

# CAPER

First Program Year CAPER  
HUD CPD Consolidated Planning  
DRAFT

2010



## First Program Year CAPER

The CPMP First Consolidated Annual Performance and Evaluation Report includes Narrative Responses to CAPER questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

The grantee must submit an updated Financial Summary Report (PR26).

### GENERAL

#### **Executive Summary**

In order to address housing and community development issues that face Indianapolis neighborhoods, the City of Indianapolis receives federal grant funding from the United States Department of Housing and Urban Development (HUD). As part of the application process for these grants, the City must produce a Consolidated Plan, a five-year strategic overview of the community's current needs and specific actions for addressing these needs.

At the close of each program year, the City completes a Consolidated Annual Performance and Evaluation Report (CAPER) designed to summarize those activities undertaken by the City to meet the objectives set out in the Consolidated Plan. The City's current Consolidated Plan covers the years 2010 through 2014. The City completed its first year of Consolidated Plan implementation in 2010.

Four federal entitlement grants make up the bulk of the funding that supports the activities detailed in this report: the Community Development Block Grant (CDBG) Program, the HOME Investment Partnerships (HOME) Program, the Emergency Shelter Grant (ESG) Program, and the Housing Opportunities for Persons with AIDS (HOPWA) Program. The Indianapolis Continuum of Care, which is comprised of the Supportive Housing Program (SHP) and the Shelter Plus Care Program (S+C), is a competitive federal grant that is also used by the City, particularly to combat homelessness. All together, the City received more than \$15 million in HUD funding through these various grant programs.

#### **Annual Accomplishments**

The activities undertaken in 2010 with these federal dollars address the needs and priorities identified in the 2010-2014 Consolidated Plan. This Plan includes six goals and several strategies to meet the identified needs and priorities.

The first goal in the Consolidated Plan is to encourage economic development activities and efforts in the community. In 2010, CDBG funds were used to improve five commercial facades. Seventeen jobs were created/retained using CDBG funds to assist an expansion of a business. Two hundred business received information regarding CDBG funds in order to recruit the business to Indianapolis or provide incentives for them to remain in Indianapolis. Also by using CDBG funds, 1,335 youth were provided educational assistance through the Summer Youth Program Fund.

The second goal is to stabilize distressed neighborhoods through targeted development. HOME funds were used to acquire and rehabilitate 12 units for homeownership and 22 units were created for homeownership. Sixteen HOME affordable rental units were created in 2010. Seventy-one low-income residents were provided repairs to their homes through CDBG.

The third goal is to support housing stabilization efforts throughout Marion County. While the 2010-2014 Consolidated Plan calls for development to be part of a bigger targeted strategy, we realize that there are needs of the community that must be addressed that do not fit into a target development. With the assistance of CDBG funds, 277 low-income residents in Marion County received much needed repairs to their homes. These repairs allowed the homeowner to stay in their homes by ensuring the unit was safe. HOME funds were provided to 34 individuals/families to assistance them with achieving the dream of homeownership by providing down payment assistance.

The fourth goal is to prevent homelessness through the support and operations of programs that serve the very low-income residents. Case management services were provided to 1,810 and 1,415 individuals/families received rent and/or utility assistance in order to keep them housed.

The fifth goal in the Consolidated Plan is to decrease homelessness through support of homeless programs and housing projects. Supportive Services were provided to 1,580 individuals or families.

The sixth goal and final goal is to support the needs of persons living with HIV/AIDS and their families. Three hundred twenty-eight individuals with HIV/AIDS were provided services. Three hundred six received housing

placement services and 1,201 individuals/families received either rental assistance or utility assistance by utilizing HOPWA funds.

2010 was the first year of the City's current Consolidated Plan. We came close to meeting most of our annual goals. Given the fact that this was the first year of our current plan, we will need to monitor our goals in future years to ensure that they are met or if they need to be amended. We will work closely with the organizations that receive these funds to ensure that our goals are met or exceeded.

This Consolidated Annual Performance and Evaluation Report provides information and details on the use of United States Department of Housing and Urban development funds. This report also includes activities that reduce impediments to fair housing, activities undertaken in partnership with the Indianapolis Housing Agency, activities that eliminate barriers to affordable housing, activities funded to address homelessness, and accomplishments made in the Neighborhood Revitalization Strategy Area.

As a major United States Metropolitan Area, the City of Indianapolis receives funding from the Federal Government through four United States Department of Housing and Urban Development (HUD) entitlement programs administered by the Department of Metropolitan Development.

The City of Indianapolis' 2010-2014 Consolidated Plan identifies housing and community development needs and establishes goals to be accomplished with these four Federal grant programs. The Programs include the Community Development Block Grant (CDBG), the Home Investment Partnerships Program (HOME), the American Dream Downpayment Initiative Program (ADDI), the Emergency Shelter Grant (ESG), and the Housing Opportunities for Persons with AIDS Program (HOPWA). Each year the Consolidated Plan is updated through an Annual Action Plan, which identifies the City's implementation and administration plans for these entitlement programs. This is the first Annual Action Plan for the 2010-2014 periods.

The City of Indianapolis will also use two additional resources from HUD. These two sources are the Continuum of Care grant and the Neighborhood Stabilization Program funds. The Continuum of Care grant is a competitive grant the City of Indianapolis applies for each year to address the needs of the homeless population. The Neighborhood Stabilization Program funds are a one-time grant as part of the Housing and Economic Recovery Act of 2008, to alleviate problems neighborhoods hit hard by the housing collapse and changing economy. The City of Indianapolis will have until the conclusion of 2010 to invest these dollars.

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In 2010, the City received \$16,337,513 for these entitlement programs. The 2010 Action Plan presented the City's strategy for allocating entitlement dollars to activities that will assist in achieving the goals set forth in the 2010-2014 Consolidated Plan. The chart below shows the breakdown of funding for 2010 relating to the goals in the Consolidated Plan.

