

# HOME-ARP Allocation Plan Template

## Guidance

- To receive its HOME-ARP allocation, a PJ must:
  - Engage in consultation with at least the required organizations;
  - Provide for public participation including a 15-day public comment period and one public hearing, at a minimum; and,
  - Develop a plan that meets the requirements in the HOME-ARP Notice.
- To submit: a PJ must upload a Microsoft Word or PDF version of the plan in IDIS as an attachment next to the “HOME-ARP allocation plan” option on either the AD-26 screen (for PJs whose FY 2021 annual action plan is a Year 2-5 annual action plan) or the AD-25 screen (for PJs whose FY 2021 annual action plan is a Year 1 annual action plan that is part of the 2021 consolidated plan).
- PJs must also submit an SF-424, SF-424B, and SF-424D, and the following certifications as an attachment on either the AD-26 or AD-25 screen, as applicable:
  - Affirmatively Further Fair Housing;
  - Uniform Relocation Assistance and Real Property Acquisition Policies Act and Anti-displacement and Relocation Assistance Plan;
  - Anti-Lobbying;
  - Authority of Jurisdiction;
  - Section 3; and,
  - HOME-ARP specific certification.

**Participating Jurisdiction:** State of Indiana- Indiana Housing & Community Development Authority  
**Date:** 1/30/2024

## Consultation

Before developing its plan, a PJ must consult with the CoC(s) serving the jurisdiction’s geographic area, homeless and domestic violence service providers, veterans’ groups, public housing agencies (PHAs), public agencies that address the needs of the qualifying populations, and public or private organizations that address fair housing, civil rights, and the needs of persons with disabilities, at a minimum. State PJs are not required to consult with every PHA or CoC within the state’s boundaries; however, local PJs must consult with all PHAs (including statewide or regional PHAs) and CoCs serving the jurisdiction.

### ***Summarize the consultation process:***

IHCDA utilized two forms of consultation prior to releasing a draft allocation plan for public comment. For a handful of key organizations, IHCDA conducted one-hour consultation calls to explain HOME-ARP, discuss the proposed plan, and solicit immediate feedback. IHCDA then issued a survey for broader input. The survey branched into two slightly different question sets depending upon whether the

respondent identified as an IHCD program partner or as a person with lived experience (i.e., a person who is currently or formerly experiencing homelessness). See additional details regarding the consultation process in the chart below.

*List the organizations consulted, and summarize the feedback received from these entities.*

| <b>Agency/Org Consulted</b>   | <b>Type of Agency/Org</b>  | <b>Method of Consultation</b>                               | <b>Feedback</b>  |
|---|--|---|--|
| <b>CSH</b>  | National nonprofit/technical assistance provider focused on supportive housing                   | 1 hour virtual meeting conducted 12/1/21                    | CSH provided feedback on how to model supportive services budgets and shared information on their work in helping with OH and KY HOME-ARP allocation plans. After the meeting, CSH provided a service budgeting tool and sample information from the OH and KY plans for our consideration. CSH supports IHCD's proposed use of HOME-ARP.  |
| <b>IN NAHRO</b>   | Membership group of Indiana Public Housing Agencies. See Table below for estimate of attendance. | 1 hour virtual meeting conducted 12/21/21                   | IN NAHRO members supported the proposed HOME-ARP plan, including the focus on developing supportive housing. In addition, members expressed excitement and gratitude that IHCD intended to utilize HOME-ARP as supportive service funding for persons receiving EHV vouchers.  |
| <b>Indiana Balance of State Continuum of Care Executive Committee</b> | Continuum of Care. See Table below for list of attendees.  | Guest presentation at regular meeting conducted on 12/09/21 | The Executive Committee identified a lack of affordable and permanent supportive housing units as the greatest unmet need for the qualifying population. The Committee primarily identified funding for services as a secondary priority, only if distributed strategically in order to complement, not duplicate, existing services funding. The Committee did not identify a need for additional |

|  |   |   |   |
|--|---|---|---|
|  |   |   | TBRA or NCS. The Committee described unmet housing and service needs among the aging population and among individuals who served in the Armed Forces (active duty or reserves) but are ineligible for veteran programs.   |
| <b>CHDO Working Group</b>                            | Working group consisting of all IHCDA certified CHDOs. See Table below for list of attendees. | 1 hour virtual meeting conducted 12/9/21    | <p>CHDOs expressed support for and interest in service funding and asked for flexibility in design of services. CHDOs requested that IHCDA explore ways to provide funding for security needs for supportive housing developments.</p> <p>CHDOs expressed a need and desire for additional capacity building to undertake PSH work.</p> <p>One CHDO in attendance noted their preference for shelter funding instead of PSH funding, but this comment was not echoed by the larger group.</p> |
| <b>City of Indianapolis/Housing to Recovery Fund</b> | Group consisting of local unit of government, foundation, and community-based organizations   | One hour virtual meeting conducted 10/12/21 | Representatives from the City of Indianapolis and the Housing to Recovery Fund identified the lack of supportive and affordable housing units as the greatest need, followed by supportive services. They provided feedback on modeling service budgets and projected services expenses. After the meeting, they shared the tool and methodology used to calculate service costs for PSH units that is used for the Indianapolis Housing to Recovery Fund for our consideration.              |
| <b>Key Stakeholders</b>                              | Advocates, Community-based  | Online survey distributed via               | Respondents consisted primarily of homelessness service   |

|  |  |   |  |
|--|--|---|--|
|  | organizations, Elected officials or local units of government, Funders or lenders, Homelessness service providers, Peer support workers, Property management companies, Technical assistance providers | memo from IHCDCA's Executive Director, GovDelivery email blast, and IHCDCA RED Notice. Responses were accepted from 12/17/21 – 01/07/22. See Table below for the number of invitations sent for the survey.                               | providers and community-based organizations (>66%). Respondents expressed a strong first preference for the development of new units with 60% ranking this option as a first priority, and 72% ranking it as a first or second priority. Respondents prioritized increased funding for services as a second priority, followed by funding additional TBRA. Respondents expressed the lowest preference for increasing shelter capacity, with the majority of respondents ranking this activity as a last priority.   |
| <b>Individuals with Lived Experience</b> | Individuals with Lived Experience of Homelessness  | Online survey distributed via memo from IHCDCA's Executive Director, GovDelivery email blast, and IHCDCA RED Notice. Responses were accepted from 12/17/21 – 01/07/22. See Table below for the number of invitations sent for the survey. | Respondents expressed a strong split preference for the development of new units and funding for TBRA, with a slight preference for TBRA. 83% of respondents ranked the provision of tenant-based rental assistance or the development of new units as a first or second priority, and 67% ranked both the creation of new units and provision of TBRA within their first two choices. Respondents prioritized increasing funding for services as a third priority, followed by increasing shelter capacity as a last priority. Respondents expressed the lowest preference for increasing shelter capacity, with 75% of respondents ranking this activity as a last priority. |
| <b>LTHC</b>                              | Homeless service provider  | Included in Continuum of Care Executive Committee   | Feedback.  |

