In order to address housing and community development issues that face its 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 a set of specific actions to address them.

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 objectives set fourth in the Consolidated Plan. In 2006, the City completed the second year of its current Consolidated Plan, which covers years 2005 through 2009.

Four federal entitlement grants make up the bulk of 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 $16 million in HUD funding through these various grant programs.

### Annual Accomplishments

All of the activities undertaken in 2006 utilize federal dollars to address the needs and priorities identified in the 2005-2009 Consolidated Plan. This Plan includes six goals and several strategies to meet each identified need and priority.

The first goal in the Consolidated Plan is to increase the availability of safe, decent, affordable housing. In 2006, the City awarded CDBG and HOME funds to acquire and rehabilitate 14 substandard units for homeownership, create 185 rental units, provide direct homeownership assistance to 97 homebuyers and assist 273 homeowners with housing repairs.

The second goal is to prevent homelessness for special needs populations and persons at-risk of homelessness. Approximately 840 people received emergency rent and utility assistance or tenant-based rental assistance in 2006. In addition, 907 people working towards self-sufficiency received supportive services such as legal counseling, child care, health care, case management and transportation assistance.

By funding youth programs that emphasize education and life skills along with adult job training programs, the City was able to fulfill the third goal, to increase educational opportunities. In 2006, 667 youth participated in youth programs funded with CDBG dollars and 766 people received job training.

CDBG funds were leveraged with private resources to work towards the fourth Consolidated Plan goal to support capital enterprise development for job creation. Six hundred and twenty people were placed in jobs earning a livable wage in 2006. Of
these, 382 retained their jobs for at least 180 days. Through the City’s tax abatement program and the development of Keystone Enterprise Park, 362 new jobs were also created. CDBG funds were also invested to provide exterior façade improvements to commercial buildings located in Indianapolis’ urban commercial districts.

To achieve the fifth goal of eliminating unsafe buildings and sites, the City used CDBG funds, local funds and State grant funds to support the Unsafe Building Program and the Indianapolis Brownfields Program. In 2006, approximately 5,081 unsafe buildings were secured, demolished or repaired and nine brownfield sites were assessed or remediated in preparation for future development.

The final goal identified in the Consolidated Plan is to combine housing opportunities with social and public services. In 2006, 30 percent of the services funded with federal dollars were connected to permanent housing and 100 percent of the housing development projects funded with 2006 grant funds were within a 10-minute walk of public transportation.

In many instances the City has either met or exceeded the goals identified in the Consolidated Plan; however, some did go unmet. The City will continue to focus efforts on each of these six areas to achieve the five-year benchmarks identified in the Consolidated Plan.

This 2006 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.
The 2005-2009 Consolidated Plan includes goals that address Indianapolis’ housing and community development needs. In addition to these five-year benchmarks, the City sets similar goals to be achieved each year in the Annual Action Plan. Table A at the end of this section summarizes these goals and strategies and illustrates the progress that has been made towards each.

### Increase the availability of safe, decent, affordable housing

The Consolidated Plan includes five strategies to increase the availability of safe, decent, affordable housing. This goal will be met by:

1. **Rehabilitating substandard units to create rental housing for persons at 0-30 percent of the median family income (MFI).** In 2006, the City invested CDBG and HOME funds to complete affordable rental units, 60 of which were developed for families earning less than 30 percent MFI. The City has met 66.5 percent of the five-year goal to create 550 rental units for its extremely low-income population.

2. **Rehabilitating substandard units to create rental housing for persons at 31-80 percent MFI.** The 2006 goal to create 22 rental units for this population was exceeded by 103 units. The City was able to complete 125 rental units for families earning between 31 and 80 percent of the median family income. Currently, the City is on track to exceed its five-year goal to create 200 rental units for this population. This benchmark will be amended in the coming year to reflect a more accurate projection.

3. **Rehabilitating substandard units to create homeownership opportunities for persons below 80 percent MFI.** The City awarded HOME funds to community development corporations to acquire, rehabilitate and sell houses to low/moderate-income homebuyers in 2006. At present, 39 percent of the City’s annual goal and 13 percent of its five-year goal has been achieved.

4. **Increasing homeownership opportunities for low-moderate income persons through down payment assistance.** Direct homeownership assistance was provided to 97 homebuyers in 2006 through the City’s investment of CDBG, HOME, and ADDI funds. In the second year of its Consolidated Plan, the City has achieved more than half (65 percent) of its five-year goal to provide down payment assistance to 200 homebuyers.

5. **Assisting with homeowner repairs.** Approximately $3.3 million was invested by the City in 2006 to provide repairs to 273 units. While the count fell slightly short of meeting its annual goal of 281 units, the City is on target to exceed the five-year Consolidated Plan goal. To date, 58.2 percent of that number has been met.