**Goal 1:** Encourage economic development activities and efforts in the community.

Strategy	2010 Goal	2010 Actual	5-Year Goal
Fund commercial façade projects in developing communities.	7	5	35
Provide economic development assistance to expanding or new businesses to create and/or retain jobs.	20	17	100 jobs will be created.
Support outreach efforts to market available forms of economic development assistance to encourage business expansion or new business development.	300	200	1,500 businesses will be contacted. As a result of a contact, 5,000 jobs will be created and 25,000 jobs will be retained.
Support summer youth programs with an educational focus.	1400	1335	7,000
Support job training and placement programs for low to moderate income residents.	160/80	1,629*	-800 low to moderate income people will be placed in jobs. -400 of the people placed in jobs will retain those

			jobs for 180 days.
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Please note: All numbers in this table reflect units to be assisted.  
 \*This number reflects individuals that received job training and placement services. Retention numbers were not tracked in 2010.

**Goal 2:** Stabilize distressed neighborhoods through targeted development.

Strategy	2010 Goal	2010 Actual	5-Year Goal
Acquire and/or rehabilitate units for homeownership.	35	12	175
Rehabilitate substandard units to create affordable rental housing opportunities	100/100	16	-500 units will be rehabilitated for households earning less than 30 percent MFI. -500 units will be rehabilitated for households earning 31-80 percent MFI.
Demolish blighted structures.	20	300	100
Construct new homes for homeownership opportunities.	20	22	100
Provide financing options for homeowners, such as downpayment assistance.	35	34	175 households earning less than 80 percent MFI will receive direct homeownership assistance.
Provide repairs to home owners whose homes are in disrepair.	120	82	600

Please note: All numbers in this table are number of unduplicated persons served.

**Goal 3:** Support housing stabilization efforts throughout Marion County.

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Strategy	2010 Goal	2010 Actual	5-Year Goal
Provide repairs to home owners whose homes are in disrepair.	260	266	1,300
Provide down payment assistance to home buyers.	50	34	250
Eliminate unsafe structures that pose a threat to public safety and/or the environment.	300	300	1,500

Please note: All numbers in this table are number of unduplicated persons served.

**Goal 4:** Prevent homelessness through the support and operations of programs that serve very low-income residents.

Strategy	2010 Goal	2010 Actual	5-Year Goal
Support case management services that help households at-risk of homelessness.	900	1810	4,500 clients/households earning less than 30 percent MFI will work towards self-sufficiency by receiving case management services.
Provide rent and utility assistance to families at-risk of homelessness.	200	1415	1,000 persons/households earning below 30 percent MFI will receive rent and/or utility assistance.

Please note: All numbers in this table are number of unduplicated persons served.

**Goal 5:** Decrease homelessness through support of homeless programs and housing projects.

Strategy	2010 Goal	2010 Actual	5-Year Goal
Provide funding for supportive services and rental assistance in conjunction with housing programs assisting homeless individuals.	200/300	1580	-1,000 homeless persons/families will receive rental assistance. -1,500 unduplicated homeless persons/families will receive supportive services.

**Goal 6:** Support the needs of persons living with HIV/AIDS and their families.

Strategy	2010 Goal	2010 Actual	5-Year Goal
Provide supportive services, including housing counseling, to persons living with HIV/AIDS.	160	328	800
Provide housing placement services to persons living with HIV/AIDS.	40	306	200
Provide rent and utility assistance to persons living with HIV/AIDS.	80/400	306/895	-400 persons will receive tenant-based rental assistance. -2,000 persons will receive short-term rent, mortgage and/or utility assistance.

The charts below outlines the grant and how much funding was provided for each goal and strategy of the Consolidated Plan.

**Goal 1:** Encourage economic development activities and efforts in the community.

Strategy	Funding Sources	2010 Dollar Amount
Fund commercial façade projects in developing communities.	CDBG	\$100,000
Provide economic development assistance to expanding or new businesses to create and/or retain jobs.	CDBG	\$337,826.69
Support outreach efforts to market available forms of economic development assistance to encourage business expansion or new business development.	CDBG	\$185,000
Support summer youth programs with an educational focus.	CDBG	\$96,984.96
Support job training and placement programs for low to moderate income residents.	CDBG	\$662,695.79

**Goal 2:** Stabilize distressed neighborhoods through targeted development.

Strategy	Funding Sources	2010 Dollar Amount
Acquire and/or rehabilitate units for homeownership.	HOME	\$421,404.90
Rehabilitate substandard units to create affordable rental housing opportunities	HOME/ CDBG	\$856,950.00
Demolish blighted structures.	NSP	\$1,177,685
Construct new homes for homeownership opportunities.	HOME	\$625,771.31
Provide financing options for homeowners, such as downpayment assistance.	HOME	0
Provide repairs to home owners whose homes are in disrepair.	CDBG	\$822,468.81

**Goal 3:** Support housing stabilization efforts throughout Marion County.

Strategy	Funding Sources	2010 Dollar Amount
Provide repairs to home owners whose homes are in disrepair.	CDBG	\$3,130,659.53
Provide down payment assistance to home buyers.	HOME	\$235,080.71
Eliminate unsafe structures that pose a threat to public safety and/or the environment.	CDBG	\$1,660,000

**Goal 4:** Prevent homelessness through the support and operations of programs that serve very low-income residents.

Strategy	Funding Sources	2010 Dollar Amount
Support case management services that help households at-risk of homelessness.	CDBG	\$1,060,427.52
Provide rent and utility assistance to families at-risk of homelessness.	ESG	\$10,750.26

Please note: All numbers in this table are number of unduplicated persons served.

