

On behalf of our dedicated membership affecting positive change in communities throughout the state, we would like to thank both OCRA and IHCDA for the opportunity to weigh in on this draft Plan. We also appreciate the willingness to work collaboratively throughout the year on program design and prioritization for the next draft Plan.

Sincerely,

Kathleen Lara
Policy Director
Prosperity Indiana
317-454-8536

March 30, 2018

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

Attn: 2018 Action Plan Comments

Mr. Sipes and Ms. Aggeler,

Thank you for this opportunity to comment on the Indiana Consolidated Plan-2018 Annual Action Plan. The independent living center I work at covers 8 southern Indiana counties, and advocates for persons with disabilities and senior citizens. One of our most frequent requests is for assistance with finding affordable, accessible housing and and assisting with home modifications such as ramps for easier and safer accessibility.

Our center is appreciative of the accomplishments that have been made, such as the implementation of the Ramp Up Program, the preference established for the Money Follows a Person program and individuals with disabilities when applying for Choice Vouchers and tax incentives established for new construction that requires provisions that they are built for visit ability. It is important to maintain these programs and keep expanding Indiana's commitment to integrated, affordable and accessible housing for persons with disabilities and very low incomes.

There are several points in this plan showing some very good results:
* Continue the Ramp Up project for homeowners
* Single family homes built with visitibility features included
* Continued encouragement to create integrated, affordable housing for persons with developmental disabilities in Rental Housing Tax Credit properties

There are points in the plan that show external barriers to integrated, affordable and accessible housing for persons with disabilities. Changes that may be applied to increase more effective results include:
* Expanding the Ramp Up program to include persons with disabilities who are renting. Many persons on SSI incomes are unable to purchase homes and therefore must live in rental housing.
* Making sure wheelchair accessible units with RHTC properties are being rented to persons in need of affordable wheelchair accessible housing. Perhaps require each RHTC property to have a lease provision requiring existing tenants without disabilities but living in an accessible unit to relocate to another unit, when there is an applicant requiring the accessibility features.
* Requiring the provision of modest home modifications such as grab bars into standard RHTC units as requested as a reasonable modification. Also modifications should be made in a timely manner, such as before the move in date or very shortly thereafter.
* Persons with disabilities in need of wheelchair accessible features are many times priced out of RHTC properties. These units need to be made affordable for persons with incomes that are within the 20% Area Median income.
* I would also consider conducting continuing education and outreach activities to inform the private rental market/landlords of the Section 8/Housing Choice Voucher program and to hopefully counter the stigma and discrimination sometimes experienced by those with rental subsidies.

Thank you for allowing me the opportunity to provide input into this years 2018 Indiana Consolidated Action Plan.

Sincerely,

Cindy Cox ATTIC / Independent Living Coordinator

Dear Mr. Sipe and Ms. Aggeler:

I would like to take an opportunity to offer input on the Indiana Consolidated Plan 2108 Annual Action Plan. I am the outreach coordinator for Orange and Crawford counties for the Southern Indiana Center for Independent Living, and frequently am called to help persons with disabilities with housing issues.

I commend the progress that has been made in accessibility in housing. I support continued efforts to encourage visitability in new construction. I also thank you for the incentives to create integrated,, affordable housing for persons with developmental disabilities in Rental Housing Tax Credit properties.

Advances have been wonderful, but there are still concerns that need to be addressed. Accessible safe housing needs to be available for all persons with disabilities.

It has been many years since there has been new constructed of a housing complex in the French Lick/West Baden Springs area that is affordable and accessible. One major need is family housing. I recently had to find housing in another community for a family where one child uses a wheelchair and another has severe developmental disabilities. There simply are no multi-bedroom accessible units in the area. The children had to change schools and leave the community where they have always lived. I am presently seeking housing for a woman who uses a wheelchair, who has children of both genders and needs a 3-bedroom unit. Since she is unable to care for a landscape, she prefers to live in an apartment, but her income is limited and the existing affordable units do not have the extra bedrooms.

I also hope to see programs for housing for persons who have criminal histories. We had a tragedy recently in this area. A consumer for whom I was seeking an accessible apartment was living in an unsafe home. I found an apartment, but was told she could not move there with her husband because of his criminal history. Just days later, the house in which they were living burned and despite his efforts to evacuate her, she died as a result of the fire.

In general, our area simply needs more affordable housing. When seeking housing for consumers, I often watch the local obituaries to see if there will be apartments opening. The only time an apartment is available is when the prior occupant dies or goes to a nursing home.

We at SICIL were excited when the pilot Ramp-Up Program was announced. However, we have not been able to access those funds for any of our consumers because of the program restrictions. Most of the people with disabilities in this area do not own conventional homes. Many live in mobile homes or in rental housing. I hope the requirements for this program will be modified to allow ramps to be built on mobile homes or on rental housing. Building ramps with a modular design will allow ramps to be removed and re-purposed should the tenant move.

I would also encourage requiring the provision of modest home modifications into standard RHTC units when reasonable modifications are requested. Persons with disabilities often seem to have trouble getting grab bars, elevated toilets and other modifications in place when they move into said units.

Finally, I urge programs to make housing affordable. Many persons with disabilities live on very limited incomes and often, even when accessible housing is available, the units are not affordable to the very persons who need them most.

Thank you for taking time to read and consider my opinions. You may contact me at ralph@sicilindiana.org should you need additional comment.

Sincerely,

Ralph Purkhiser

From: Ogle, Eric (OCRA) <EOgle1@ocra.IN.gov>
Sent: Monday, April 2, 2018 6:05 AM
To: Heidi Aggeler
Subject: FW: Action Plan comments

Eric Ogle

CDBG Program Director
Office of Community and Rural Affairs
Phone: (317) 775-4667
Email: eogle1@ocra.in.gov
Follow us on Twitter and Facebook.

From: Annie Poole [mailto:apoole@pathstone.org]
Sent: Thursday, March 29, 2018 1:47 PM
To: Ogle, Eric (OCRA) <EOgle1@ocra.IN.gov>
Subject: Action Plan comments

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

Hi Eric,
I would like to make a comment concerning the 2018 Action Plan.

I would like to encourage the reinstatement of funding for migrant/seasonal farmworker housing through OCRA/IHCDA using CBDG funds. Every year, 1000's of migrant workers travel from Florida and Texas to Indiana to plant and harvest food crops. Many of these crops are the fruits and vegetables that we see daily on our dinner plates. These farmworkers often work sun-up to sun-down in the fields and orchards across our state, just to return to housing that is overcrowded and substandard. Many of the existing on-farm housing units for workers still lack running water and any modern conveniences.
Funding must once again be made available to assist in meeting the housing needs of this undeserved population. The growers who rely on the migrant workforce have nowhere to turn for help with housing for their agricultural workers.

Thank you,

Annie Poole
Sr. Housing Developer
PathStone Corporation
420 S. High, Suite 101
Muncie, IN 47305
Phone: 765-286-2162
Fax: 765-286-2163
www.pathstone.org

From: Carolina Mora <cmora@abilityindiana.org>
Sent: Thursday, March 29, 2018 12:16 PM
To: eogle1@ocra.IN.gov; Heidi Aggeler
Subject: Comment on the Indiana Consolidated Plan--2018 Annual Action Plan

Dear Mr. Sipe and Ms. Aggeler,

I would like to thanks you for the opportunity to give input into the Indiana Consolidated Plan - 2018 Annual Action Plan.

My primary message for this coming year is to maintain and expand Indiana's commitment to integrated, affordable and accessible housing for people with disabilities and very low incomes.

There are many points in this plan that are showing very good results:

- Continue the RAMP UP pilot project for homeowners

- Single family homes with visitable design features must be continue to building

- It is necessary to continue encouraging to create integrated, affordable housing for persons with developmental disabilities in Rental Housing Tax Credit properties.

There are points in this plan that also show the eternal barriers to integrated, affordable and accessible housing for people with disabilities. The changes that can be applied would increase the positive results include:

- Expanding the RAMP UP pilot program to include people with disabilities who are renting Most people with SSI incomes are unable to afford to purchase a home and live in rental housing.

- Making sure that wheelchair accessible units within Rental Housing Tax Credit properties are being rented to people in need of affordable wheelchair accessible housing. Make sure that each RHTC property has a lease provision that requires existing tenants without disabilities living in an accessible unit to relocate to another unit, when there is an applicant that needs the accessible features.

- Requiring the provision of modest home modifications like a grab bars into standard RHTC units as requested as a reasonable modification. Persons with disabilities are having difficulty getting timely grab bars & other modest modifications in place on the dates of move-in.

- Persons with disabilities in need of wheelchair accessible features are often priced out of Rental Housing Tax Credit properties. Wheelchair accessible units needs to be affordable for persons with incomes that are within the 20% Area Median Income.

- Addressing housing needs of persons with disabilities exiting prisons and with a history of a felony conviction.

- Conducting education and outreach activities to inform the private rental market/landlords of the Section 8/Housing Choice Voucher program and to counter the stigma and resulting discrimination experienced by those with rental subsidies.