If additional space is needed, insert image of table here:

CHDO Working Group - attendees:

|                  |                               |
|------------------|-------------------------------|
| Brad Hunsberger  | Lacasa, Inc.                  |
| Suann Stroud     | Blue River Services           |
| Mark Hunter      | Four Rivers Resource Services |
| Annette Phillips | Pathstone Corp.               |
| Eric Frey        | SIHCDC                        |

Continuum of Care Executive Committee - attendees:

|                 |   |
|-----------------|---|
| Mary Beth Wott  | Federal Home Loan Bank of Indianapolis      |
| Jennifer Layton | LTHC (homeless service provider)            |
| Laura Berry     | Indiana Coalition Against Domestic Violence |
| Pam Isaac       | Howard County Government                    |

NAHRO - Indiana Chapter of Housing and Redevelopment Officials (PHAs)

It is estimated that there were 15 PHAs represented.  
Notes were not made as to specific attendees at the December 2021 meeting.

Back Home in Indiana Alliance - Governor's Council on People with Disabilities

The Director was invited for consultation but provided no direct comment.  
Invitations were sent for Public Hearing and for Survey response.

| <u>Survey Invitations - Mailing List Name</u>   | <u>Subscriptions</u>        |
|---|-----------------------------|
| BoS Active Agencies                             | 94                          |
| Community Services Contacts                     | 278                         |
| Continuum of Care (CoC) List                    | 2,931                       |
| Coordinated Entry HMIS Users                    | 180                         |
| Emergency Solutions Grant (ESG)-CV Notification | 1,016                       |
| HMIS Users                                      | 414                         |
| Real Estate Department (RED) updates            | 2,697                       |
| Regional Planning Council Chairs                | 29                          |
| Exec Director - Notes from Jake's Desk          | 17,516 sent<br>3,775 opened |

## Public Participation

PJs must provide for and encourage citizen participation in the development of the HOME-ARP allocation plan. Before submission of the plan, PJs must provide residents with reasonable notice and an opportunity to comment on the proposed HOME-ARP allocation plan of **no less than 15 calendar days**. The PJ must follow its adopted requirements for “reasonable notice and an opportunity to comment” for plan amendments in its current citizen participation plan. In

addition, PJs must hold **at least one public hearing** during the development of the HOME-ARP allocation plan and prior to submission.

For the purposes of HOME-ARP, PJs are required to make the following information available to the public:

- The amount of HOME-ARP the PJ will receive,
- The range of activities the PJ may undertake.

***Describe the public participation process, including information about and the dates of the public comment period and public hearing(s) held during the development of the plan:***

- ***Public comment period: start date - 1/26/2022 end date - 2/14/2022***
- ***Public hearing: 2/3/2022***

11:00-12:00 Eastern Time as virtual meeting

***Describe any efforts to broaden public participation:***

Release of the draft allocation plan and schedule of the public comment period and public hearing was announced via IHCDA RED Notice, IHCDA Public Notice, through the weekly e-mail message from IHCDA's Executive Director, through IHCDA social media, and on IHCDA's website. IHCDA also asked the Balance of State Continuum of Care and the Indiana CSH office to distribute information about the public participation opportunities through their mailing lists.

A PJ must consider any comments or views of residents received in writing, or orally at a public hearing, when preparing the HOME-ARP allocation plan.

***Summarize the comments and recommendations received through the public participation process:***

See appendix for Summary of Survey. See appendix for written public comment and response.

***Summarize any comments or recommendations not accepted and state the reasons why:***

In a written comment, a preference for homeownership activities over rental housing activities was expressed. The response addresses that homeownership activities are not an eligible use of HOME-ARP funds. See appendix for the comment and response,.

In the survey responses, except for some comments favoring/prioritizing the expansion of TBRA, the results of the survey are very much in line with this HOME-ARP proposal. To meet this noted preference and to support the proposal's emphasis on Supportive Housing, TBRA will continue to be provided from other sources within IHCDA's administration.

See appendix for a summary of the survey results.

## **Needs Assessment and Gaps Analysis**

PJs must evaluate the size and demographic composition of qualifying populations within its boundaries and assess the unmet needs of those populations. In addition, a PJ must identify any gaps within its current shelter and housing inventory as well as the service delivery system. A PJ should use current data, including point in time count, housing inventory count, or other data available through CoCs, and consultations with service providers to quantify the individuals and families in the qualifying populations and their need for additional housing, shelter, or services. The PJ may use the optional tables provided below and/or attach additional data tables to this template.

**OPTIONAL Homeless Needs Inventory and Gap Analysis Table**

| <b>Homeless</b>              |                          |            |             |            |           |                              |                      |      |               |                     |            |             |            |
|------------------------------|--------------------------|------------|-------------|------------|-----------|------------------------------|----------------------|------|---------------|---------------------|------------|-------------|------------|
|                              | <b>Current Inventory</b> |            |             |            |           | <b>Homeless Population</b>   |                      |      |               | <b>Gap Analysis</b> |            |             |            |
|                              | Family                   |            | Adults Only |            | Vets      | Family HH (at least 1 child) | Adult HH (w/o child) | Vets | Victims of DV | Family              |            | Adults Only |            |
|                              | # of Beds                | # of Units | # of Beds   | # of Units | # of Beds |                              |                      |      |               | # of Beds           | # of Units | # of Beds   | # of Units |
| Emergency Shelter            | #                        | #          | #           | #          | #         |                              |                      |      |               |                     |            |             |            |
| Transitional Housing         | #                        | #          | #           | #          | #         |                              |                      |      |               |                     |            |             |            |
| Permanent Supportive Housing | #                        | #          | #           | #          | #         |                              |                      |      |               |                     |            |             |            |
| Other Permanent Housing      |                          |            |             |            |           | #                            | #                    | #    | #             |                     |            |             |            |
| Sheltered Homeless           |                          |            |             |            |           | #                            | #                    | #    | #             |                     |            |             |            |
| Unsheltered Homeless         |                          |            |             |            |           | #                            | #                    | #    | #             |                     |            |             |            |
| <b>Current Gap</b>           |                          |            |             |            |           |                              |                      |      |               | #                   | #          | #           | #          |