**Goal 5:** Decrease homelessness through support of homeless programs and housing projects.

Strategy	Funding Sources	2010 Dollar Amount
Provide funding for supportive services and rental assistance in conjunction with housing programs assisting homeless individuals.	ESG	\$82,038

**Goal 6:** Support the needs of persons living with HIV/AIDS and their families.

Strategy	Funding Sources	2010 Dollar Amount
Provide supportive services, including housing counseling, to persons living with HIV/AIDS.	HOPWA	\$83,731.83
Provide housing placement services to persons living with HIV/AIDS.	HOPWA	1,420.84
Provide rent and utility assistance to persons living with HIV/AIDS.	HOPWA	\$773,304.85

**Managing the Process (91.200 (b))**

The City of Indianapolis, Department of Metropolitan Development, will serve as the lead agency for the 2010-2014 Consolidated Plan. Within this Department, the Division of Community and Economic Development provides the primary staff for implementation within the lead agency. Its staff is highly trained with over twenty years of experience in the administration of these funds. This Consolidated Plan will be the third five-year plan implemented by this department.

The Administrator and Assistant Administrator for the Division of Community and Economic Development oversee the implementation of the programs as well as the accounting of each dollar received. A staff of three to four individuals manages each grant, with additional staff assisting with the implementation of specific programs and regulations, such as Davis Bacon compliance, rehabilitation standardization and abandoned housing programs.

The City of Indianapolis is ultimately responsible to ensure the goals of the Consolidated Plan are reached by the end of the five-year period. It relies heavily on non-profit and for-profit housing developers and social service providers to implement programs across Marion County to reach these goals. While the City of Indianapolis is primarily responsible for the administration of the funds, these private providers implement the programs and work directly with the people served. The private providers report performance back to the City of Indianapolis staff and submit to regular monitoring to assure compliance with all federal, state and local regulations.

The City of Indianapolis through the Division of Community Resources (Community Resources), within the Department of Metropolitan Development

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implements programs and awards funding to the programs from the U.S. Department of Housing and Urban Development. Community Resources will fund projects implemented by city staff in other departments or divisions and projects implemented by outside contractors called project sponsors. All organizations seeking funding for their program or project must apply for dollars through a competitive application process in the summer.

The Department of Metropolitan Development contracted with City Consultants and Research, LLC to research and write the 2010-2014 Consolidated Plan. While the text and consultations were completed by the contractor, the City of Indianapolis' staff made the ultimate decisions to pick the priority needs and goals for this Consolidated Plan.

City Consultants & Research, LLC conducted individual consultations with service providers and housing stakeholders across the metropolitan area. A complete list of all consultations is included as Appendix A of the Consolidated Plan. The list includes other grant providers, grant recipients, housing providers, social service providers and community foundations. The Marion County Health Department and the Indianapolis AIDS funds provided the most accurate information and statistics about people living with HIV/AIDs. Both of these organizations, despite what their names suggest, work within the entire Metropolitan Area including outlying counties.

As part of the public input process, City Consultants & Research, LLC included input and results from planning meetings from the Neighborhood Stabilization Program. Planning and analysis from the Neighborhood Stabilization Program assisted with completion of the housing analysis for the Consolidated Plan.

### **Citizen Participation**

Will section will be completed once the Public Comment Period is over.

### **Institutional Structure**

In 2010 City staff realized that we needed to change the way that we provided funding for job training, placement and retention. We wanted to ensure that the funds were being used to effectively assist low to moderate income individuals gain employment and become more self-sufficient. We started discussion with the local entity in charge of Workforce Development for Indianapolis, Employ Indy. Through our discussions with them we realized that they were the ones

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best suited to assist with meeting our goals of employment. They have the knowledge, expertise and best practice models available to assist organization that provide these services to ensure that clients are receiving the best possible training that will provide them with lasting employment.

## **Monitoring**

Annually, the City conducts on-site monitoring visits for all current contracts in order to verify compliance with regulations. In certain instances when an on-site visit is unable to occur, the City will monitor projects through a desk-monitoring process by requesting the same documents that would be reviewed through the on-site process. If deemed necessary by City staff, additional visits may be required in the event that compliance and capacity concerns threaten the success of the program. Of the organizations monitored in 2010, The HOME Program issued no findings and expressed only one concern. The concern was addressed by correcting unclear language in their homebuyer program. CDBG assigned findings to organizations that did not properly determine income eligibility and identified concerns to organizations that were not collecting sufficient back-up documentation.

Programs are having a positive effect in the community and are addressing the major issues of economic development and affordable housing opportunities. Commercial façade projects, economic development assistance, and outreach efforts are expanding local business capacity and creating job opportunities. The acquisition, rehabilitation, and new construction of housing units increased the number of affordable options, and down-payment assistance increases the attainability of these options for low and moderate-income persons. The number of jobs created and retained, households served, and, units of housing created and sold are indications of the results of the programs.

All activities have met their 2010 goal, which indicates that they are on track to meet their 5-year goal benchmarks. Barriers still exist and have a negative impact on fulfilling the strategies and overall vision. These include; the high cost associated with development of affordable housing, issues of poor credit history for potential homebuyers, and declining home sales.

## **Lead-based Paint**

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In an effort to remain aligned with federal funding sources provided by the Office of Healthy Homes and Lead Hazard Control, a division of the Department of Housing and Urban Development, the Marion County Public Health Department (MCPHD) in partnership with local community organizations, began identifying and addressing healthy housing issues of which lead is a part. Healthy housing issues that MCPHD identifies are radon gas, lead hazards, asthma triggers, unintentional injury risks and mold and moisture intrusion. Potential risks are identified via a lead inspection, risk assessment and a healthy homes assessment. In 2010, MCPHD conducted 279 healthy homes assessments.

## HOUSING

### **Housing Needs**

\*Please also refer to the Housing Needs Table in the Needs.xls workbook.

The *2010-2014 Consolidated Plan* identified two housing priorities for the City of Indianapolis: 1) Stabilize distressed neighborhoods through targeted development; 2) Support housing stabilization efforts throughout Marion County. In 2010, HOME funds were awarded to organizations whom through the application process, submitted proposals that were in-line with the City's strategic goals of stabilizing distressed neighborhoods through targeted development and supporting housing stabilization efforts throughout Marion county.