Thank you for taking into account the barriers and environmental issues that people with disabilities face when finding and maintaining safe, affordable and accessible housing in the community of their choosing.

Sincerely,

Carolina Mora-Sanchez ● IL Advocate & Hispanic Outreach Specialist

accessABILITY ● 5302 E Washington St, Indianapolis, IN 46219
317-926-1660 Ext. 235 ● www.abilityindiana.org ● www.fb.com/abilityindiana

accessABILITY

Breaking Barriers - Bridging Gaps

From: Chris Spinks <chris@sicilindiana.org>
Sent: Thursday, March 29, 2018 12:50 PM
To: eogle1@ocra.IN.govor; Heidi Aggeler
Cc: dlmccart1@aol.com
Subject: Public Comment: 2018 Action Plan Comments

March 29, 2018

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

Attn: 2018 Action Plan Comments
Mr. Sipes and Ms. Aggeler:
Thank you for the opportunity to comment on the Indiana Consolidated Plan - 2018 Annual Action Plan. Our Center for Independent Living works and advocates for individuals with disabilities in southern Indiana. One of the most difficult tasks we have is finding affordable, accessible housing and assisting with home modifications for accessibility.

We are appreciative of the accomplishments that were made with the implementation of the Ramp Up Program, the preference established for Money Follows the Person and individuals with disabilities when applying for choice vouchers and the tax incentives established for new construction that requires them built for visitability.

There some concerns we have due to the extreme low income of the population we serve. I ask you to consider the following requests:

1) Do not cut the homeowner repair program regardless of the decrease in CDBG funds.
2) Maintain the Tenant Based Rental Assistance through the Home Funds.
3) Do not reduce the Home Trust Funds. This funding is utilized by some of the most at risk individuals in our society. Individuals transitioning from the correctional setting and those with mental health disabilities. We need more housing opportunities for these groups, not less.
4) Ramp Up Program – please consider changing the requirements for this grant to include renters and particularly mobile homes. The population that truly needs this assistance cannot afford to own a home. In our area the majority rent a mobile home. The set aside of these dollars presents an opportunity that could assist many if these limitations were removed. These dollars could also be utilized for small home modifications beyond widening the front door. If these changes were made, it would become apparent who and where the real need for assistance exists.
5) Rental Housing Tax Credits create an incentive to build accessible rental housing and this was a positive change. The issue now is that there is no way to be sure that a disabled renter will be able to utilize the accessible unit or be able to afford the rent. I have been told of a lease requirement that allows the disabled individual access to the accessible unit if it has been leased to someone that does not require the accessibility. I am not sure about this and don't know if it is the answer. However, there should be a way these units are being made available to those who truly need them.

I have one final thought. As a disability advocate that assists in finding affordable, accessible and integrated housing, an obstacle that we encounter is private landlords who do not understand how the Section 8 vouchers work. It would be wonderful if there was a simplified outreach tool to educate the landlords on how they work, how they get registered, etc.

Thank you for the opportunity to express my thoughts in this process and consideration of the difficulties experienced by individuals with disabilities.

Ms. Chris Spinks
Independent Living Director


SOUTHERN INDIANA CENTER for
Independent
Living
The Independence Advocate!
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chris@sicilindiana.org

CHECK OUT THE SICIL WEB SITE:
SICIL Website

From: dlmccart1@aol.com
Sent: Friday, March 30, 2018 3:34 PM
To: jsipe@ihcda.in.gov; Heidi Aggeler
Subject: Input into 2018 Action Plan & Con Plan

Dear Mr. Sipe and Ms. Aggeler,

Thank you for the opportunity to give input into the Indiana Consolidated Plan 2018 Annual Action Plan. My primary message for this coming year is to maintain and expand Indiana's commitment to integrated, affordable and accessible housing for people with disabilities and very low incomes.

Please maintain and build upon the following positive projects:

- Continue the RAMP UP pilot project for homeowners. Thank you for the substantial investment in creating a safe and accessible means to people getting in and out of their homes and community.

- Continue to fund the construction of single family homes with visitable design features. To quote Karen Vaughn, a Back Home Associate and a wheelchair user, this is "BIG." Continue to require Indiana Chapters of Habitat for Humanity to build visitable single family homes when using funding from IHCDA.

- Continue incentives to create integrated, affordable housing for persons with developmental disabilities in Rental Housing Tax Credit properties.

- Continue the accessibility and universal design standards defined in the Qualified Allocation Plan for RHTC and other IHCDA funded properties.

-Continue the Section 8 Housing Choice Voucher preference for people exiting nursing facilities and participating in the Money Follows the Person Program. Although the HCV program is administered through the State PHA, it is a critical source for rental subsidies for people with disabilities with extremely low incomes, and the preference demonstrates IHCDA's commitment to the deinstitutionalization.

Please address the following barriers to integrated, affordable and accessible housing for people with disabilities by:

-Ensuring that people needing wheelchair accessible units in Rental Housing Tax Credit properties are given preference for renting these units. RHTC property leases do not always have a lease requirement that states people with disabilities may move into an accessible unit if it is occupied by a household without a member needing wheelchair accessible features. All RHTC leases for the wheelchair accessible units need to include a statement requiring tenants without the need for accessible features to transfer to another standard unit in the property. This policy in turns needs to be monitored by the entity responsible for compliance with RHTC requirements.

-Ensuring that RHTC wheelchair accessible units are affordable for persons with 20% of Area Median Income. Persons with disabilities are often priced out of these units unless they have a rental subsidy.

-Requiring the provision of modest home modifications (e.g, grab bars) into standard RHTC units as requested as a reasonable modification. Persons with disabilities are having difficulty getting timely grab bars & other modest modifications in place on the dates of move-in.

-Expanding the RAMP UP pilot program to include people with disabilities who are renting. Most people with SSI incomes are unable to afford to purchase a home and live in rental housing. Portable ramps belonging to the tenant may be one approach to making rental housing accessible.

- Addressing housing needs of persons with disabilities exiting prisons and with a history of a felony conviction.

- Conducting education and outreach activities to inform the private rental market/landlords of the Section 8/Housing Choice Voucher program and to counter the stigma and resulting discrimination experienced by those with “Section 8” rental subsidies.

Thank you for your consideration of these recommendations and for this opportunity to build upon the foundation that IHCDA has established to continue to improve integrated, affordable and accessible housing options for people with disabilities.

Deborah

Deborah McCarty
Executive Director
Back Home in Indiana Alliance
…a project of the Governor’s Council
for People with Disabilities
125 West South St.
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Indianapolis, IN 46206
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dlmccart1@aol.com

From: Glenda Mark <gmark@abilityindiana.org>
Sent: Thursday, March 29, 2018 12:46 PM
To: eogle1@ocra.IN.gov; Heidi Aggeler
Subject: comment on the Indiana Consolidated Plan--2018 Annual Action Plan

March 29, 2018

Dear Mr. Sipe and Ms. Aggeler,

Thank you for the opportunity to give input into the Indiana Consolidated Plan

My primary message for the 2018 Annual Action Plan this coming year is to maintain and expand Indiana's commitment to integrated, affordable and accessible housing for people with disabilities and very low incomes.

It would be great if you could please maintain and build upon the following positive projects:

1. The RAMP UP pilot project for homeowners

2. Continue to build single family homes with visitable design features

3. Keep the incentives that create integrated, affordable housing for persons with developmental disabilities in Rental Housing Tax Credit properties and find more ways to make owners aware of the existing Tax Credits.

It would be very helpful if you could please address the following barriers to integrated, affordable and accessible housing for people with disabilities by:

- Expanding the RAMP UP pilot program to include people with disabilities who are renting. Most people with SSI incomes are unable to afford to purchase a home and live in rental housing, when they can find it.

- Finding a way to ensure that wheelchair accessible units within Rental Housing Tax Credit properties are being rented to people in need of affordable wheelchair accessible housing. Make sure that each RHTC property has a lease provision that could possibly requires existing tenants without disabilities living in an accessible unit to relocate to another unit, when there is an applicant that needs the accessible features.

- Requiring the provision of modest home modifications (e.g, grab bars) into standard RHTC units as requested as a reasonable modification. Persons with disabilities are having difficulty getting timely grab bars & other modest modifications in place on the dates of move-in.

- Persons with disabilities in need of wheelchair accessible features are often priced out of Rental Housing Tax Credit properties. Wheelchair accessible units needs to be affordable for persons with incomes that are within the 20% Area Median Income.

- Addressing housing needs of persons with disabilities exiting prisons and with a history of a felony conviction.

- Conducting education and outreach activities to inform the private rental market/landlords of the Section 8/Housing Choice Voucher program and to counter the stigma and resulting discrimination experienced by those with rental subsidies.

Thank you for taking into account the barriers and environmental issues that people with disabilities face when finding and maintaining safe, affordable and accessible housing in the community of their choosing.

Thank you for this opportunity.

Sincerely,
Glenda Mark
IL Advocate

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

From: dlmccart1@aol.com
Sent: Friday, March 30, 2018 12:29 PM
To: jsipe@ihcda.in.gov; Heidi Aggeler
Cc: Jackie@atticin.org
Subject: ConPlan

Letter forwarded as requested.