**Suggested Data Sources:** 1. Point in Time Count (PIT); 2. Continuum of Care Housing Inventory Count (HIC); 3. Consultation

**OPTIONAL Housing Needs Inventory and Gap Analysis Table**

| <b>Non-Homeless</b>   |                          |                      |                     |
|---|--------------------------|----------------------|---------------------|
|   | <b>Current Inventory</b> | <b>Level of Need</b> | <b>Gap Analysis</b> |
|   | # of Units               | # of Households      | # of Households     |
| Total Rental Units  | 797,282                  |                      |                     |
| Rental Units Affordable to HH at 30% AMI (At-Risk of Homelessness)                  | 49,520                   |                      |                     |
| Rental Units Affordable to HH at 50% AMI (Other Populations)                        | 35,435                   |                      |                     |
| 0%-30% AMI Renter HH w/ 1 or more severe housing problems (At-Risk of Homelessness) |                          | 140,385              |                     |
| 30%-50% AMI Renter HH w/ 1 or more severe housing problems (Other Populations)      |                          | 118,855              |                     |
| <b>Current Gaps</b>   |                          |                      | 174,285             |

**Suggested Data Sources:** 1. American Community Survey (ACS); 2. Comprehensive Housing Affordability Strategy (CHAS)



***Describe the size and demographic composition of qualifying populations within the PJ's boundaries:***

**Individuals and Families experiencing Homelessness (QP1)**

The combined 2021 Indiana Balance of State Continuum of Care and Marion County Point in Time Counts (PIT) reported a total of 4,824 persons experiencing homelessness. Of these individuals, 842 were children under the age of 18 and 293 were youths ages 18-24. Black or African American individuals were disproportionately represented, comprising 38.1% of the homeless population identified during the PIT Count while comprising only about 9.6% Indiana's population (2020 Census). In the Balance of State, 21.8% of individuals identified were unsheltered, 7.1% were chronically homeless, and 9.9% were survivors of domestic violence. 23.8% of individuals surveyed were adults with a serious mental illness, and 18.1% were adults with a substance use disorder. In Marion County, 13.6% of individuals identified were unsheltered. Data regarding this population's chronic status, domestic violence history, and experience with serious mental illness or substance use disorder were not available.

IHCDA's annual data from the Coordinated Entry System shows that this population has even higher needs than reflected in the PIT Count. Of the individuals entered into the Coordinated Entry System in the Balance of State in 2021, 35% reported experiences that qualified as chronically homeless, compared to the 7.1% identified during the PIT Count. 31% scored within the rapid re-housing range and 65% scored within the permanent supportive housing range. To score within the permanent supportive housing range, an individual typically has high needs in more than one of the following categories: mental health, disability, socialization and daily functions, and wellness.

**Individuals Fleeing Domestic Violence and Human Trafficking (QP3)**

According to the Domestic Violence Network (DVN), "In Indiana, 40.4% of women and 26.8% of men experience intimate partner physical violence, intimate partner sexual violence, and/or intimate partner stalking in their lifetime." In a 2021 report reflecting on service needs from 2018 and 2019, DVN reports that "On a given day in Indiana there are at least 1,807 victims/survivors served by direct service providers. These statistics show that domestic violence is far reaching, and services are in high demand across the state of Indiana. In 2018 Indiana saw 42,553 crisis calls to service providers for domestic violence, and in 2019 that number was 44,460." DVN reports that in central Indiana, at least "one agency...had to deny shelter services to 2,189 individuals over the two-year period", while "[all] three service providers are often, if not always, at capacity and due to this have often had to turn individuals away who are in need of shelter." However, the 2021 Housing Inventory Count indicated that the utilization rate for beds dedicated as DV is 41% in Marion County and 49% in the Balance of State. The National Network to End Domestic Violence asserts that "the intersection of domestic violence, homelessness, and housing security is undeniable, as

lack of safe and affordable housing is often reported as one of the primary barriers survivors of domestic violence face when they choose to leave an abusive partner." Since "domestic violence occurs in all communities and affects all individuals from all demographic categories" (DVN), IHCDA currently serves and intends to continue serving individuals and households fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking or human trafficking through each of its projects and activities.

The National Human Trafficking Hotline reports that there have been 2,165 victims of human trafficking in Indiana since 2007. In 2020, the last year for which data are available, 140 human trafficking cases were reported. Similar to national statistics, 83% of trafficked residents in Indiana are females. About 65% are adults and 15% are minors (the balance is unknown). The location in which the trafficking occurred was largely unknown, followed by through pornography, in motels/hotels, and in illicit massage parlors. The needs of victims of trafficking are similar to those fleeing domestic violence: they need stable transitional housing to avoid returning to where they have been victimized, protection from perpetrators, and typically intensive job training and skill development to move them into financial independence.

#### Households at Risk of Homelessness (QP2) and Other At-Risk Populations (QP4)

The FY2019 American Community Survey (ACS) reported that there were 797,282 renter-occupied housing units in the state of Indiana. A recent report from The National Low Income Housing Coalition (NLIHC) titled "The Gap: A Shortage of Affordable Homes" estimates that there are currently 202,171 Indiana renter households who qualify as extremely low-income (30% AMI). Prosperity Indiana writes, "approximately 72 percent of Hoosier renters with extremely low incomes are severely cost burdened and at risk of homelessness, which is the second-highest rate in the Midwest." The Comprehensive Housing Affordability Survey (CHAS) indicates a similar trend, estimating there to be 140,385 renter households at the 0-30% AMI level and 118,855 renter households at the 30-50% AMI level that have one more severe housing problems, which includes a cost burden greater than 50%. (See Housing Needs Inventory and Gap Analysis Table.) Data from the ACS reports that at least 45.4% of all Indiana renters were "rent burdened" by spending more than 30% of their income on rent. In the 2021 Indiana Housing Profile, NLIHC describes how "severely cost burdened poor households are more likely than other renters to sacrifice other necessities like healthy foods and healthcare to pay the rent, and to experience unstable housing situations like evictions." Households with greater rent burdens "have higher evictions rates, increased financial fragility, and wider use of social safety net programs, compared with other renters and homeowners" (The Pew Charitable Trusts, 2018). Prosperity Indiana's 2021 Policy Brief demonstrated Pew's findings: data analysis revealed that lower-income renters were less likely to be current on rent payments, more likely to hold occupations with the largest unemployment claims, and

that over 41,000 evictions filings occurred at an average of 750 per week. Renters of color experience evictions at much higher rates, and households that experience eviction are at significantly higher risk for homelessness.