### Prevent homelessness for special needs populations and persons at risk of homelessness

In 2006, the City provided rent assistance, utility assistance and supportive services to homeless persons, senior citizens, persons with disabilities, persons with HIV/AIDS and persons at risk of homelessness. These services were funded using a combination of sources such as CDBG, ESG and HOPWA. Rent and utility assistance was provided to 841 people, which exceeded the annual goal. To date, 60 percent of the five-year goal
to provide rent and utility assistance to 2,500 people has been achieved. In addition, supportive services were provided to 907 people working towards self-sufficiency, far exceeding both the City’s annual and five-year goals.

### Increase educational opportunities

Eleven organizations were funded through the City’s summer youth program in 2006. Another six received funding for year around youth programs. Most of these programs emphasized education and included outcomes to heighten academic performance. Others focused on improving life skills, providing job training and summer employment and advocating drug abuse prevention. In 2006, 667 youth participated in such programs funded by CDBG dollars. The City has not only far exceeded its annual goal, but has achieved 21 percent of its five-year goal in this area.

In addition to increasing educational opportunities for youth, the City awarded CDBG funds to provide educational opportunities for adults through job training. In 2006, six organizations were funded to provide job training, placement and retention services to low-income persons working towards self-sufficiency. The City has achieved its annual goal to provide job training to 765 individuals. In the years 2005 and 2006 combined, 1,804 people have received job training, which exceeds the five-year goal to assist 1,000 people.

### Support capital enterprise development for job creation

Over the past five years, the City has invested CDBG and Section 108 Loan funds into the Keystone Enterprise Park (KEP) development. This project consisted of property acquisition, relocation, infrastructure improvements and site preparation for an industrial park located in the Martindale Brightwood neighborhood. In 2006, KEP businesses created nine new jobs with an average wage of $15 per hour.

With help from the City’s tax abatement program, which creates and tracks new jobs for a period of time, a total of 353 new jobs were created in 2006. Of these, 21 were located within the Indianapolis Neighborhood Revitalization Strategy Area.

The City awarded $100,000 of CDBG funds to the Local Initiative Support Corporation (LISC) to provide exterior façade improvements to 20 commercial/retail buildings located in urban commercial corridors during 2006. LISC worked with community development corporations to complete two units. Five additional units are currently underway and near completion. The LISC contract was extended through June of 2007 and it is anticipated that 20 units will completed by June 30, 2007.

### Eliminate unsafe buildings and sites

The Indianapolis Brownfields Redevelopment Program has identified over 120 properties in need of cleanup and redevelopment in Center Township alone. The targeted areas are former industrial or commercial sites where perceived or real contamination prohibits redevelopment. The Consolidated Plan indicates that the City will use CDBG funds to assess and clean up four sites per year over the next five years. These efforts contribute
to the elimination of unsafe building conditions and environmental hazards. In 2006, the Brownfields program used CDBG funds to aid nine projects.

The City also invested CDBG and local funds in the Unsafe Building program during 2006. The Marion County Health and Hospital Corporation issued orders to board, demolish, or rehabilitate vacant and unsafe structures throughout Indianapolis. A total of 5,081 units were actually addressed with 3,799 units secured by boarding; 888 were demolished and 394 units were repaired. The City exceeded the annual goal by 2,081 units and has achieved 65 percent of the five-year goal.

**Combine housing opportunities with social and public services**

The Consolidated Plan identifies two strategies to combine housing opportunities with social and public services. First, the City will fund services that are connected to permanent housing. In 2006, 30 percent of the funds allocated for service activities were connected to permanent housing or included outcomes that placed persons/families in permanent housing. Secondly, the Consolidated Plan specifies that the City will fund housing development projects that provide reasonable access to transportation. In 2006, 100 percent of the housing projects funded with HOME dollars were within a ten-minute walk of public transportation.

Table A below summarizes each of the goals and strategies mentioned above and illustrates the progress that has been made towards each. The final column of the chart represents the percentage of the five-year goal that has been met to date.