-----Original Message-----
From: Jackie Evans <Jackie@atticin.org>
To: dlmccart1 <dlmccart1@aol.com>
Sent: Fri, Mar 30, 2018 9:53 am
Subject: Con Plan

March 29, 2018
Dear Mr. Sipe and Ms. Aggeler:

I would like to take this opportunity to offer input on the Indiana Consolidated Plan 2018 Annual Action Plan. I am an Independent Living Coordinator for 8 Counties in Southern Indiana Center for Independent Living and we assist People with Disabilities with all types of goals.

Wanting to get out of their parents house and live independently is in great demand. Unfortunately, this has been a challenge. We also have assisted Homeless individuals that just have nowhere to turn. These goals can be established, but would be much easier if there was not so much of a waiting time.

I commend the progress that has been made in accessibility in housing. I support continued efforts to encourage visit ability in new construction. I also thank you for the incentives to create integrated, affordable housing for persons with developmental disabilities in Rental Housing Tax Credit properties.

In general, our area simply needs more affordable housing. Not just affordable but accessible. We have assist in getting homes for consumers but the quality of a home to live was not accessible, that makes it longer to get a place to live and a safe one. So requiring the provision of modest home modifications, such as the width of doors, grab bars, lower handles and switches plus a lot more.

Every year we do these Consolidated Plan letters and every year you take our concerns to matter, that we thank you. However, there is always more to change and every year we will continue trying.

Again, thank you for the opportunity to provide input into the 2018 Indiana Consolidated Plan.

Sincerely

Jackie Evans
ATTIC, Inc
2735 Washington Avenue
Vincennes, IN 47591
jackie@atticindiana.org

From: dlmccart1@aol.com
Sent: Friday, March 30, 2018 3:40 PM
To: jsipe@ihcda.in.gov; Heidi Aggeler
Cc: mskdv@live.com
Subject: Input into 2018 Action Plan ConPlan

The following letter was forwarded by D. McCarty at the request of Karen Vaughn. Ms. Vaughn is currently living in Centerville, Indiana.

Dear Mr. Sipe and Ms. Aggeler,

Thank you for the opportunity to give input into the 2018 Action Plan of the Indiana Consolidated Plan.

First, keep up the good work on building homes that are visitable. THAT's BIG! Visitable homes
opens the opportunities for family members to visit one another. People with disabilities have not had the opportunity to visit with family and friends in their homes. It creates more inclusion in communities. It lets other people know that accessible features can fit in. Visitable is not a big, obtrusive ramp.
It can change the perspective of people. Visitable homes open opportunities for people.

Second, IHCDA is great with the Section 8 Housing Choice Voucher program. IHCDA is user-friendly
when it comes to disability accommodations. When a voucher is transferred to a local public housing agency it can be really difficult. Other agencies are not well versed in fair housing accommodations. A lot is lost in communication. Something that never happened with IHCDA was late payments to the landlord. A local agency can be late with rent payments. A local housing agency needs more education. It would help if IHCDA could help oversee the voucher process when it is transferred to a local agency.

I truly appreciate the IHCDA effort and financial commitment to the RAMP UP project. I recommend that the program be expanded to include people with disabilities who are renting. Why discriminate between owners and renters? Many people with disabilities rent their homes. Is IHCDA open to purchasing portable ramps? These can be less expensive and are just as reliable.
My portable ramp was between $300 - $400 and is 6 feet long. It folds and is portable.
Also it would be helpful if IHCDA to help pay for modest home modifications such as purchasing grab bars. These too can belong to the person with a disability and be removed if a decision to move is made.
There may be other solutions as well. Please open your minds.

It would help if IHCDA could encourage or provide incentives for private landlords to have accessible units for rent.

Finally, it is very important for IHCDA to ensure that people (who do not use wheelchairs) who move into a wheelchair accessible Rental Housing Tax Credit unit know ahead of time that they will need to vacate the property if an applicant with a disability needs the accessible unit. If the current people do not know ahead of time it is not fair and could cause a lot of bad feelings. It could give a slanted view of people with disabilities.

Sincerely,
Karen Vaughn

From:	Soraya Trauner <strauner@abilityindiana.org>
Sent:	Friday, March 30, 2018 2:14 PM
To:	eogle1@ocra.IN.gov; Heidi Aggeler
Subject:	Comment on the Indiana Consolidated Plan--2018 Annual Action Plan

Dear Mr. Sipe and Ms. Aggeler,

Thank you for the opportunity to give input into the Indiana Consolidated Plan - 2018 Annual Action Plan. I continually see how you reaching out to the community to get their input really does create change along with a more inclusive community for people living with disabilities.

My primary message for this coming year is to maintain and expand Indiana's commitment to integrated, affordable and accessible housing for people with disabilities and very low incomes.

The areas listed below are continuing to have successful outcomes:

1. Continue the RAMP UP pilot project for homeowners

2. Continue to construct single family homes with visitable design features

3. Continue incentives to create integrated, affordable housing for persons with developmental disabilities in Rental Housing Tax Credit properties.

Unfortunately there are still many barriers that people living with disabilities are still facing with finding housing. By implementing some of these changes this will decrease the barriers to finding safe, affordable and accessible housing.

1. Expanding the RAMP UP pilot program to include people with disabilities who are renting. Most people with SSI incomes are unable to afford to purchase a home and live in rental housing.

2. Making sure that wheelchair accessible units within Rental Housing Tax Credit properties are being rented to people in need of affordable wheelchair accessible housing. Make sure that each RHTC property has a lease provision that requires existing tenants without disabilities living in an accessible unit to relocate to another unit, when there is an applicant that needs the accessible features.

3. Requiring the provision of modest home modifications (e.g, grab bars) into standard RHTC units as requested as a reasonable modification. Persons with disabilities are having difficulty getting timely grab bars & other modest modifications in place on the dates of move-in.

4. Addressing housing needs of persons with disabilities exiting prisons and with a history of a felony conviction.

Thanks you for taking into consideration these potential changes.

Kind regards,
Soraya L. Trauner
Independent Living Specialist

accessABILITY ● 5302 E Washington St, Indianapolis, IN 46219

317-926-1660 Ext. 224 ● www.abilityindiana.org ● www.fb.com/abilityindiana

accessABILITY

Breaking Barriers - Bridging Gaps

From: Ogle, Eric (OCRA) <EOgle1@ocra.IN.gov>
Sent: Friday, March 16, 2018 9:03 AM
To: Heidi Aggeler
Subject: FW: Draft Action Plan Comments

Comment on 2018 AP.

Eric Ogle
CDBG Program Director
Office of Community and Rural Affairs
Phone: (317) 775-4667
Email: eogle1@ocra.in.gov
Follow us on Twitter and Facebook.

From: Hudgens, Christmas
Sent: Monday, March 5, 2018 1:37 PM
To: Ogle, Eric (OCRA) <EOgle1@ocra.IN.gov>
Subject: FW: Draft Action Plan Comments

See below…

Christmas Rose Hudgens
Community Affairs Manager
Office of Community and Rural Affairs
Cell: 317.499.6563
Office: 317.233.3762
Email: chudgens@ocra.in.gov *Follow us on **Twitter** and **Facebook**.*

Main Street Communities, Economic Development Professionals, Government Officials and those with an interest in downtown revitalization are invited to attend the Indiana Main Street Auburn Community Exchange on February 2. To register, visit this website.

From: Akles, Tony [mailto:Tony.Akles@strand.com]
Sent: Monday, March 05, 2018 1:01 PM
To: Hudgens, Christmas <CHudgens@ocra.IN.gov>
Subject: Draft Action Plan Comments

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

Hi Christmas,

I wasn't sure who to send my comments to, but I have a couple on the 2018 Draft Action Plan, mainly on the Planning Fund and WW/DW Program.

I really like that OCRA has tied the grant amounts to user rates. It has been my experience that many cities and towns are reluctant to raise user rates even when a rate study clearly shows that the rates need to be increased. Tying this to the grant amount gives local officials more encouragement to raise rates to qualify for the additional grant funding and helps them with public perception of the rate increase.

I know this makes me sound like a broken record, but the planning grant amounts need to be increased, especially for a master utility study. We find it very difficult to prepare a thorough master utility study for $50,000. We usually over run this amount by $10,000. We try to be as efficient as possible, but there is a tremendous amount of information to review and evaluate when looking at three utilities.

Finally, keep up the good work. These grants are vital to small towns and go a long way towards improving Indiana's aging water, wastewater, and storm water infrastructure.

Thanks,

Tony Akles, P.E., BCEE, ENV SP | Senior Associate
Strand Associates, Inc.®
812.372.9911 ext. 4335
tony.akles@strand.com | www.strand.com

Excellence in Engineering Since 1946.

From: Tammy Themel <tthemel@abilityindiana.org>
Sent: Thursday, March 29, 2018 10:03 AM
To: eogle1@ocra.IN.gov; Heidi Aggeler
Subject: Comment on the Indiana Consolidated Plan--2018 Annual Action Plan

Dear Mr. Sipe and Ms. Aggeler,

Thank you for the opportunity to give input into the Indiana Consolidated Plan- 2018 Annual Action Plan. Our agency provides services to people with disabilities living in Marion and the seven surrounding counties. The most commonly occurring need for our consumers is affordable **and** accessible housing.