***Describe the unmet housing and service needs of qualifying populations, including but not limited to:***

- ***Sheltered and unsheltered homeless populations;***
- ***Those currently housed populations at risk of homelessness;***
- ***Other families requiring services or housing assistance or to prevent homelessness;***  
***and,***
- ***Those at greatest risk of housing instability or in unstable housing situations:***

Experiencing Homelessness (QP1) or Fleeing Domestic Violence (QP3)

Additional inventory gaps analysis provided in "Exhibit A - Needs Assessment Table" demonstrates significant unmet housing and service needs for households experiencing sheltered and unsheltered homelessness in Indiana, and people who are fleeing or attempting to flee domestic violence. Per data from the 2021 Housing Inventory Count (HIC) and PIT Count, there are 3,256 total permanent supportive housing units and 721 rapid re-housing units in state. HMIS data indicates that given the turnover rate of each unit, and the number of households assessed through Coordinated Entry, there is a gap of 3,630 permanent supportive housing units and 92 rapid re-housing units available for individuals experiencing homelessness and individuals fleeing, or attempting to flee, domestic violence. Responses to the HOME-ARP Consultation Survey indicated a high perceived need and strong support for creating additional housing opportunities for and offering services to individuals experiencing homelessness. Survey comments contained the following common themes: providing permanent housing opportunities is the most direct pathway out of homelessness, services funding in existing PSH properties is vital to the success of the project, and sufficient medical and mental health services cannot currently be provided in some PSH properties due to funding constraints. Respondents with lived experience of homelessness wrote that their greatest barriers to becoming housed were low-barrier screening options and general lack of availability of affordable housing options.

They also wrote that some of the greatest challenges to staying housed were lack of consistent income and affordable housing options, and that the most important services to assist with obtaining and maintaining housing include receiving case management, financial education and credit repair, and assistance with accessing affordable housing programs such as subsidies and rental assistance. IN NAHRO, the CHDO Working Group, and the City of Indianapolis/Housing to Recovery Fund, who were each consulted during the drafting of the Allocation Plan, also identified permanent supportive housing and services funding as an unmet need.

While there are significant unmet permanent housing needs for Indiana's homeless and domestic violence survivor population, the data does not indicate a statewide need for the creation of additional congregate and non-congregate shelter beds. Emergency shelter beds report low utilization on the HIC with a 40% general vacancy rate. There were no regions in Indiana, including Marion County, that reported an emergency shelter utilization higher than 85%. Furthermore, recent Coordinated Entry data indicates that 87.9% of individuals in the Balance of

State Coordinated Entry system were residing in non-congregate settings at the time of their assessment.

Data also does not indicate a need for the creation of additional congregate and non-congregate shelter beds for victims of domestic violence. Per the 2021 HIC, there was a 54% statewide vacancy rate for DV beds (51% vacancy rate and 59% vacancy rate for the Balance of State and Marion County Continuums of Care, respectively). The National Network to End Domestic Violence asserts that "the intersection of domestic violence, homelessness, and housing security is undeniable, as lack of safe and affordable housing is often reported as one of the primary barriers survivors of domestic violence face when they choose to leave an abusive partner." DVN asserts that there are particularly significant unmet need service needs in the Black and African American communities in Indiana, reporting that "Black men and women experience domestic violence at a higher rate than their white counterparts" and that there are more barriers in place for Black survivors when they seek assistance from law enforcement, medical professionals, and the justice system. DVN recommends increased funding for education and prevention in BIPOC communities, trauma informed and culturally responsive care, and hotel vouchers for individuals fleeing domestic violence.

#### Households at Risk of Homelessness (QP2) and Other At-Risk Populations (QP4)

Data from the CHAS and NLIHC indicates a large gap in affordable and habitable rental units for renters at the 0-50% AMI level. A recent report from The National Low Income Housing Coalition (NLIHC) titled "The Gap: A Shortage of Affordable Homes" estimates that there are currently 202,171 Indiana renter households who qualify as extremely low-income (30% AMI) but only 75,219 affordable rental homes, indicating a gap of 126,952 units. The CHAS reports that for the estimated 259,240 renter households at the 0-50% AMI level reporting one or more severe housing problems, there is an inventory of only 84,955 units, indicating a gap of 174,285 units. Respondents from the HOME-ARP Consultation Survey agreed that in addition to the current scarcity of affordable units, there is a lack of landlords willing to implement low-barrier screening practices. Respondents also noted that they believe there is an absence of affordable housing with services for specific populations, including aging populations, victims of domestic violence, individuals struggling with substance use and/or mental health diagnoses, youth and/or LGBTQ+ individuals, and veterans. Several organizations consulted also identified there to be a gap in rental housing, including permanent supportive housing, in the state of Indiana. The Indiana Balance of State Continuum of Care Executive Committee specifically identified housing and services for aging individuals and veterans who served in the Armed Forces but are ineligible for veteran programs as a current unmet need.

Renters reporting severe housing problems, which include incomplete kitchen and plumbing facilities, overcrowding, and cost burden greater than 50%, have significant need of housing stability and eviction prevention services which include rental assistance, legal resources, and housing counseling and case management. When asked if they have observed significant unmet service needs for specific populations, respondents to the HOME-ARP Survey wrote that there is a lack of housing stability services for families at risk of eviction, households with youth, and temporarily and recently homeless populations. Respondents also wrote that education about available housing resources and how to maximize them should be provided to individuals who are housing unstable, and that there is a lack of case management promoting self-sufficiency

(especially financial literacy and budgeting) available to the general community or those not enrolled in specific housing programs.