The City allocated approximately \$1.7 million of HOME funds for the construction and/or rehabilitation of seven (7) affordable rental housing developments in 2010, all expected to be completed in 2011 increasing the inventory of safe, decent, affordable rental housing in Indianapolis.

### **Specific Housing Objectives**

Approximately \$2.3 million of HOME funds were awarded to provide 70 homeownership opportunities through homebuyer assistance in 2010. The provided homebuyer assistance was provided in the form of down payment and/or payment or assistance with closing costs, or development costs for new construction and the rehabilitation of existing units for sale.

In 2010 \$1.8 million in HOME funds were awarded to community development corporations to acquire and rehabilitate or construct as many as 42 units over a

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two year span, to be sold to persons earning less than 80 of the area median family income. In the first year, 22 single family homes were constructed and sold through new construction of affordable housing, and 12, once vacant, single family homes were acquired, rehabilitated, and sold as affordable housing to qualified buyers.

In 2010 \$203,000 was awarded to organization to assist as many as 34 families who are below median family income through down payment and closing cost assistance, grants, loans and homeownership training. Homebuyer subsidies are generally provided by the Indianapolis Neighborhood Housing Partnership (INHP.) Recipients of subsidies from INHP, many of which were first time homebuyers, were required to participate in the organization's Home Ownership Training (HOT) course. By year-end 2010, 34 families had been awarded homeownership assistance and are currently homeowners.

The *2010-2014 Consolidated Plan* states, as part of its anti-poverty and homeless strategy, that the needs of the homeless and at risk populations attempting to achieve self-sufficiency may be served by providing additional affordable rental opportunities. In 2010, the City of Indianapolis continued its regular partnership with Gennesaret to provide \$23,000 for Tenant Based Rental Assistance (TBRA) to individuals at or below 30 percent MFI as part of their Health Recovery Program.

With this program, low-income households on the verge of homelessness (0-30 percent MFI) who are being discharged from the hospital, receive rental assistance for a period of twelve months. A one-time renewal is possible based upon income and participation in a self-sufficiency program. The Health Recovery program involves the development of a plan that builds upon an individual's strengths by coordinating supports such as case management, skill enhancement, continuing education, employment services, and mentoring programs. Program participants must comply with all aspects of the plan in order to continue receiving TBRA assistance.

During 2010, HOME funds were awarded to Gennesaret Free Clinic to provide rental assistance up to twelve (12) men in need of supportive health care services. The mission of Gennesaret is "to provide competent, compassionate and accessible health care services to homeless and poor persons in our community and to respect the dignity of those who have been neglected." This particular award assisted men in transitional housing units while providing them with health services that are vital to their success in the program.

## **Public Housing Strategy**

In 2010 over \$7 million in Capital Funds were awarded to the Indianapolis Housing Authority under the American Recovery and Reinvestment Act. These funds were used for improvements addressing the needs of the elderly and those with disabilities by making improvements to the common areas of public housing units by making them accessible and ADA compliant within the John J. Barton Apartments as well as the Lugar Tower. The Capital Funds were also used with Tax credit financing to rehabilitate and improve the energy efficiency and better the living environments of the Laurelwood Apartments and well as Rowney Terrace Apartments.

## **Barriers to Affordable Housing**

The *2010 Action Plan* identified the three most prevalent impediments to affordable housing in Indianapolis. These barriers included: 1) Lack of availability of affordable housing; 2) excessive and costly regulations that are restricting the production and operation of affordable housing for working families; 3) Poor credit history coupled with inadequate income.

To combat the obstacle of lack of availability of affordable housing, the City expended more than \$3.7 million of HOME funds toward the acquisition and rehabilitation of 12 affordable single family homes, new construction of 22 affordable single family homes, and provided 34 families with down payment assistance to make the final sale price of a home more affordable to qualified low-income buyers.

The second obstacle pertaining to affordable housing was excessive and costly regulations that are restricting the production and operation of affordable housing. To offset the high costs of producing safe, decent, and quality affordable housing, the City of Indianapolis is allowing for developers to layer many different sources of funding to improve quality and affordability. By layering funds of similar nature the costs incurred to comply with the regulations are drastically decreased while the amount of designated affordable units increases. In 2010 the City set aside and nearly expended all \$800,000 to be layered with proposed low-income housing tax credit developments as well as multi and single-family developments being funded through the Neighborhood Stabilization Program.

Finally, the third obstacle identified as a barrier to affordable housing was poor credit history. A poor credit history can have a detrimental impact on a potential homebuyer's chances to receive financing. Additionally, the low-moderate income population is more likely to suffer from a poor credit history than higher income populations. To combat this issue, the City has continued to support and fund the Indianapolis Neighborhood Housing Partnership (INHP), whom offer an array of services to first time homebuyers and low-moderate homebuyers, including classes designed to improve credit history.

## **HOME/ American Dream Down Payment Initiative (ADDI)**

### ***Assessment of Goals***

The two housing priorities outlined for the City of Indianapolis in the *2010-2015 Consolidated Plan* were to stabilize distressed neighborhoods through targeted development, and Support housing stabilization efforts throughout Marion County. The first year benchmarks to help achieve these goals in five years, as they relate to HOME funding included the following: Construct 100 new affordable rental units and rehab 100 additional existing rental units. With the completion of 34 North as well as the Jefferson Apartments, city HOME funding contributed 70 new units and 19 rehabilitated. Additional first year benchmarks to achieve the 5 year goals include; the new construction of 20 single family units, rehabilitation of 35 unoccupied single family units to be sold to qualified buyers, and lastly, to assist at least 35 qualified buyer in Marion county with down-payment assistance. In all but one category did we meet our first year marks. In 2010 The City of Indianapolis constructed and sold 21 single family homes, rehabilitated and sold 12 once-vacant single family homes, and provided 34 families with down payment assistance.