My primary message for this coming year is to maintain and expand Indiana's commitment to integrated, affordable and accessible housing for people with disabilities and very low incomes.

There are many areas of this plan that are achieving wonderful outcomes:

- The RAMP UP project for homeowners
- Construction of single family homes with visitable design features
- Incentives that create **integrated** and affordable housing for persons with developmental disabilities in Rental Housing Tax Credit properties

There are areas of this plan that perpetuate barriers to integrated, affordable and accessible housing for people with disabilities. Changes that would increase positive outcomes include:

1. Expand the RAMP UP program to include renters. Most of our consumers cannot afford to purchase a home.
2. Conduct outreach to inform the private rental market of the Section 8 Housing Choice Voucher program. Provide data on the unit stability that persons with disabilities provide—i.e., persons with disabilities move much less frequently than the average tenant.
3. Fund modest home modifications for rental housing. Modifications could be limited to those that are portable should a person with disabilities move. Modest might be identified as up to $1,000; and, could be limited in scope to grab bars and ramps.

Thank you for taking into consideration the barriers that people with disabilities face in finding and maintaining affordable **and** accessible housing in the community of their choosing.

Warmly,
Tammy Themel
CEO

Tammy Themel ● Chief Executive Officer
accessABILITY ● 5302 E Washington St, Indianapolis, IN 46219
317-926-1660 Ext. 225 ● www.abilityindiana.org ● www.fb.com/abilityindiana

accessABILITY

Breaking Barriers - Bridging Gaps

MILESTONE VENTURES

2018 DRAFT HOME RENTAL POLICY FEEDBACK

As a general note, it is very challenging to develop a project that fits within IHCDA's HOME policies and scores above the scoring threshold. While the HOME program is complex, many of the threshold policies and scoring critera layer on additional complexities that make the program very difficult to navigate, even for experienced non-profit recipients and administrators.

Pg. 12, 29 **Procurement Procedures & Administration Documentation –** The statements that: (1) each HOME recipient must follow competitive procurement procedures; and (2) to meet threshold applicants must provide a copy of an RFP and a newspaper advertisement for procuring an administrator conflict with the recent changes in the program manual that permits for-profit and not-for-profit developers to select contractors or other partners without a procurement process. Please delete these requirements from the application policy for consistency with the program manual.

Further, the requirement to submit an executed grant administration contract is problematic since HOME projects are prohibited from executing contracts until a Release of Funds has been authorized by IHCDA. Additionally, we do not enter into contracts with our clients until funding has been secured. Our grant writing services are complimentary.

Pg. 19 **Subsidy Per Unit –** Please consider utilizing the higher subsidy limitations from your HOME/HTF Institute Policy for the regular and supplemental HOME rounds.

Pg. 19 **20% Soft Costs Limit –** The IHCDA limit of 20% of HOME funds budgeted towards soft costs including developer's fee and 15% limit on developer's fee by itself has been in place for many years. From a total development cost perspective, however, the sum of these expenses often exceed 35%-40%. It is very difficult to develop projects within the 20% limit without layering in AHP funds. Please consider either increasing the 20% limit to 35% or excluding developer fee from the 20% limit.

Pg. 30 **Unit & Site Plans –** It is burdensome in both time and cost to have unit and site plans ready for application. Please consider making this a condition recipients must meet prior to Release of Funds. Further, please make this a requirement only for developments that do not contain 100% HOME-assisted units.

Pg. 31 **Funding Committed Prior to Application –** Is the reference to applicants applying for 2017 AHP funds still a valid exception?

Pg. 32 **Senior Developments –** Please move the accessibility / adaptability language, which is much more prohibitive than the Federal Section 504 5% accessibility standard back to being a scoring incentive rather than threshold requirement or remove the rehabilitation activity from this mandate. Rehabilitation of existing properties is unlikely to be able to comply with the 100% standard due to existing floor plan configurations, which eliminates otherwise eligible properties in need of rehab as eligible candidates for HOME assistance.

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

Pg. 32 **Services –** Please remove services from Threshold. It is burdensome to expect non-profit developers of the small projects being funded through the HOME rounds to commit to nine services overall and particularly to three services from the third chart. There is an extensive array of services funded through State and Federal resources to assist low- and moderate-income households in becoming more self-sufficient. For affordable housing that is not intended to be part of the Housing First model, it is extremely inefficient to expect each housing developer to recreate the wheel to become service providers themselves and/or to have services provided on-site at every affordable housing development, especially since no companion resources are provided to fund these services. Rather, eliminate the focus on service provision and encourage your developers to instead focus on housing quality and housing affordability.

Pg. 32 **Universal Design –** Please reconfigure chart so that each set of options fits onto one page.

Pg. 45 **Contractor Solicitation –** Remove the scoring incentive for contacting five contractors at the time of HOME application. Doing so several months in advance of having project funding in place, full design work completed, and going out to bid serves no practical purpose. It does not in any way measure "an applicant's ability to begin and timely execute an awarded project," and it tends to confuse potential contractors. IHCDA-funded projects almost always use Indiana contractors, and they are required to solicit MBE/WBE/DBE firms anyway.

Pg. 47/48 **Applicant Award Performance –** The extensive point emphasis on an applicant's past performance associated with a single award and the lookback timeframe of 5 years continues to be problematic. It serves as a barrier to existing housing developers partnering with IHCDA to implement the HOME program; and it impedes the fundability of new housing developers. Further, if an applicant recognizes that they would benefit from the capacity of a proven, experienced consultant or grant administrator, they should be encouraged to do so and not be subjected to a substantial scoring differential with 5 points that are only available if they have not been active in the HOME program for the past 5 years. Essentially, the standard set by this criteria is near-perfection, with the allowance for only one monitoring finding or concerns, no award extensions, and zero physical conditions issues. One blip in award performance can lock out an applicant from the HOME program for 5 years. Please (1) consider an applicant's body of work rather than just their most recent award; (2) do not impose a scoring penalty on new HOME applicants or those that choose to use the services of a consultant or grant administrator; (3) only allow poor performance to negatively impact scoring on one application cycle rather than 5 years; and (4) create measures to identify high risk recipients and provide just those entities with focused technical assistance.

Pg. 49 **Physical Inspections –** Change the language to award points as long as the entity does not have any <u>uncorrected</u> issues.

03/29/2018
Dear Mr. Sipe and Ms. Aggeler,

Thank you for the chance to give my say in the Indiana Consolidated Plan 2018 Annual Action Plan. My message for this coming year is to try and help to expand Indiana's efforts to obtain affordable housing for people with disabilities and lower incomes. To make sure that they are included in the community and the housing options that it provides.

Please build upon the following positive projects:

- Continue the RAMP UP pilot project for homeowners so they can live independently in the community.

- Continue to construct single family homes with accessible modifications for needs of the individual that moves in. Rentals, apartment complexes, etc tend to not want to make these modifications for the hassle that they provide and cost. (ex: ramp, grab bars, accessible keypads)

-Options for family housing with more than 1 bedroom has become few and far between for people with disabilities. We need to know that people with disabilities do have spouses, kids, family members that live with them. Building upon the idea is inclusion in the community for families that support their loved ones.

- Continue incentives to create integrated, affordable housing for persons with disabilities in Rental Housing Tax Credit properties.

Please address the following barriers to integrated, affordable and accessible housing for people with disabilities by:

- Expanding the RAMP UP pilot program to include people with disabilities who are renting. Most people with SSI incomes are unable to afford to purchase a home and live in rental housing. They are on extremely limited incomes and this will allow them to be able to live independently in the community. This commonly happens in town limits and it also provides a huge plus for their transportation needs as well in location and ease ability.

Thank you,
Carly Dixon
SICIL

Dear IHCDA,

As a disabled father and Social Worker I feel my experiences and knowledge greatly lend to my ability to speak knowledgably against the proposed budget cuts that will be made in the near future. I am very glad to have the opportunity to submit a comment surrounding the current budget proposal, and hope that my comment will be taken serious as you consider moving forward with your decisions.

First it is extremely important that home modification funds are made available for folks with mobile homes who need financial assistance for making home modifications that would allow them to be more independent, and less at risk for serious injury. It is also very important to continue funding such modifications in order to minimize future costs associated with medical care, transportation, and other components involved with the injuries that would stem from a decrease in the home modification funds.

Many of us at SICIL work with many consumers who are in need of minor financial assistance in order to help modify their homes. I have one consumer who is 70 years old, and is actually crawling down his porch to get to the car that his wife is driving him to his doctor's appointments in. Have another lady where it was too late for her. She actually fell and injured her legs and hands, where she now has to walk with two canes, and has two years of

Therapy, as well as in home health care services five days each week. This all sounds rather expensive to me, and I hope that it makes clear the need to keep funding and consider expanding the current home modification budget. Furthermore, preventative measures would be prolific if the IHCDA moved forward with a plan to expand the Ramp Up Pilot Program to include rental properties given that most of the disabled population rent homes rather than purchase them. Finally, please help devise a plan for creating more incentives that would encourage landlords to be more open to accepting the Section 8 or Housing Choice Voucher from disabled renters. In many cases disabled individuals and families are segregated in apartments, and would greatly benefit from living in a single family home.