***Identify and consider the current resources available to assist qualifying populations, including congregate and non-congregate shelter units, supportive services, TBRA, and affordable and permanent supportive rental housing:***

Households at Risk of Homelessness (QP2), Fleeing Domestic Violence (QP3) and Other At-Risk Populations (QP4)

IHCDA creatively employs a variety of programs and funding resources to ensure that households can access the rental assistance resource that is most appropriate for their situation. Tenant-based rental assistance programs are available across the state, including vouchers such as Housing Choice Vouchers, Emergency Housing Vouchers, HUD-VASH, and Section 811, as well as Emergency Rental Assistance.

IHCDA leverages tenant-based rental assistance programs to maximize housing stability, affordability, and choice for vulnerable subpopulations:

- HOME Investment Partnerships Tenant Based Rental Assistance (HOME TBRA): IHCDA employs HOME TBRA exclusively to assist households where at least one member is currently exiting incarceration or is formerly incarcerated and either currently homeless or imminently at risk of eviction. Since 2018, IHCDA has granted \$3,300,000.00 to non-profit organizations to deliver rental assistance, security deposits, and utility deposits to eligible households at up to 60% AMI through the HOME TBRA program.
- Indiana Housing First Program: This state-funded program was established in 2017 to address health causes that lead to housing instability. Since 2018, IHCDA has granted \$4,488,753.59 to non-profit organizations to deliver rental assistance and supportive services to households who are facing a housing crisis and where at least one member has a serious and persistent mental illness, a chronic chemical addiction, or a co-occurring serious and persistent mental illness and chronic chemical addiction. The 2021 Balance of State Point-in-Time Count revealed that almost 25% of homeless persons identified had a serious mental illness while nearly 19% had a substance use disorder.
- Housing Opportunities for Persons with AIDS (HOPWA): Since 2001, IHCDA has administered the HOPWA program to ensure that affordable housing options and related housing services are available to low-income persons with acquired immunodeficiency syndrome or related diseases and their families and to assist such persons in achieving and maintaining housing stability, thereby avoiding homelessness and improving their access to and engagement in HIV/AIDS treatment and care.

An additional \$9,559,673.00 in combined rental assistance funds have been awarded to 48 projects through the FY2021 Balance of State Continuum of Care. However, as of October 18, 2021, there were 824 individuals in Coordinated Entry eligible for a rapid re-housing referral.

IHCDA also leverages several federal voucher programs to ensure that low-income and vulnerable households can continue to access permanent housing options:

- Emergency Housing Vouchers (EHV): IHCDA has been allocated 338 EHV's to assist households experiencing homelessness or at risk of experiencing homelessness; fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or human trafficking; or that were recently homeless and for whom providing rental assistance will prevent the family's homelessness or high risk of housing instability. Eligible households at the top of the Coordinated Entry list will be prioritized. There are currently 316 vouchers available. Additional vouchers are available through local public housing authorities.
- Housing Choice Voucher/Section 8 (HCV): This program provides eligible households vouchers to help pay the rent on privately owned homes of their choosing. IHCDA does not currently have any vouchers available.
- HUD-VASH: This program combines Housing Choice Voucher (HCV) rental assistance for homeless Veterans with case management and clinical services provided by the Department of Veterans Affairs (VA). There are currently 704 VASH vouchers available in the State of Indiana.
- Section 811: IHCDA has been allocated 358 vouchers to provide subsidized rental housing opportunities for non-elderly households with disabilities. There are currently 80 vouchers available. Additional vouchers are available through local public housing authorities.
- Family Unification Program (FUP): IHCDA has been allocated 37 FUP vouchers to assist families experiencing housing instability and youth aging out of foster care and at risk of homelessness. There are currently 20 vouchers available. Additional vouchers are available through local public housing authorities.

Additional resources are available to low-income renters and renters at risk of eviction. The Indiana Emergency Rental Assistance Program offers up to 15 months of rental and utility payments to renters who are income qualified, have a risk of housing instability, and have been negatively impacted by Covid-19. As of January 18, 2022, this program has obligated \$189,603,155.39 to serve 17,312 households. Additional funds remain available to qualifying households.

IHCDA also manages a portfolio of affordable and permanent supportive rental housing to ensure that housing production meets the needs of low-income Indiana renters. IHCDA's current portfolio of operational rental projects contains:

- 249 HOME Investment Partnerships Program funded rental projects representing 2565 units of affordable rental housing.
- 716 Low Income Housing Tax Credit (LIHTC) rental projects representing 49,080 units of affordable rental housing.

### Individuals and Families experiencing Homelessness (QP1) among other needs

To address the high need for permanent supportive housing units, IHCDA has partnered with CSH to annually deliver the Indiana Permanent Supportive Housing Institute to train teams of developers, property managers, and supportive service providers in the development and operation of supportive housing for persons experiencing homelessness. Since 2008, this initiative has produced 1,580 units of

permanent supportive housing across 60 projects by combining capital sources including LIHTC, HOME, and National Housing Trust Fund and pairing them with rental assistance such as HUD-VASH, Section 811 PRA, CoC funds, and project-based vouchers. Initial participant selection is determined solely by the tenant's location on Coordinated Entry to ensure that the most vulnerable individuals receive priority for housing. Per the 2021 HIC, there are 2,893 total permanent supportive housing beds in the balance of state. Given the current utilization rate, at least 1,232 more units would be needed to house the 1,769 individuals in Coordinated Entry eligible for a PSH referral.