### ***Inspections***

The City had a total of 57 active HOME-assisted rental projects in its inventory in 2010. Of those active projects 240 HOME-assisted units were physically inspected for Property Standards compliance and reports issued. Annual Recertification's of tenant income and occupancy of active rental projects with HOME-assisted funds were reviewed during 2010 and on-site tenant file reviews were conducted.

During 2010 there were four (4) HOME assisted properties that completed their HOME Affordability Period.

### ***Affirmative Marketing***

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The HOME program requires that affirmative marketing steps are taken by participating jurisdictions when using HOME funds for rental or homebuyer projects that contain five or more HOME-assisted units. Affirmative marketing steps consist of actions to provide information and attract eligible persons in the housing market to available housing without regard to race, color, national origin, sex, religion, familial status or disability.

Methods for informing the public, owners and potential tenants about federal fair housing laws and the participating jurisdiction's affirmative marketing policies consist of several activities. This includes the use of the "Equal Housing Opportunity" logotype or slogan in press releases and solicitations, commercial media, community contacts and the display of fair housing posters in public areas of offices. In addition, affirmative marketing requires that applications be solicited from persons in the housing market area who are not likely to apply for the housing without special outreach. The use of community organizations, places of worship, employment centers, fair housing groups or housing counseling agencies are recommended ways to reach these groups.

In 2010, project sponsors were given a copy of the Grant Management Policies and Procedures, which provides ways of meeting the goals of affirmative marketing, as well as the federal regulations required by HOME. The requirements were included in all HOME agreements and therefore contractually binding. HOME Team insured that the project sponsors were reaching out into the community through the use of affirmative marketing techniques in compliance with HUD regulations. Once again several of the 2010 contracts complied and fell within the affirmative marketing threshold. The City of Indianapolis diligently reviews affirmative marketing practices of its partners. Affirmative marketing is a subject matter that continues to be an agenda that will always be monitored in order to satisfy federal regulations on all projects. Documentation detailing affirmative marketing efforts continues to be required to meet federal regulations.

The City monitors all project sponsors annually. One aspect of the monitoring visit is to determine if the project is in compliance with the affirmative marketing requirements. The City requests copies of housing advertisements or marketing material from project sponsors that include the equal housing opportunity logo or slogan. In addition, the City verifies that fair housing posters are displayed publicly within the project sponsor's office. The project sponsor is also required to provide a description of what actions are taken to affirmatively market HOME-assisted housing if the number of units exceeds five.

### ***Minority Outreach***

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The City encourages that efforts are made to utilize minority and women-owned businesses in all contracts entered that facilitate affordable housing activities. This minority outreach program ensures the inclusion, to the maximum extent possible, of woman and minority owned businesses.

The HOME program's goal of improving the utilization of minority and women-owned businesses for purchases, consulting services, construction and economic development projects has been successful; however, the objective to make Indianapolis a city where all people have an equal opportunity to participate in business activities continues to be a focus.

HOME promotes minority and women-owned business participation through all HOME project agreements, which stipulate that project sponsors shall use their best efforts to use minority businesses as defined by and in compliance with the City-County General Ordinance No.125.

The City will continue to evaluate this process and make appropriate changes in order to maximize MBE/WBE participation in federally funded projects and will continue to improve its efforts in regards to minority and women-owned business outreach.

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## HOMELESS

### Homeless Needs

\*Please also refer to the Homeless Needs Table in the Needs.xls workbook.

The Continuum of Care process was restructured in Indianapolis during 2007. It was decided that the Blueprint to End Homelessness Pipeline Committee would become the official Continuum of Care Advisory Board (COCAB). During the previous two years, the Pipeline Committee had served as the Review Committee for the annual Continuum of Care application process. It therefore made sense for the committees to transition into this role. Made up of City staff, staff from the local homeless advocacy group (CHIP), United Way of Central Indiana, Indianapolis Housing Authority, Indianapolis Neighborhood Housing Partnership, Indiana Coalition on Housing and Homeless Issues, Local Initiative Support Corporation, area mental health centers, staff members for the local university school of social work and current and former homeless neighbors, the

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Board has an elected Chair and Co-Chair. With these changes, the Board plays a more active role in the Continuum of Care throughout the year and not just at review time.

This process has allowed for a continued vetting of new projects and resulted in two new projects that were submitted for 2011 funding. It is the goal of this Board going forward to begin the process for new projects earlier, with a greater eye on depth of projects that are ready to fund. It is also a goal of the City to layer these funds with other grant funds and to utilize the City HOME Investment Partnership portfolio in a more efficient way. Projects are going to be collaborative in nature going forward so as to be the best use of funds and insure long term viability and affordability.

Future projects will go through a new process whereby applicants will be required to attend a project sponsor training, present their ideas to the Committee and then submit a Letter of Intent to Apply. In this way, both the Board and the City can insure relevant and viable projects.

### **Specific Homeless Prevention Elements**

In 2009, the City of Indianapolis received federal stimulus funds for the Homelessness Prevention and Rapid Rehousing Program (HPRP) designed to relieve stress on those individuals and households adversely affected by the economic downturn. This grant was extremely effective for the first full year of the program in 2010. Our Continuum of Care Advisory Board was instrumental in coming up with an effective strategy in structuring this program, taking care to encourage involvement from the community during the implementation and planning period. The city agreed to grant the United Way of Central Indiana the ability to administer the HPRP program in the Indianapolis area. The United Way then contracted with 18 vendors throughout the City in geographically strategic locations to provide the case management and user-level support needed to successfully expend these federal stimulus dollars in the most efficient way possible. The funds have been utilized at a 69.21% rate and are anticipated to be completely expended. In analyzing progress for each of the vendors, there were three (3) contracts that were recaptured and those funds disbursed to other agencies. These funds include projects for both prevention and re-housing.