I would like to thank the IHCDA for considering our rather reasonable requests, and look forward to seeing what plans are developed as you reach your final decisions as we move forward into 2018-2019.

Thanks,

Christopher L. Baskins

Southern Indiana Center for Independent Living

To: Heidi Aggeler
From: Patrick Taylor
Re: Prosperity Indiana technical comments on draft plan (submitted via email)

*****Rose Scovel, Prosperity Indiana*****
Hi Patrick! Thank you for taking the time to speak with us about the AAP yesterday. As promised, here are my specific notes on the Blight Clearance Program (BCP).

I have highlighted the parts that are either typos or need clarification/revision for consistency and clarity.

P4
Changes made in PY2018 as a result of past performance include:
3) Applications for the Blight Clearance Program (BCP) will be accepted, and awards will be made, on a continuous basis. In prior years, these awards were competitive.

P48 Blight Clearance Program $500,000 (now non-competitive)

P50 $500,000 for Blight Clearance Program – up $100,000 from PY2017

Page 7 MOD Blight Clearance Program 2.0: $500,000
The State of Indiana will to set aside $500,000 of its FY2018 CDBG funds for the competitive Blight Clearance Program (BCP). Applications will be accepted and awards will be made on a continuous basis. The specific threshold criteria and basis for project point awards for BCP grant awards are presented in Attachment G hereto.

Page 9 MOD Program Application
Blight Clearance Program (BCP) 2.0 will be conducted through a two-stage, continuous application process throughout the program year.

[the stages aren’t explained]

Attachment G
Blight Clearance Program (BCP) clearance/demotion applications are accepted in a single competitive round.

Page 24
Use of in-kind donations as eligible match requires approval from the Indiana Office of Community and Rural Affairs, Grant Services Division approximately 2 weeks prior to application submission (deadline will be announced each round).

[In a continuous application process how is a deadline relevant? Do in-kind matches need to be submitted prior to the application still? How far in advance?]

[In the scoring rubric a minimum of 360 points is needed (of 600) to meet threshold. Since it is no longer competitive does that mean all projects scoring 360 are approved up to $500,000 on a first-come, first-served basis?]

~ IACED is now Prosperity Indiana ~
Rose Scovel, AICP
Director of Planning Services

Prosperity Indiana
202 East Market Street, Indianapolis, IN 46204
P 317.454.8539
F 317.454.8534
W ProsperityIndiana.org

*****Jessica Love, Prosperity Indiana Executive Director*****
Enjoyed the brief catch-up the other day, Patrick!

The following is what I agreed to direct you to in the document:
The Executive Summary notes –
HOME: $600,000 Tenant Based Rental Assistance (TBRA) (it not utilized, will be converted to rental construction)

Inconsistency: The AP-25 Allocation Priorities chart indicates the state will allocate 0% of its HOME funds to TBRA.

When I ran the numbers based on the exec summary splits, TBRA makes up 6% of the HOME allocation. I know they did the splits somewhat differently, since admin is not in the chart, but that should only increase the % of TBRA.

Thanks.

Jessica Love
Executive Director

Hosted by

AVISO DE REGISTRO
DEL
INFORME 2018 ANNUAL ACTION PLAN

Para ver una versión en español de este anuncio de Aviso de Registro del Informe 2018 Annual Action Plan for Housing and Community Development visite el sitio web www.in.gov/ocra. Para traducciones al español de los documentos mencionados en este anuncio, escribir al Indiana Office of Community and Rural Affairs, One North Capitol, Suite 600, Indianapolis, Indiana 46204 o E-mail eogle1@ocra.in.gov or http://www.in.gov/ocra/2369.htm and https://www.in.gov/myihcda/2398.htm.

NOTICE OF FILING
OF
2018 Annual Action Plan for Housing and Community Development

Notice is hereby given that the Indiana Office of Community & Rural Affairs (OCRA), and the Indiana Housing and Community Development Authority (IHCDA) plans to file their 2018 Annual Action Plan for Housing and Community Development ("2018 Action Plan") with the U.S. Department of Housing & Urban Development (HUD) on May 15, 2018.

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

The 2018 Action Plan provides information on the housing and community development needs priorities and one year spending plan for the Community Development Block Grant (CDBG) Program, the Home Investment Partnership (HOME) Program, the National Housing Trust Fund (NHTF), the Emergency Solutions Grant (ESG) Program, and the Housing Opportunities for Persons With Aids (HOPWA) Program.

The Office of Community & Rural Affairs will have the 2018 Action Plan available for public inspection prior to its submission. Members of the public are invited to review the 2018 Action Plan prior to its submission during the hours of 8:30 a.m. to 5:00 p.m., February 15, 2018 through April 1, 2018, at the Indiana Office of Community & Rural Affairs, One North Capitol, Suite 600, Indianapolis, Indiana 46204. The Action Plan will be available online at: http://www.in.gov/ocra/2369.htm and https://www.in.gov/myihcda/2398.htm.

Information regarding the 2018 Action Plan can be obtained by writing to: Office of Community and Rural Affairs, c/o 2018 Action Plan, One North Capitol, Suite 600, Indianapolis, Indiana 46204-2027. Additional information may also be obtained via e-mail at eogle1@ocra.IN.gov or on http://www.in.gov/ocra/2369.htm and https://www.in.gov/myihcda/2398.htm.

A public hearing will be held to discuss the draft 2018 Action Plan on March 15, 2018 between 1 p.m. and 3 p.m. EST. Hearings will be hosted by Purdue Extension at these locations:

Purdue Extension Office, Allen County, 4001 Crescent Avenue, Fort Wayne, IN, 260-481-6826
Purdue Extension Office, Lake County, 2293 North Main Street, Crown Point, IN, 219-755-3240
Purdue Extension Office, Marion County, 1202 East 38th Street, Indianapolis, IN, 317-275-9305
Purdue Extension Office, Spencer County, 1101 East County Road 800 North, Chrisney, IN, 812-362-8066
Purdue Extension Office, Tippecanoe County, 3150 Sagamore Parkway South, Lafayette, IN, 765-474-0793
Vigo County Public Library, One Library Square, Terre Haute, IN 812-232-1113 (Note: not at the Extension office but the public library)

Presented by:

Eric Ogle, OCRA

Samantha Spergel, IHCDA

Heidi Aggeler, BBC

STATE OF INDIANA

2018 Action Plan Public Hearing

March 15, 2018

Agenda

- Introductions
- Plan overview
- Public comments and input

Introductions

Agency staff introductions and technology check:

- Allen County
- Lake County
- Marion County
- Spencer County
- Tippecanoe County
- Vigo County Public Library

Introductions

How to reach the presenters:

- Eric Ogle, OCRA, EOgle1@ocra.IN.gov. Contact Eric about CDBG
- Samantha Spergel, IHCDA, SSpergel@ihcda.IN.gov. Contact Samantha about HOME and HTF
- Jill Robertson, JiRobertson@ihcda.IN.gov. Contact Jill about ESG and HOPWA
- Heidi Aggeler, BBC, aggeler@bbcresearch.com or 303-321-2547 x256. Contact Heidi with questions about the Action Plan process and to provide comments on the Action Plan

Introductions

To ensure that everyone in attendance has a chance to voice their opinion and to make sure we can hear all comments:

- Please hold your comments to 3 minutes at a time.
  This will give everyone an equal chance to make comments.
- Please do not interrupt or debate others. There are no right or wrong answers in our discussion today.
- If you have more to say, or have very detailed questions about programs, visit with us after the hearing or contact one of us later (contact information is on both the cover and last slide).

Purpose of the Consolidated Plan

In 1995, the U.S. Department of Housing and Urban Development (HUD) began requiring states and local communities to prepare a Consolidated Plan in order to receive federal housing and community development funding.