IHCDA recognizes that access to services is often crucial to a household's ability to maintain long-term housing stability. Therefore, IHCDA has utilized, built in, or pursued additional funding to make services available to program participants where possible:

- **Emergency Housing Voucher (EHV) Program:** This program includes services funding which IHCDA will use to provide assistance with housing search, application fees, security deposits, utility deposits/arrears, owner recruitment/outreach, owner incentive payments, moving expenses, tenant readiness services, and essential household items. IHCDA has also partnered with the Indiana Family and Social Services Administration Division of Mental Health and Addiction (DMHA) to offer supportive services to households who have received an Emergency Housing Voucher (EHV). Beginning in 2022, SAMHSA Mental Health Block Grant (MHBG) funds will be utilized to reimburse Community Mental Health Centers who provide the following services to eligible recipients: outreach and in-reach services; identification of resources to cover moving expenses; assistance with completing housing applications, navigating the PHA intake process, and collecting required documentation for EHV and other mainstream programs; early identification/intervention for behaviors that could jeopardize successful tenancy/housing retention; education and training on landlord and tenant rights and responsibilities; mediating disputes with property managers or neighbors; coordinating care with other providers; and internet connectivity for telehealth services.
- **Housing Opportunities for Persons with AIDS (HOPWA) Program:** This program provides housing and supportive services to low income individuals living with HIV/AIDS and their families.
- **Indiana Emergency Rental Assistance (IERA) Program:** IHCDA has allocated an aggregate award of \$28,553,889.00 to the Indiana Community Action Association, Inc. and the Indiana Bar Foundation to provide housing counseling and case management services and legal services to qualified Indiana renter households. Housing stability services include, but are not limited to, eviction prevention programs, mediation between landlords and tenants, housing counseling, housing navigation, case management, and legal services related to eviction preventions and maintain housing.
- **Indiana Housing First Program:** The budget for this program allows for up to 20% of funds to be spent on supportive services including: employment assistance and job training, substance abuse and addiction treatment, educational assistance, life skills assistance, treating and managing mental and physical health problems, development individualized housing and service plans, transportation assistance, assessment of service

needs, legal services, and childcare assistance, providing housing stability case management services, and developing plans, making referrals, or connecting to the types of services listed above. Data from the 2018 – 2020 grant term revealed that nearly 60% of the total services funds were spent on housing stability and case management services; more than 25% was spent on developing plans, making referrals, and connecting clients to services; and nearly 13% of funds were spent developing individualized housing and service plans. The average benefit per household per organization ranged from \$55 - \$1,500.

- Medicaid: The primary source of supportive services funding for supportive housing units not funded by the Continuum of Care program is Medicaid. Through the Indiana Medicaid State Plan, Medicaid waivers can cover certain case management and tenancy support services to individuals who qualify for the Medicaid Rehabilitation Option. These funds are limited to qualifying households with serious mental illness, and only Community Mental Health Centers are able to provide these services. In the 2020 Indiana Medicaid Supportive Housing Services Crosswalk, CSH evaluated Indiana’s Medicaid State Plan and waivers against 44 different services to determine how well aligned our current system is to fund supportive services in housing. The report found that few supportive housing services fully align with the current State Plan.

An additional \$3,111,075.00 in combined supportive services funds have been awarded to 57 projects through the FY2021 Balance of State Continuum of Care Internal Competition.

***Identify any gaps within the current shelter and housing inventory as well as the service delivery system:***

(The data used for this gap analysis are included in Exhibit A – Needs Assessment Tables.)

**Affordable and Permanent Supportive Housing – All QP**

The greatest gap in housing inventory is the lack of affordable and permanent supportive housing. In 2021, 9,485 households experiencing homelessness or fleeing domestic violence were enrolled in the Coordinated Entry System. 5,901 (62%) of households scored an eight or higher on the needs assessment, meaning they are in need of a PSH unit. 3,328 (35%) scored in the range for rapid re-housing. In the Balance of State, 738 households (27.7%) had been homeless for a year or longer.

HMIS data indicates that the average PSH unit turns over 1.28 times annually. Using this turnover rate, the estimated number of PSH units that are available annually is 1,253. In 2021, Indiana would have needed an additional 3,630 units of PSH to accommodate every household identified through Coordinated Entry (qualifying populations 1 and 4) who needed that resource. A similar assessment for rapid re-housing shows the unmet unit need to be 92 units.

Combined data from the American Community Survey and the Comprehensive Housing Affordable Strategy show a gap of 90,865 units for Indiana renter households at the 0-30% AMI level who report having one or more severe housing problems. This gap grows to 174,285 units



for households at the 0-50% AMI level who report having one more severe housing problems (see Housing Needs Inventory and Gaps Analysis Table). Severe housing problems include incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and a cost burden greater than 50%. In a 2021 report titled “Out of Reach”, NLIHC estimates that an additional 126,952 rental units are needed to house every extremely low-income renter household in Indiana.

This gap is only expected to grow. A study by the Joint Center for Housing Studies at Harvard University which sought to examine the impact of the pandemic on rental housing stock found that “the share of landlords deferring maintenance to their properties and listing their properties for sale increased in 2020 (5 to 31 percent and 3 to 13 percent, respectively)”. The study also found that “landlords were more likely to take punitive actions against [renters of color] in the form of late rental fees, evictions, and lack of rental forgiveness.” This national study indicates that the market is experiencing a further reduction in the number of safe and affordable units available for rent. This concerning trend will continue to have a disproportionate impact on renters of color seeking safe and affordable housing.

### Supportive Services

Insufficient services funding across all types of homelessness prevention and assistance projects has been a key concern for IHCD and its program partners for several years. As a report from the Center on Budget and Policy Priorities notes, “Supportive services funding is usually cobbled together from multiple federal, state, and local grants...[and] is often restricted to specific groups.” (Dohler et al, 2016) Similarly, a 2018 study from the National Academies of Sciences, Engineering, and Medicine found that a key barrier to providing permanent supportive housing to chronically homeless individuals is that “funding streams and policy regulations...are siloed and often impose substantive restrictions on how the funds may be used. This lack of coordination creates complications for combining or blending funds from different sources and works against efforts to most efficiently use available funding.” The study furthermore found “a substantial and ongoing unmet need for PSH and a shortfall in the funding used to provide it.” During the consultation phase of the development of this plan, IHCD heard from multiple partners that while service dollars are necessary to assist clients with obtaining and maintaining housing, they are most useful when they can be used flexibly to complement existing programs and meet the varying needs of specific clients.

There are currently 536 units of supportive housing in Indiana that are funded with IHCD project-based vouchers. Since these units do not have access to CoC supportive services dollars, they are reliant on Medicaid services funding, which only covers a portion of total services costs. Using the CSH Service Budget Tool with the assumption that Medicaid will cover 30% of overall services costs, it is estimated that it would cost an additional \$5,703.50 per unit per year to provide robust supportive service to these households. This is similar to per unit service cost determined by the Indianapolis Housing to Recovery Fund of \$5,500 per unit per year. For these 536 vouchers the annual services gap is \$3,057,086. Additionally, there are supportive housing units that receive funding from other Indiana PHA’s vouchers, CoC funded units that do not

receive supportive services funding, and new supportive housing projects in development that would have similar need but are not included in the total.