At the end of FY 2010, 1,252 homeless persons comprising 491 households (grant to date) had been helped by HPRP funding. 412 households received

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rental assistance, 179 households were helped with utility and security deposits and 307 households were helped with utility payments. All of this was in an effort to keep people housed. Case management, outreach, housing search, legal and credit repair services were also utilized in conjunction with the program so as to assist in lessening the risk of those persons for becoming homeless. Of the 491 households, 423 needed no ongoing subsidy for rent.

According to the Indiana Public Policy Institute at Indiana University-Purdue University at Indianapolis<sup>1</sup>, the 2010 point in time count of the homeless revealed that HPRP was an essential element to avoiding substantial increases in the homeless populations in Indianapolis in 2010 (April, 2010). They also noted that calls for assistance had increased for rental assistance by 21 percent, utility assistance by 43 percent, emergency shelter by 10 percent and food assistance by 6 percent. This was after a reported 732 percent increase in 2009 of calls for assistance to Connect2Help (an estimated 230,000 calls).

The report also identified that the number one reason (according to the persons being counted) that people were homeless was due to job loss/lack of available jobs. The economy continues to have an adverse affect on the most vulnerable populations to include the working poor. Based on the extrapolated information of the actual count (conducted in January 2010) the total number of homeless in Indianapolis is estimated at between 4,500 and 7,500 persons. This includes a reported 39 percent (1,755-2,925) who are part of a family. The average age of children in homeless families is between 9-12 years old.

There can be no doubt that the percentage of homeless families and persons in Indianapolis would be significantly higher had it not been for HPRP funds.

### **Emergency Shelter Grants (ESG)**

The Emergency Shelter Grant program supports the goal of family self-sufficiency outlined in the City's Consolidated Plan. The City was awarded \$419,614 of Emergency Shelter Grant (ESG) funds in 2010, approximately five percent of which was maintained for administration. The remaining funds were distributed to shelters and service providers to assist in shelter operations, homelessness prevention services and a myriad of essential services.

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<sup>1</sup> "Focus on Rapid Re-Housing Combats Family Homelessness in Indianapolis, April 2010. Indiana Public Policy Institute, Point In Time County Report."

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- Salvation Army Social Service - services to victims of domestic violence and families experiencing homelessness.
- The Julian Center, The Coburn Place - services to homeless women and children escaping a domestic violence.
- Gennesaret Free Clinic - respite care to homeless men while they recovered from a severe illness after being released from a hospital or institution.
- Holy Family Shelter and Children's Bureau – shelter services.

ESG funds also provided bus tickets to shelters and missions for transportation that would enable the City's homeless neighbors to seek employment, housing and other resources that they otherwise would not be able to receive due to lack of transportation. Horizon House is a drop in center for homeless neighbors. While at Horizon House, a client can do their laundry, receive mail, met with a case manager or take advantage of many of the other co-located services at Horizon House.

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## COMMUNITY DEVELOPMENT

### **Community Development**

\*Please also refer to the Community Development Table in the Needs.xls workbook.

In its 2010-2014 Consolidated Plan, the City identified employment and housing stabilization for low and moderate-income persons to be its two primary needs around which it would focus its goals. Employment stabilization strategies are five-fold in the programs that the City funded in 2010: 1) Economic development activities that created jobs for low and moderate-income persons; 2) job training for low and moderate-income persons; 3) façade improvements for new and existing businesses; 4) technical assistance to help existing businesses find incentives and resources to expand or relocate within Marion County; and 5) summer youth programs with an educational focus. In addition, the City funded two initiatives to stabilize housing for low and moderate-income individuals, one of which is the home repair program and the other being supportive and housing services to low and moderate-income persons.

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The City is assisting in creating sixty-six (66) new jobs through economic development activities, and signed thirteen (13) contracts for job training allowing for over 1,000 low and moderate-income persons to receive training and job placement services. Of the 66 to be created, seventeen (17) jobs were created in 2010. Through its façade partnership with Local Initiatives Support Corporation (LISC), the City assisted five (5) businesses with one hundred thousand dollars (\$100,000). In working with Develop Indy in 2010, the city was able to help twenty-five (25) businesses within low and moderate-income areas with finding additional financial incentives for growth and relocation with Marion County. Lastly, the city was able to help twelve (12) organizations provide educational programming to 1,335 youth from low and moderate-income families.

The City’s home repair program served 364 persons total, 175 of which were less than thirty percent (30%) low and moderate-income, 114 of which were between thirty and fifty percent (30-50%) low and moderate-income, and 184 of which were between fifty and eighty (50-80%) low and moderate-income.

In considering potential changes to its 2010 funding plans, the City found that there was a need in its housing stabilization efforts to provide technical assistance to the local Community Development Corporations (CDC’s) who work primarily with housing through the CDBG home repair program, the HOME programs, and NSP projects. Through the Urban Living Center, the CDC’s can find trainings, space for meetings, additional resident recruitment assistance, and any other resources necessary to carry out their housing-related activities. The City committed one hundred thousand dollars (\$100,000) for the renovation of an existing building that is currently being used to conduct the above activities, but needed additional space.

Each year the City must submit an Annual Action Plan to HUD that details the actions that will be undertaken that year to address the goals of the Consolidated Plan. Throughout the year, a number of changes were made to the anticipated CDBG allocations outlined in the Annual Action Plan. Changes meeting the definition of a substantial amendment were included in the amendment to the City’s 2010 Action Plan in October of 2010. Additional dollars available from prior year carry over or projects that did not move forward were reallocated to other projects requesting funding. The chart below illustrates these changes made and offers an explanation for those adjustments.