- **The purpose of the Consolidated Plan is:**
  - To identify a state's housing and community development needs, priorities, goals and strategies.
  - To stipulate how funds will be allocated to state housing and community development non-profit organizations and local governments.
- **This is the third Action Plan in the five-year Consolidated Plan cycle**

The State of Indiana's Consolidated Plan

- **Five-Year Strategic Plan and Annual Action Plans**
  - Pertains to specific HUD funding programs:
    - *Community Development Block Grant (CDBG)*
    - *Home Investment Partnerships Program (HOME)*
    - *Emergency Solutions Grant Program (ESG)*
    - *Housing Opportunities for Persons with AIDS (HOPWA)*
    - *Housing Trust Fund (HTF)*

What will the State receive from HUD?
Preliminary estimate

CDBG	$27,900,000
HOME	$10,500,000
ESG	$3,600,000
HOPWA	$1,100,000
HTF	$3,300,000
Total	**$46,400,000**

Current Action Plan Goals and Objectives

CDBG funds:
$2.8 million for owner-occupied rehabilitation (allocated to IHCDA)
$10.6 million for wastewater/drinking water improvements
$4 million for the Stellar Communities program
$4 million for storm water improvements
$2 million for public facilities improvements
$2 million for Main Street Revitalization
$1.0 million for planning
$500,000 for blight clearance
$660,000 for administration
$280,000 for technical assistance

Current Action Plan Goals and Objectives
Continued

HOME and HTF funds:
$6.9 million (HOME) + $3.1 million (HTF) rental projects
$1 million homeownership projects
$500,000 for CHDO operating and predevelopment
$600,000 for tenant-based rental assistance
$1.25 million administrative uses ($815,000 internal and $410,000 organizational capacity building)

Current Action Plan Goals and Objectives *Continued*

ESG funds:
$2 million emergency shelters with operations and essential services
$1.4 million rental assistance
$163,000 program administration

HOPWA funds:
$550,000 in TBRA
$223,000 for housing information activities
$182,000 short-term rental, utilities and mortgage assistance
$93,000 support facility operations and supportive services $84,000 permanent housing placement

Contingency Planning

CDBG

If cuts are less than 25%:

- IHCDA CDBG OOR remains at 10% of the total CDBG allocation
- Admin and Technical Assistance remain at allowable percentages
- Spread remaining percentage reduction throughout all remaining programs

If cuts are greater than 25%: OOR will not be funded, admin and Technical Assistance remain at allowable percentages, a substantial amendment is issued to reprogram other funds.

Contingency Planning

HOME

- Additional funds are allocated to rental construction and associated administration
- Reduction in funds: set aside caps are adjusted first. If reduction is < $500,000, rental construction is reduced. If > $500,000, reduction will be proportional among rental construction, TBRA, and homeownership construction
- HTF follows a similar framework

New in the 2018 Action Plan

- OCRA revised the maximum grant amounts for the wastewater and drinking water improvement program. OCRA reduced the program funding categories from six to one and removed the tiered maximum funding amounts
- Maximum grant amounts were also raised for blight clearance, main street revitalization, stormwater improvements, and planning
- Blight Clearance program: now awards will be made on a continuous basis. In prior years, these awards were competitive.
- OCRA merged the evaluation criteria for all the grant programs into one set of criteria, which bring more consistency.

New in 2018 Action Plan

- IHCDA will work to host a landlord training in 2018-19 to continue to educate and support landlords while ensuring the support for clients in HOPWA and ESG RRH
- Continuum of Care (CoC) will be working with ESG entitlement cities to establish a common methodology for project evaluation and a funding allocation that leverages and benefits.

New in 2018 Action Plan

- ESG funds will be required to work in coordination with Continuum of Care (CoC) funds to reduce the length of time people experiencing homelessness stay in shelters. Additionally, the state is working with FSSA to leverage TANF resources for Rapid Rehousing funds for families in order to extend the impact of rapid rehousing in the overall system.
- The CoC Executive Board will look at strengthening the performance criteria and working to support projects to better prepare tenants to exit shelter to permanent destination.

Your Input

Tell us what you think of the current Plan:

- What do you like best? The least?
- What would you change?
- What questions and comments do you have today?

How to Comment on the Plan

- **Through March 31 you may send email to:**

  eogle1@ocra.IN.gov or aggeler@bbcresearch.com

  Send a letter to:

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

  Attn: 2018 Action Plan Comments

- **Access the draft Plan at:**

  www.in.gov/ocra/2369.htm

  www.in.gov/myihcda/2398.htm

APPENDIX C.

Analysis of Impediments Goals and Action Items

Impediments and Fair Housing Action Plan—Progress Report

The State of Indiana completed a Analysis of Impediments (AI) in late 2016. This summary section identifies fair housing issues found in nonentitlement areas of Indiana, discusses the factors that contribute to fair housing concerns, and establishes priorities and goals for addressing the concerns in the next five years.

The goal setting table, which appears at the end of the section, identifies goals, the contributing factors addressed by the goals, fair housing issued addressed, metrics/milestones/timeframe for achievement, and responsible agency for fulfilling the goals. **It also reports progress made to date.**

Definitions

The terms used in this section are based on the narrative used in the Affirmatively Furthering Fair Housing (AFFH) Guidebook. Although not yet a requirement for the state AI, the Guidebook was used in prioritization and goal setting for its focus on improving economic opportunity for Indiana residents who are faced with fair housing challenges.[1]

Contributing factors. According to HUD, a "fair housing contributing factor" is a factor that creates, contributes to, perpetuates or increases the severity of one or more fair housing issues. The fair housing issues include:

- segregation,
- R/ECAPs,
- disparities in access to opportunity,
- disproportionate housing needs,
- disability and access issues, and
- fair housing education, outreach and resources.

Priorities. Contributing factors require prioritization, and prioritization determines the fair housing goals and strategies. According to 24 C.F.R. Section 5.154(d)(4)(ii), in prioritizing contributing factors, states/counties/cities should give "highest priority to those factors that limit or deny fair housing choice or access to opportunity, or negatively impact fair housing or civil rights compliance."

[1] http://www.gpo.gov/fdsys/pkg/FR-2015-07-16/pdf/2015-17032.pdf

HUD allows discretion in prioritizing contributing factors and does not require a specific method for prioritization. The Grantees used a prioritization method that balanced the significance of the contributing factor in affecting housing choice and access to opportunity ("impact") and the ability of the state to affect change ("resources").

Fair Housing Issues and Contributing Factors

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

Housing Issues

- Poor condition of affordable housing stock according to residents and stakeholders. Inability of residents to make needed improvements due to low incomes.

- Disproportionately high levels of cost burden and lower levels of homeownership for minority populations other than Asian residents.

    - Cost burden gaps are greatest for minority residents earning between 30 and 50 percent of the area median income—those just over the poverty level (lower middle class).
    - Minority residents and residents with disabilities are most likely to express challenges with homebuying associated with downpayments and mortgage loan qualifications.

- High mortgage loan denial rates for non-White residents, even when adjusting for income level.

- Higher use of publicly-supported housing by African American residents, suggesting challenges obtaining private market housing.

- Housing choice for residents with disabilities restricted by the lack of available, affordable, accessible housing. Nearly one-fourth of residents say the home they live in does not meet their family's disability needs and nearly two-thirds cannot afford to make improvements. The most needed improvement is ramps and handrails.

- Landlords not accepting service animals and charging higher rents or deposits for persons with disabilities requesting reasonable accommodations.

- Lack of rental housing for families with children: on average 72 percent of Housing Choice Voucher wait lists are families with children. PHAs surveyed for the AI consistently rated families with children as the demographic group with the most trouble finding rental housing—even more so than residents with criminal backgrounds.

Economic Opportunity Issues

- Gaps in educational attainment for Hispanic residents.

- Residents with disabilities face challenges finding employment and those who are employed earn less than those without a disability.

- Economic differences contributing to segregation, mostly in urban areas. In some areas, systemic steering, lack of opportunity and lack of available housing perpetuate racially homogenous neighborhoods.

- Limitations (property tax caps) on state and local tax revenue generation.

- Severe lack of services and trained staff to deliver mental health and supportive services.

The **factors contributing** to these issues are:

- Economic weaknesses in some nonentitlement areas preventing residents from making needed repairs.

- Lack of accessible housing stock.

- Historically lower incomes of non-White and Hispanic residents and, for Hispanic residents, lower rates of educational attainment.

- Residents with disabilities facing lower employment opportunities and discrimination in housing markets.

- Families with children and non-White and Hispanic residents experiencing discrimination in rental market transactions.

- Landlords not complying with and/or not understanding fair housing laws, particularly reasonable accommodations.

- Insufficient resources to fund ADA improvements to public buildings and infrastructure, particularly in rural areas.

Prioritization. The state's prioritization of contributing factors considered the following:

- Geographic focus: Is the issue isolated to a handful of counties? Entitlement areas only? Rural areas only? Or a statewide concern?

- The significance of the factor in contributing to fair housing and access to opportunity barriers: How will addressing the factor affect housing and opportunity?

- The ability of the Grantees address the factor: Do the Grantees have the authority to address the issue? Adequate resources, now and in the future?

- The effect of addressing the factor on affected protected classes: Will addressing the issue affect the protected classes who are facing the most barriers to housing choice and access to opportunity?

Goals and Action Steps

According to HUD, a fair housing goal is designed to overcome one or more contributing factors and related fair housing issues. Goals must have metrics, milestones, and a timeframe for completion. For the purpose of this AI, these are called "Action Steps."

The action steps that the state will use to meet its fair housing goals in the next five years will be reported in the Annual Action Plan and Consolidated Annual Performance and Evaluation Report (CAPER).

The action steps, as demonstrated in the Goal Setting Table, are:

- Are strategic in approach,
- Are specific, measurable and establish a responsible party, and
- Identify the resources that are needed to address the goals.