As noted above, low utilization rates (40% vacancy) on the night of the Housing Inventory Count indicate a lower need for emergency shelter than other housing options.

***Identify the characteristics of housing associated with instability and an increased risk of homelessness if the PJ will include such conditions in its definition of “other populations” as established in the HOME-ARP Notice:***

N/A

***Identify priority needs for qualifying populations:***

Affordable and Permanent Supportive Housing, Supportive Services for Homelessness Prevention

The priority needs for all populations are affordable housing units and access to supportive services.

In particular, the greatest needs are:

- 1) additional affordable or supportive housing units along with rental assistance, especially for those experiencing homelessness (QP1) and those fleeing domestic violence and human trafficking (QP3); and
- 2) supportive services for all populations, especially those at risk of homelessness (QP2) and other vulnerable populations (QP4).

***Explain how the level of need and gaps in its shelter and housing inventory and service delivery systems based on the data presented in the plan were determined:***

The level of need and gaps analysis presented were determined by reviewing the 2021 Housing Inventory Counts and Point in Time Count, combined statewide Coordinated Entry data, Balance of State CoC HMIS data, American Community Survey, and Comprehensive Housing Affordability Strategy.

The housing inventory gap for permanent housing for homeless populations was determined by calculating the number of PSH and RRH units that are expected to be available in a year, and subtracting the number of households who were determined by CE to need each resource. This number was then divided by the average turnover rate for the unit type. For emergency shelter, the gap was identified by comparing the number of vacant shelter beds on the night of the PIT count to the number of unsheltered individuals on that same night. To accommodate for any geographic variation in bed availability, the utilization rate for each Balance of State region was calculated. No region was at or over 100% capacity.

The housing inventory gap for at risk populations was determined by subtracting the number of rental units affordable to households at the 0-50% AMI level from the number of renter households at the 0-50% AMI level who report having one or more severe housing problems.

The gap in service delivery was determined by identifying supportive housing units that currently do not have additional service funding beyond Medicaid, and calculating the amount per unit that Medicaid cannot cover. The estimated services cost was derived from the CSH Services Budget Tool. Services covered by Medicaid were identified in the CSH Indiana Medicaid Supportive Services Crosswalk. From this report, we estimated that Medicaid can cover 30% of supportive housing services costs.

## **HOME-ARP Activities**

***Describe the method for soliciting applications for funding and/or selecting developers, service providers, subrecipients and/or contractors and whether the PJ will administer eligible activities directly:***

IHCDA will issue Requests for Proposals (RFP) for the development of rental housing. The RFP will specify that all HOME-ARP assisted units must be reserved for qualifying populations. Proposals may serve any of the four qualifying populations; however, due to the priority need for permanent supportive housing identified in the needs assessment and gaps analysis, the RFP will preference proposals from teams who went through the Indiana Supportive Housing Institute to develop permanent supportive housing for QPs 1 and 3. IHCDA anticipates releasing at least two RFPs with this preference (to correspond with the 2022 and 2023 Institutes). Selected respondents will also be eligible to request services funding for their developments.

The Indiana Supportive Housing Institute is a 10-day training series led by IHCDA and the Corporation for Supportive Housing (CSH). Through the Institute, teams will learn best practices in supportive housing and will also receive information specific to HOME-ARP eligible activities, qualifying populations and requirements. Development teams selected to participate in the Institute must consist of, at a minimum, a housing developer, a supportive service provider, and a property management agent. Preference for the Institute will be given to qualified Community Housing Development Organizations (CHDOs).

Each proposal for the development of supportive housing coming out of the Institute must serve qualifying populations. Any of the four QPs may be served, but preference will be given to proposals that focus on the permanent supportive housing needs of those experiencing homelessness (QP1) and individuals who are fleeing domestic violence or human trafficking (QP3). The primary source of referrals for such housing will be the Coordinated Entry system. Rental housing proposals that do not qualify for the Institute preference will primarily use CE for referrals, but property managers will propose and establish alternate sources of referrals for qualifying populations that are not part of the CE system, and for times when CE does not provide sufficient applicants.

For supportive service funding, IHCDA will issue a Request for Proposals soliciting responses from owners of existing housing developments that can demonstrate a gap in supportive service needs and funding (all QPs). Projects will be selected through the competitive RFP process. A preference will be given to existing supportive housing projects. IHCDA plans to offer up to five years of service funding for these projects to promote housing stability for new and existing residents (all QPs). Respondents will be required to certify that they will not supplant existing service funding streams (such as Medicaid waivers), but rather will use HOME-ARP service funding for service costs that are not currently billable to existing programs.

Supportive service funding will also be awarded to non-profits to provide services for the EHV rental assistance program to EHV beneficiaries through an RFP process, if these non-profits demonstrate a service funding gap. Funding for EHV services is currently being provided through the Indiana Division of Mental Health and Addiction through mental health block grant funding, but IHCDA is aware that there is still a gap in service funding for EHV providers. Individuals from all four qualifying populations will be eligible to receive supportive services.

Additional services funding will be awarded to non-profit organizations who administer IHCDA's HOME-TBRA program for formerly incarcerated individuals if these non-profit organizations apply for HOME-ARP services funding to cover a demonstrated funding gap. Since there is currently no dedicated source of services funding for this program, recipients partner with various organizations and local funders to offer limited supportive services to program participants. Recipients will be required to demonstrate that services funding will not supplant or duplicate any other funding source in the project. Individuals from all four qualifying populations will be eligible to receive supportive services.

IHCDA as the PJ will not directly administer activities.

***If any portion of the PJ's HOME-ARP administrative funds were provided to a subrecipient or contractor prior to HUD's acceptance of the HOME-ARP allocation plan because the subrecipient or contractor is responsible for the administration of the PJ's entire HOME-ARP grant, identify the subrecipient or contractor and describe its role and responsibilities in administering all of the PJ's HOME-ARP program:***

PJs must indicate the amount of HOME-ARP funding that is planned for each eligible HOME-ARP activity type and demonstrate that any planned funding for nonprofit organization operating assistance, nonprofit capacity building, and administrative costs is within HOME-ARP limits. The following table may be used to meet this requirement.