Organization	Project	Original Budget	Revised Budget	Change	Explanation
Unsafe	Demolish unsafe	1,250,000	1,660,000	410,000	Increased demolition

	structures				numbers from 300 to 600
Martindale Brightwood CDC	Preserve Homeownership	NA	225,000	225,000	Provided an additional 15 homeowner repairs to low and moderate-income households
Community Action of Greater Indianapolis	Preserve Homeownership	213,860	350,000	563,860	Provided an additional 27 homeowner repairs to low and moderate-income households
Southeast Neighborhood Development	Preserve Homeownership	198,900	358,900	160,000	Provided an additional 18 homeowner repairs to low and moderate-income households
Mapleton Fall-Creek Development Corporation	Preserve Homeownership	222,530	304,130	81,600	Provided an additional 7 homeowner repairs to low and moderate-income households
Local Initiatives Support Corporation	Nonprofit Capacity Building			100,000	
Southeast Neighborhood Development	Economic Development	NA	250,000	250,000	To create 13 new jobs to low and moderate-income persons once completed
East 10 <sup>th</sup> Street Civic	Economic Development	NA	100,000	100,000	Created 7 new jobs to low and

Assn.					moderate-income persons
Near North Development Corporation	Economic Development	NA	325,000	325,000	To create 25 new jobs to low and moderate-income persons once completed
Adult & Child	Homelessness Prevention	NA	169,784	169,784	Provided supportive services to 60 homeless persons
Devington Development Corporation	Preserve Homeownership	NA	100,000	100,000	Provided 8 homeowner repairs to low and moderate-income households
Edna Martin Christian Center	Youth Programs	NA	10,791	10,791	Provided educational programs for 31 youth to low and moderate-income persons
Harrison Center for the Arts	Community Development Corporation Housing Technical Assistance	NA	50,000	50,000	Providing assistance, training space, and whatever capacity building necessary for more than 12 CDC's
Rehab Specialists	Preserve Homeownership	NA	47,000	47,000	Provided inspection services to 364 repaired homes
United Way	Nonprofit Capacity Building	NA	25,000	25,000	Provided technical assistance and nonprofit capacity building

					to 81 organizations
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The City did not use any of its funds for activities not meeting a national objective except the twenty percent (20%) allowable portion for admin activities.

The City of Indianapolis did not use any funds for the acquisition or demolition of occupied real property. All home repairs were conducted in such a way as to not require home owner displacement.

In total, the City proposed that it would utilize HUD funding to create 20 new jobs a year and assist 300 businesses in finding available forms of assistance. The City exceeded its job creation goal by more than 200%, but fell short of its business assistance goal by more than 80%. However, all jobs created and businesses assisted are located within the City's Neighborhood Revitalization Strategy Area and therefore are presumed to benefit only low and moderate-income persons.

Programs serving low and moderate-income clientele track income-eligibility for all participants through income calculation sheets and backup documentation. Client eligibility is thoroughly checked once a year by CDBG staff persons at monitoring visits and all offending project sponsors are issued concerns and/or findings, depending on the exact malfeasance.

Program income in 2010 included repayment for housing activities, land acquisition on a Section 108 loan and demolition services on privately owned property. The long-term receivables repayments totaled \$29,552.14 and were for home repair and rehabilitation, and the purchase of multi-family housing. Keystone Enterprises was a Section 108 project and saw the purchase of its last city-owned property this year for \$27,987.50. Lastly, the City's Unsafe Buildings program saw 23,516.55 in repayment from private owners of properties the city demolished due to their unsafe status. In total, the city received \$81,056.19 in program income in 2010. None of these funds are considered to be a part of a revolving or float fund.

To the best of its knowledge the City has not been given official confirmation of disallowed expenditures and therefore has no prior period adjustments due to reimbursement for such expenditures.

The City of Indianapolis has no outstanding loans or float-funded activities at this time. In addition, no properties that have been acquired with CDBG funds are for sale or are intended to be sold in the near future.

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As of 2010, the City had three different kinds of outstanding loans, all of which were housing related and issued more than ten (10) years ago. The first is the \$49,457 Ohio Street zero interest loan that has a maturity date of December 31, 2024, and was used for a multi-family unit development. The second is the \$155,000, 1% interest rate principal and interest rate Sencord multi-family housing development with a maturity date of February 15, 2016. The third is a bundle of deferred-payment homeowner repair loans on Fall Creek Place homes totaling \$1,272,994.05 that only results in a payment every now and then when a homeowner sells his or her home. All of the above loans are deferred until their maturity dates or until a home is sold.

Loans written off in 2010 were three multi-family housing projects including Christian Place for \$190,000, Pilgrim Apartments for \$600,000, and UNITY Park for \$1,885,649.15. In addition, the City wrote off a small portion of an old Indianapolis Neighborhood Housing Partnership (INHP) loan which was a part of the home repair loan pool INHP used to administer for the City. The portion was \$8,924.68 and was written off because the homeowner lost the home through foreclosure.

The City of Indianapolis made no lump sum agreements in 2010.

The homeowner repair program is carried out primarily by Community Development Corporations (CDC's) that are largely located in the city's redevelopment and revitalization areas. In the 2010, the CDC's received \$3.8M home repair funds and assisted more than 360 homeowners. Two of the programs leveraged over 100+ volunteer labor hours and over an additional one hundred thousand (\$100,000) dollars.

In 2010 the City awarded four (4) grants and one (1) loan to create sixty-six (66) new jobs through new business start-ups or expansions, totaling \$775,000. All hiring will occur by 2012 within the Neighborhood Revitalization Strategy Area (NRSA) and is therefore presumed to benefit low and moderate-income persons.

### **Antipoverty Strategy**

Funding to a variety of programs and projects designed to impact the sources of poverty in our community will continue in future entitlement years. The City has undertaken a holistic approach in its response to homelessness and special needs, complementing its proactive approach to the issue of poverty in general. The City's Anti-Poverty Strategy is designed to impact family, individual and

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neighborhood self-sufficiency and includes the following: Workforce development and job training, economic development, services to low-income residents, special needs housing and the development and protection of affordable housing stock. The following sections detail parts of the plan that will be addressed through the use of federal entitlement dollars.

## NON-HOMELESS SPECIAL NEEDS

### **Specific HOPWA Objectives**

\*Please also refer to the HOPWA Table in the Needs.xls workbook.