GOAL SETTING TABLE, STATE OF INDIANA AI

GOAL	FAIR HOUSING ISSUES and CONTRIBUTING FACTORS ADDRESSED	METRICS/MILESTONES/TIMEFRAME	RESPONSIBLE PARTY
A. Improve the condition and accessibility of affordable housing in nonentitlement areas.	Higher housing needs of disabled and elderly residents. Lack of affordable, accessible housing in integrated settings.	1. Prioritize OOR applications that are associated with accessibility improvements. *Complete. The OOR application has priorities for developments that serve persons with disabilities and seniors.* 2. Continue application preferences for developments that assist persons with disabilities and other special needs residents. *Ongoing.* 3. Continue to fund the IHCDA pilot ramp program and increase the utilization rate *Ongoing.* 4. Continue visitability requirements for publicly-funded new construction. *Ongoing.*	OCRA, IHCDA
B. Increase affordable rental housing for families.	Lack of affordable rental housing for families. Discrimination against families in rental markets.	1. Conduct further research into which markets have the most limited housing for families as well as barriers to development. 2. Continue to identify and implement strategies to increase the supply of affordable rentals for families.	IHCDA
C. Increase fair housing knowledge among landlords and community leaders in rural areas.	Landlord lack of fair housing awareness resulting in discrimination in rental markets, lack of reasonable accommodations, and higher use of publicly subsidized housing by minority residents.	1. Continue to fund fair housing capacity building and educational outreach activities, focusing on reasonable accommodations for persons with disabilities and discrimination against families. Explore funding for testing and/or training through the Indiana Civil Rights Commission and other venues. *Ongoing: OCRA has partnered with the Fair Housing Center of Central Indiana to provide seminars on fair housing basics to rural communities. OCRA is also working with the Indiana Civil Rights Commission to provide fair housing education and outreach.* 2. Examine effectiveness of fair housing requirements of CDBG subrecipients and how to better target to improve education and awareness of fair housing challenges in nonentitlement areas. *OCRA has added language to their scoring criteria that limits a community's access to CDBG funds if they outstanding issues with the Indiana Civil Rights Commission.*	OCRA, IHCDA

		3. Working through the Accelerate Indiana Municipalities and other appropriate venues, educate units of local government (Mayors, planning directors) about best practices in zoning and land use to accommodate residents' housing needs, especially persons with disabilities. This should include consideration of local regulations that can restrict shared living arrangements, which allow persons with disabilities and seniors to live in integrated settings.	
D. Improve homeownership among minorities and persons with disabilities.	Lower rates of homeownership for minorities and persons with disabilities. Lower rates of mortgage loan originations	1. Continue to evaluate how to repurpose underutilized and vacant land. 2. In addition to our current efforts to reach African-American, Millennial and Artist households, continue to educate and work with banks to understand how to address gaps in loan originations.	IHCDA, OCRA
E. Improve employment outcomes for persons with disabilities.	Lower employment rates, wages and employment incomes of persons with disabilities	1. Examine best practices for improving employment outcomes for persons with disabilities. 2. Integrate best practices into CDBG programming.	OCRA
G. Dedicate additional federal support to increasing accessibility in non-entitlement areas, contingent on expansion of federal infrastructure investments.	Inaccessible (pre-ADA) public infrastructure. Lack of funding for accessibility improvements to streets, sidewalks, and other public infrastructure. Integrated living environments for seniors and persons with disabilities.	1. Support federal efforts to expand infrastructure redevelopment in rural areas. 2. Make more accessible environments a priority in CDBG programs.	OCRA

APPENDIX D.

S-424s and Certifications

OMB Number: 4040-0004
Expiration Date: 12/31/2019

Application for Federal Assistance SF-424

* 1. Type of Submission:	* 2. Type of Application:	* If Revision, select appropriate letter(s):
☐ Preapplication	☒ New	
☒ Application	☐ Continuation	* Other (Specify):
☐ Changed/Corrected Application	☐ Revision	

* 3. Date Received: MAY 24 2018
4. Applicant Identifier:

5a. Federal Entity Identifier:
5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:
7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name: Indiana Housing and Community Development Authority

* b. Employer/Taxpayer Identification Number (EIN/TIN): 351485172
* c. Organizational DUNS: 0868704790000

d. Address:

* Street1: 30 South Meridian Street
Street2: Suite 1000
* City: Indianapolis
County/Parish:
* State: IN: Indiana
Province:
* Country: USA: UNITED STATES
* Zip / Postal Code: 46204-3565

e. Organizational Unit:

Department Name:
Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Ms.
* First Name: Samantha
Middle Name:
* Last Name: Spergel
Suffix:

Title: Director of Real Estate Production

Organizational Affiliation:

* Telephone Number: 317-232-0599
Fax Number:

* Email: sspergel@ihcda.in.gov

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

A: State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.239

CFDA Title:

HOME Investment Partnerships Program

*** 12. Funding Opportunity Number:**

14.239

* Title:

HOME Investment Partnerships Program

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment | Delete Attachment | View Attachment

*** 15. Descriptive Title of Applicant's Project:**

State of Indiana's HOME Investment Partnerships Program

Attach supporting documents as specified in agency instructions.

Add Attachments | Delete Attachments | View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant: IN-07
* b. Program/Project: IN-ALL

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment | Delete Attachment | View Attachment

17. Proposed Project:

* a. Start Date: 07/01/2018
* b. End Date: 06/30/2019

18. Estimated Funding ($):

* a. Federal	14,568,483.00
* b. Applicant	
* c. State	
* d. Local	
* e. Other	
* f. Program Income	
* g. TOTAL	14,568,483.00

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on ______.

☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.

☒ c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

☐ Yes ☒ No

If "Yes", provide explanation and attach

Add Attachment | Delete Attachment | View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: Mr.
* First Name: J.

Middle Name: Jacob

* Last Name: Sipe

Suffix:

* Title: Executive Director

* Telephone Number: 317-232-7777
Fax Number:

* Email: jsipe@ihcda.in.gov

* Signature of Authorized Representative: [signature]
* Date Signed: 5-16-18

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.

14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is $10,000 or more.

15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).

16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq).

18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
	Executive Director
APPLICANT ORGANIZATION	DATE SUBMITTED
Indiana Housing and Community Development Authority	

OMB Number: 4040-0004
Expiration Date: 12/31/2019

Application for Federal Assistance SF-424

* 1. Type of Submission: ☐ Preapplication ☒ Application ☐ Changed/Corrected Application	* 2. Type of Application: ☒ New ☐ Continuation ☐ Revision	* If Revision, select appropriate letter(s): * Other (Specify):

* 3. Date Received:

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

State Use Only:

6. Date Received by State: MAY 24 2018

7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name: Indiana Housing and Community Development Authority

* b. Employer/Taxpayer Identification Number (EIN/TIN): 351485172

* c. Organizational DUNS: 0868704790000

d. Address:

* Street1: 30 South Meridian Street
Street2: Suite 1000
* City: Indianapolis
County/Parish:
* State: IN: Indiana
Province:
* Country: USA: UNITED STATES
* Zip / Postal Code: 46204-3565

e. Organizational Unit:

Department Name:

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Ms.
* First Name: Samantha
Middle Name:
* Last Name: Spergel
Suffix:

Title: Director of Real Estate Production

Organizational Affiliation:

* Telephone Number: 317-232-0599
Fax Number:

* Email: sspergel@ihcda.in.gov

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

A: State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

U.S. Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.275

CFDA Title:

National Housing Trust Fund

*** 12. Funding Opportunity Number:**

14.275

* Title:

National Housing Trust Fund

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment | Delete Attachment | View Attachment

*** 15. Descriptive Title of Applicant's Project:**

State of Indiana's National Housing Trust Fund

Attach supporting documents as specified in agency instructions.

Add Attachments | Delete Attachments | View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant: IN-07

* b. Program/Project: IN-ALL

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment | Delete Attachment | View Attachment

17. Proposed Project:

* a. Start Date: 07/01/2018

* b. End Date: 06/30/2019

18. Estimated Funding ($):

* a. Federal	3,937,462.00
* b. Applicant	
* c. State	
* d. Local	
* e. Other	
* f. Program Income	
* g. TOTAL	3,937,462.00

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on

☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.

☒ c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

☐ Yes ☒ No

If "Yes", provide explanation and attach

Add Attachment | Delete Attachment | View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: Mr.

* First Name: J.

Middle Name: Jacob

* Last Name: Sipe

Suffix:

* Title: Executive Director

* Telephone Number: 317-232-7777

Fax Number:

* Email: jsipe@ihcda.in.gov

* Signature of Authorized Representative: [signature]

* Date Signed: 5-16-18

ASSURANCES - CONSTRUCTION PROGRAMS

OMB Number: 4040-0009
Expiration Date: 01/31/2019

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant:, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.

2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.

4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.

5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.

6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.

7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards of merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).

9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29) U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statue(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statue(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.

14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is $10,000 or more.

15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).

16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq).