## Use of HOME-ARP Funding

|  | Funding Amount       | Percent of the Grant | Statutory Limit |
|--|----------------------|----------------------|-----------------|
| Supportive Services                                    | \$ 13,200,000        |                      |                 |
| Acquisition and Development of Non-Congregate Shelters | \$ 0                 |                      |                 |
| Tenant Based Rental Assistance (TBRA)                  | \$ 0                 |                      |                 |
| Development of Affordable Rental Housing               | \$ 35,500,000        |                      |                 |
| Non-Profit Operating                                   | \$ 500,000           | 0.9 %                | 5%              |
| Non-Profit Capacity Building                           | \$ 0                 | 0 %                  | 5%              |
| Administration and Planning                            | \$ 5,328,535         | 9.8 %                | 15%             |
| <b>Total HOME ARP Allocation</b>                       | <b>\$ 54,528,535</b> |                      |                 |

### *Additional narrative, if applicable:*

n/a

### *Describe how the characteristics of the shelter and housing inventory, service delivery system, and the needs identified in the gap analysis provided a rationale for the plan to fund eligible activities:*

Funding for the development of affordable rental housing was prioritized based on the analysis which identified a gap of 3,630 units of permanent supportive housing in 2021. Partners also identified the development of affordable and permanent supportive housing as a key priority during the consultation phase. Funding for supportive services was also identified as a priority through both a gaps analysis and by partners supporting existing permanent supportive housing projects. A gaps analysis revealed that an additional \$5,703.50 per unit in services funding would be needed to provide robust services to tenants in permanent supportive housing. Funding additional tenant-based rental assistance has not been identified as a priority need at this time due to the current availability of TBRA resources at the state and local levels and a concern that the lack of housing stock will prevent additional TBRA from being utilized. Partners identified the acquisition and development of non-congregate shelter as a last priority, and the gaps analysis supported this through the identification of a surplus of shelter beds statewide.

## HOME-ARP Production Housing Goals

### *Estimate the number of affordable rental housing units for qualifying populations that the PJ will produce or support with its HOME-ARP allocation:*

Approximately 400 new units can be produced through capital funds in the development of affordable rental housing. Another 400 can receive support through the allocation of supportive services funds. There will likely be some overlap in projects receiving both capital and service dollars, so the total number will be approximately 600.

***Describe the specific affordable rental housing production goal that the PJ hopes to achieve and describe how it will address the PJ's priority needs:***

One of the five stated goals in the State of Indiana 2020-2024 Consolidated Plan is to reduce homelessness and increase housing stability for special needs populations. The last three Point-in-Time counts have shown about 80% of Indiana's homeless population are sheltered. The goal to preference HOME-ARP funds for the development of Permanent Supportive Housing (PSH) units will address this priority of reducing homelessness. Potential residents of these PSH units will come from the Coordinated Entry (CE) system. The CE system was created in partnership with the Indiana Balance of State Continuum of Care and IHCD to identify and assess the needs of persons at risk of homelessness. Utilizing this method for referral to the PSH housing will work toward our goal to increase housing stability for special needs populations.

## **Preferences**

***Identify whether the PJ intends to give preference to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project:***

- Preferences cannot violate any applicable fair housing, civil rights, and nondiscrimination requirements, including but not limited to those requirements listed in 24 CFR 5.105(a).
- PJs are not required to describe specific projects to which the preferences will apply.

Preference for HOME-ARP rental housing will be given to projects developed through the Indiana Supportive Housing Institute, which are designated as supportive housing units for QP1 and QP3 (persons experiencing homelessness, or fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, or human trafficking) as identified through Coordinated Entry. Coordinated Entry uses a standard assessment process to identify and refer the most vulnerable households for housing resources. For populations that are not included in Coordinated Entry, referrals will be made to the projects from sources relevant to the project (e.g. Indiana Department of Corrections or Community Mental Health Centers, Community-based organizations). No additional preferences will be given for rental housing projects.

HOME-ARP services funding will serve ALL qualifying populations without preference. For populations that are not included in Coordinated Entry, service funding will be matched with existing rental assistance projects that receive referrals from sources relevant to the project as described above. Sub-recipients will be responsible for maintaining waitlists and soliciting referrals from appropriate sources.

***If a preference was identified, explain how the use of a preference or method of prioritization will address the unmet need or gap in benefits and services received by individuals and families in the qualifying population or category of qualifying population, consistent with the PJ's needs assessment and gap analysis:***

The needs assessment and gaps analysis identified supportive rental housing as the greatest need for QPs 1 and 3. The preference described above will lead to the creation of additional

supportive rental units for these qualifying populations. HOME-ARP services funding will be available to these developments to ensure that they operate as supportive housing.

***If a preference was identified, describe how the PJ will use HOME-ARP funds to address the unmet needs or gaps in benefits and services of the other qualifying populations that are not included in the preference:***

The unmet needs for QPs 2 and 4 will be met through HOME-ARP by providing services funding. This is supported by the needs assessment and was a priority need identified during the consultation phase. While there is no preference for these qualifying populations, it is expected that a substantial portion of supportive services funding will be used to assist those individuals. Services funding will be paired with existing rental assistance from other programs (e.g., Emergency Housing Vouchers, Project-Based Housing Choice Vouchers, and HOME-TBRA) to ensure housing stability and affordability for the qualifying populations.

## **HOME-ARP Refinancing Guidelines**

If the PJ intends to use HOME-ARP funds to refinance existing debt secured by multifamily rental housing that is being rehabilitated with HOME-ARP funds, the PJ must state its HOME-ARP refinancing guidelines in accordance with [24 CFR 92.206\(b\)](#). The guidelines must describe the conditions under which the PJ will refinance existing debt for a HOME-ARP rental project, including:

- ***Establish a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing to demonstrate that rehabilitation of HOME-ARP rental housing is the primary eligible activity***  
N/a
- ***Require a review of management practices to demonstrate that disinvestment in the property has not occurred; that the long-term needs of the project can be met; and that the feasibility of serving qualified populations for the minimum compliance period can be demonstrated.***  
N/a
- ***State whether the new investment is being made to maintain current affordable units, create additional affordable units, or both.***  
N/a
- ***Specify the required compliance period, whether it is the minimum 15 years or longer.***  
N/a

- ***State that HOME-ARP funds cannot be used to refinance multifamily loans made or insured by any federal program, including CDBG.***

N/a

- ***Other requirements in the PJ's guidelines, if applicable:***

N/a