\*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

In 2010, the City received \$878,589 in Housing Opportunities for Persons With AIDS (HOPWA) funds to serve the housing and housing related needs of persons with HIV/AIDS and their families. The primary project sponsor for City HOPWA funds in 2010 was the Damien Center, which coordinated services and activities for persons in Marion County as well as eight contiguous central Indiana counties. In an effort to broaden the effectiveness of the City's HOPWA funds, and to better reach under-served populations, the City provided funding to Concord Center. In the past, the City has struggled with recruiting service providers from the seven other counties in its MSA. The reason stemmed from the small numbers of HIV/AIDS clients in outlying counties. As no large client populations exist, localities cannot justify the expense of running a HOPWA program. For 2010, the City granted a small amount of HOPWA funds to the Bloomington Hospital's Positive Link, a comprehensive outreach program that would serve Indianapolis' surrounding counties. .

### **The Damien Center**

The largest HIV/AIDS service provider in Indianapolis and the surrounding MSA, The Damien Center received \$731,936 in 2010, which allowed them to serve a total of 350 clients with housing and service needs. 177 clients were also provided short-term rent, mortgage or utility assistance from the Damien Center through the HOPWA program and 77 households were provided tenant based rental assistance. The Damien Center TBRA program is structured so that after two years, a family/client will move from the HOPWA program into housing not subsidized through the HOPWA grant. This program has been met with both success and challenges. The Damien Center is the largest HOPWA service provider with funding for tenant-based rental assistance. Because of this, there is a waiting list for TBRA assistance. When an individual is placed on the waiting

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list, they are assigned a number 1-4. Anyone given a number one is most in need of housing a number 4 is assigned to someone that may have housing, but would like to relocate. Clients assigned a 1 or 2 are given first priority for TBRA assistance. If the housing situation changes for someone that is assigned a 3 or 4, then they may move up on the list. No one in immediate need of housing is denied assistance. If the client cannot be assisted through TBRA, then they are offered Short Term Rent, Mortgage, Utility Assistance (STRMU) to keep them in their current housing. The Damien Center continues to struggle with finding landlords that are willing to assist clients who receive a government subsidy. Some landlords have a stereotypical view of those who receive help from the government and fear that they will not be a good tenant. The Damien Center and other HOPWA providers continue to educate the community on this issue.

### **Other HOPWA programs**

HOPWA funds for short-term rental assistance and supportive services were also awarded to Concord Community Center in 2010. They received \$167,391. Concord continues to offer a valuable service to the HIV/AIDS clients living on Indianapolis' southwest side. Even though they do not have designated a target area, Concord Center assists clients that live outside their defined boundaries. When another HOPWA provider runs out of STRMU funds, clients are often referred to Concord, who provided STRMU assistance to 167 clients in 2010. Concord received supportive service funds and was able to place 8 families in permanent housing by providing security deposits or first months rent. Concord continues to see a large increase in clients come through their door looking for assistance that are eligible for HOPWA, and ends up referring many to other providers. Clients south of Marion County can also be assisted by Positive Link as an alternative.

Bloomington Hospital's Positive Link is an organization based out of Bloomington, Indiana that has an outreach program that extends into the City of Indianapolis' MSA. Because of the increased number of potential clients in this area, as well as no other agency able to provide HIV/AIDS housing assistance, Positive Link was an excellent fit. They received \$117,103 in 2010, and served 33 clients with TBRA, and 12 in STRMU.

### **Barriers**

Affordable, accessible and safe housing options for HIV/AIDS clients are still major concerns, as well as maintaining the individual independence of those persons who have already established a household.

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In 2010, the demand for short-term assistance was much greater than the supply of funds available. All of the City's providers indicated that the short-term assistance they received was utilized much sooner than in previous years. The current state of the country's economy played a large part in the need for larger amounts of assistance across all of the City's grants.

Individuals who are at-risk or HIV positive frequently face numerous barriers to a healthier lifestyle. Daily Living Skills Seminars, which emphasize managing stress, proper health care, basic housekeeping, budgeting, and employment are offered at The Damien Center for any client. Outreach programs also offer a continuum of related services that address these problems through community education, helping to identify HIV status, assistance in dealing, and finding resources to deal with an HIV positive status. The Bridging the Gap program assists individuals by providing HIV testing, HIV/AIDS information referrals treatment, assessments for at-risk individuals.

With a more diversified network of providers receiving HOPWA funds, a larger number of HIV/AIDS positive clients will be able to be served in 2011. This will enable more individuals to receive or stay in their homes, provided much needed counseling and help providers overcome the language barrier and reach out to the Hispanic community.

### **Administrative Oversight**

Through its Consolidated Planning process, the City continues to use Request For Proposals (RFP) to solicit applicants to address the housing needs of HIV/AIDS persons and their families. Developing collaborative partners and identifying additional housing options and support services is still a high priority with the City.

The Human Services Team consists of the Grant Manager and Grant Analyst. Together they share in the responsibility of overseeing HOPWA programs. On a daily basis they discuss the projects and address any concerns that there might be. All HOPWA programs are schedule to be monitored once a year to ensure the federal and City regulations are being followed. The Grant Manager and Analyst conduct the monitoring visits and review Quarterly Reports. If a project sponsor is struggling or needs any type of technical assistance, a team member will step in to help. The Grant Analyst tracks and analyzes spending patterns to ensure that the project sponsor is spending their money at a rate that will allow them enough funds to last the entire grant year. A project sponsor training is held in January of each year to discuss the responsibility of the project sponsor in

regards to grant funds. This will help the project sponsor to better understand their contractual obligations.

In addition to the monitoring plan, a new set of Policies and Procedures was introduced at project sponsor training for 2011 which included updated forms and specific policies to address claims and records. It is anticipated that there will be substantial improvements in communication and claims accuracy and timeliness going forward.

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#### OTHER NARRATIVE

Include any CAPER information that was not covered by narratives in any other section.