18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
	Executive Director
APPLICANT ORGANIZATION	**DATE SUBMITTED**
Indiana Housing and Community Development Authority	

OMB Number: 4040-0004
Expiration Date: 12/31/2019

Application for Federal Assistance SF-424

* 1. Type of Submission: ☐ Preapplication ☒ Application ☐ Changed/Corrected Application	* 2. Type of Application: ☒ New ☐ Continuation ☐ Revision	* If Revision, select appropriate letter(s): * Other (Specify):

* 3. Date Received: MAY 24 2018
4. Applicant Identifier:

5a. Federal Entity Identifier:
5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:
7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name: Indiana Housing and Community Development Authority

* b. Employer/Taxpayer Identification Number (EIN/TIN): 35 1485172
* c. Organizational DUNS: 0868704790000

d. Address:

* Street1: 30 S. Meridian Street, Suite 1000
Street2:
* City: Indianapolis
County/Parish:
* State: IN: Indiana
Province:
* Country: USA: UNITED STATES
* Zip / Postal Code: 46204-3565

e. Organizational Unit:

Department Name: Community Services
Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Ms.
* First Name: Jill
Middle Name:
* Last Name: Robertson
Suffix:

Title: Director Community Services

Organizational Affiliation:

* Telephone Number: 317-234-7572
Fax Number:

* Email: jirobertson@ihcda.in.gov

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

A: State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

US Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.231

CFDA Title:

Emergency Solutions Grant

*** 12. Funding Opportunity Number:**

14.231

* Title:

Emergency Solutions Grant

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment | Delete Attachment | View Attachment

*** 15. Descriptive Title of Applicant's Project:**

State of Indiana's Emergency Solutions Grant

Attach supporting documents as specified in agency instructions.

Add Attachments | Delete Attachments | View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant: IN-07

* b. Program/Project: IN-ALL

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment | Delete Attachment | View Attachment

17. Proposed Project:

* a. Start Date: 07/01/2018

* b. End Date: 06/30/2019

18. Estimated Funding ($):

* a. Federal	3,634,870.00
* b. Applicant	0.00
* c. State	0.00
* d. Local	0.00
* e. Other	0.00
* f. Program Income	0.00
* g. TOTAL	3,634,870.00

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on .

☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.

☒ c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

☐ Yes ☒ No

If "Yes", provide explanation and attach

Add Attachment | Delete Attachment | View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: Mr.

* First Name: J.

Middle Name: Jacob

* Last Name: Sipe

Suffix:

* Title: Executive Director

* Telephone Number: 317-232-7777

Fax Number:

* Email: jsipe@ihcda.in.gov

* Signature of Authorized Representative: JJS

* Date Signed: 5-11-18

ASSURANCES - CONSTRUCTION PROGRAMS

OMB Number: 4040-0009
Expiration Date: 01/31/2019

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant:, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.

2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.

4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.

5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.

6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.

7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards of merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).

9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.

10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29) U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statue(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statue(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.

14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is $10,000 or more.

15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).

16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq).

18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
	Executive Director
APPLICANT ORGANIZATION	DATE SUBMITTED
Indiana Housing and Community Development Authority	

OMB Number: 4040-0004
Expiration Date: 12/31/2019

Application for Federal Assistance SF-424

* 1. Type of Submission: ☐ Preapplication ☒ Application ☐ Changed/Corrected Application	* 2. Type of Application: ☒ New ☐ Continuation ☐ Revision	* If Revision, select appropriate letter(s): * Other (Specify):
* 3. Date Received: MAY 24 2018	4. Applicant Identifier:	
5a. Federal Entity Identifier:	5b. Federal Award Identifier:	

State Use Only:

6. Date Received by State:	7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name: Indiana Housing and Community Development Authority

* b. Employer/Taxpayer Identification Number (EIN/TIN): 35 1485172	* c. Organizational DUNS: 0868704790000

d. Address:

* Street1:	30 S. Meridian Street, Suite 1000
Street2:	
* City:	Indianapolis
County/Parish:	
* State:	IN: Indiana
Province:	
* Country:	USA: UNITED STATES
* Zip / Postal Code:	46204-3565

e. Organizational Unit:

Department Name: Community Services	Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:	Ms.	* First Name:	Jill
Middle Name:			
* Last Name:	Robertson		
Suffix:			

Title: Director Community Services

Organizational Affiliation:

* Telephone Number: 317-234-7572	Fax Number:

* Email: jirobertson@ihcda.in.gov

Application for Federal Assistance SF-424

*** 9. Type of Applicant 1: Select Applicant Type:**

A: State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

*** 10. Name of Federal Agency:**

US Department of Housing and Urban Development

11. Catalog of Federal Domestic Assistance Number:

14.241

CFDA Title:

Housing Opportunities for Persons with AIDS/HIV (HOPWA)

*** 12. Funding Opportunity Number:**

14.241

* Title:

Housing Opportunities for Persons with AIDS/HIV (HOPWA)

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment | Delete Attachment | View Attachment

*** 15. Descriptive Title of Applicant's Project:**

State of Indiana's Housing Opportunities for persons with AIDS (HOPWA)

Attach supporting documents as specified in agency instructions.

Add Attachments | Delete Attachments | View Attachments

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant: IN-07

* b. Program/Project: IN-ALL

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment | Delete Attachment | View Attachment

17. Proposed Project:

* a. Start Date: 07/01/2018

* b. End Date: 06/30/2019

18. Estimated Funding ($):

* a. Federal	1,250,586.00
* b. Applicant	0.00
* c. State	0.00
* d. Local	0.00
* e. Other	0.00
* f. Program Income	0.00
* g. TOTAL	1,250,586.00

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

☐ a. This application was made available to the State under the Executive Order 12372 Process for review on .

☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.

☒ c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

☐ Yes ☒ No

If "Yes", provide explanation and attach

Add Attachment | Delete Attachment | View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: Mr.

* First Name: J.

Middle Name: Jacob

* Last Name: Sipe

Suffix:

* Title: Executive Director

* Telephone Number: 317-232-7777

Fax Number:

* Email: jsipe@ihcda.in.gov

* Signature of Authorized Representative: JJS

* Date Signed: 5-11-18

ASSURANCES - CONSTRUCTION PROGRAMS

OMB Number: 4040-0009
Expiration Date: 01/31/2019

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

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As the duly authorized representative of the applicant:, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.

2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.

3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.

4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.

5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.

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11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

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15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).

16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.

17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq).

18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
	Executive Director
APPLICANT ORGANIZATION	DATE SUBMITTED
Indiana Housing and Community Development Authority	

STATE CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the State certifies that:

Affirmatively Further Fair Housing -- The State will affirmatively further fair housing.

Uniform Relocation Act and Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

Anti-Lobbying --To the best of the State's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

3. It will require that the language of paragraphs 1 and 2 of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of State -- The submission of the consolidated plan is authorized under State law and the State possesses the legal authority to carry out the programs under the consolidated plan for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the State's consolidated plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR Part 135.

Signature of Authorized Official

6.6.18
Date

Executive Director
Title

Specific HOME Certifications

The State certifies that:

Tenant Based Rental Assistance -- If it plans to use HOME funds for tenant-based rental assistance, tenant-based rental assistance is an essential element of the State's consolidated plan.

Eligible Activities and Costs -- It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR §92.205 through §92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in §92.214.

Subsidy Layering -- Before committing any funds to a project, the State or its recipients will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.

______________________________ 6-6-18
Signature of Authorized Official Date

Executive Director
Title

Emergency Solutions Grant Certifications

Each State that seeks funding under the Emergency Solutions Grants Program must provide the following certifications:

Matching Funds – The State will obtain any matching amounts required under 24 CFR 576.201 in a manner so that its subrecipients that are least capable of providing matching amounts receive the benefit of the exception under 24 CFR 576.201(a)(2).

Discharge Policy – The State will establish and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.

Confidentiality – The State will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

The State will ensure that its subrecipients comply with the following criteria:

> **Major rehabilitation/conversion/renovation** – If an emergency shelter's rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the building will be maintained as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation. If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the building will be maintained as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion. In all other cases where ESG funds are used for renovation, the building will be maintained as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.
>
> **Essential Services and Operating Costs** – If ESG funds are used for shelter operations or essential services related to street outreach or emergency shelter, the subrecipient will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long the applicant serves the same type of persons (e.g., families with children, unaccompanied youth, veterans, disabled individuals, or victims of domestic violence) or persons in the same geographic area.
>
> **Renovation** – Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.
>
> **Supportive Services** – The subrecipient will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living), and other Federal State, local, and private assistance available for such individuals.

Homeless Persons Involvement – To the maximum extent practicable, the subrecipient will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under ESG, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted ESG.

Consolidated Plan – All activities the subrecipient undertakes with assistance under ESG are consistent with the State's current HUD-approved consolidated plan.

______________________________ 6-6-18
Signature of Authorized Official   Date

Executive Director
Title

Housing Opportunities for Persons With AIDS Certifications

The State HOPWA grantee certifies that:

Activities -- Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building -- Any building or structure assisted under the program shall be operated for the purpose specified in the consolidated plan:

1. For a period of not less than 10 years, in the case of any building or structure purchased, leased, rehabilitated, renovated, or converted with HOPWA assistance,

2. For a period of not less than 3 years, in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

____
Signature of Authorized Official

6-6-18
____
Date

Executive Director
____
Title

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING CERTIFICATION:

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.