### Table A

<table>
<thead>
<tr>
<th>GOAL</th>
<th>STRATEGY</th>
<th>2006 GOAL</th>
<th>2006 ACTUAL</th>
<th>5 YEAR GOAL</th>
<th>% OF 5 YEAR GOAL MET</th>
</tr>
</thead>
</table>
| Increase the availability of safe, decent, affordable housing | • Rehab substandard units to create rental housing for persons at 0-30% MFI.  
• Rehab substandard units to create rental housing for persons at 31-80% MFI.  
• Homeownership-strategic development.  
• Rehabilitate substandard units to create homeownership opportunities.  
• Increase homeownership opportunities for low/mod income persons through down payment assistance.  
• Assist homeowners with repairs to residences. | • 63  
• 22  
• 34  
• 36  
• 16  
• 281 | • 60  
• 125  
• 17  
• 14  
• 97  
• 273 | • 550  
• 200  
• 80  
• 230  
• 260  
• 1,000 | • 66.5%  
• 93.5%  
• 21.3%  
• 12.6%  
• 65.4%  
• 58.2% |
| Prevent homelessness for special needs populations and persons at-risk of homelessness | • Provide emergency rent and utility assistance to persons with special needs and persons at risk of homelessness.  
• Provide supportive services to persons at risk of homelessness or special needs populations towards self-sufficiency. | • 500  
• 250 | • 841  
• 907 | • 2,500  
• 1,400 | • 60.3%  
• 263.1% |
In August of 2006, the City amended its *2005-2009 Consolidated Plan* to include revised goals, strategies and benchmarks. The *2007 Action Plan* includes these changes and sets forth a strategy for the City to track and report these revisions. The *2007 CAPER* will reflect the accomplishments made toward these amended goals, strategies and benchmarks.

<table>
<thead>
<tr>
<th>Increase educational opportunities</th>
<th>• Increase educational opportunities for youth.</th>
<th>• 63</th>
<th>• 667</th>
<th>• 7500</th>
<th>• 21.3%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Provide job training to low-moderate income persons.</td>
<td>• 765</td>
<td>• 766</td>
<td>• 1,000</td>
<td>• 180.4%</td>
</tr>
<tr>
<td>Support capital enterprise development for job creation</td>
<td>• Place low/moderate income persons in jobs.</td>
<td>• 584</td>
<td>• 620</td>
<td>• 500</td>
<td>• 173%</td>
</tr>
<tr>
<td></td>
<td>• For person placed in jobs, help ensure employment for at least 180 days.</td>
<td>• 337</td>
<td>• 382</td>
<td>• 200</td>
<td>• 234%</td>
</tr>
<tr>
<td></td>
<td>• Create new jobs through new development.</td>
<td>• 240</td>
<td>• 362</td>
<td>• 1,200</td>
<td>• 64.8%</td>
</tr>
<tr>
<td></td>
<td>• Improve commercial facades and signage for small business owners.</td>
<td>• 25</td>
<td>• 2</td>
<td>• 100</td>
<td>• 25%</td>
</tr>
<tr>
<td>Eliminate unsafe buildings and sites</td>
<td>• Eliminate unsafe sites that pose a threat to the environment.</td>
<td>• 4</td>
<td>• 9</td>
<td>• 20</td>
<td>• 100%</td>
</tr>
<tr>
<td></td>
<td>• Eliminate unsafe structures that pose a threat to public safety.</td>
<td>• 3,000</td>
<td>• 5,081</td>
<td>• 15,000</td>
<td>• 64.9%</td>
</tr>
<tr>
<td>Combine housing opportunities with social and public services</td>
<td>• Fund services connected to permanent housing.</td>
<td>• 50% of services will be tied to perm. housing.</td>
<td>• 50% of services tied to perm. housing.</td>
<td>• 50% of services will be tied to perm. housing.</td>
<td>• 45.2% of services tied to perm. housing.</td>
</tr>
<tr>
<td></td>
<td>• Combine housing development with access to transportation.</td>
<td>• 30% of housing projects that receive HUD funding will be within a 10 minute walk of public transportation.</td>
<td>• 100% of housing projects funded are within a 10 minute walk of public transportation.</td>
<td>• 30% of housing projects that receive HUD funding will be within a 10 minute walk of public transportation.</td>
<td>• 100% of housing projects funded are within a 10 minute walk of public transportation.</td>
</tr>
</tbody>
</table>
Public Housing Initiatives
In 2005, the Indianapolis Housing Agency (IHA) was designated as troubled by HUD. Since that time, the City has provided technical and financial assistance to IHA. In 2006, internal changes in staffing, management and financing helped IHA make significant progress toward improving its operations and getting the troubled status removed.

The City awarded $150,000 of CDBG funds to provide repairs to seven public housing units located in the Beechwood Gardens community in 2006. Prior to the City’s investment, these units were in extremely poor condition and uninhabitable. All seven units were rehabilitated in 2006 and are currently occupied by eligible public housing residents.

An investment of $1,855,163 in HOME funds has been made by the City to fund the Red Maple Grove development, formerly known as Brokenburr. Of that, $730,000 was invested in 2006. This project was awarded a HOPE VI grant and will create a combination of rental and homeownership opportunities. The project will be completed through multiple phases and will include the new construction of 165 mixed-income rental units and 52 single-family homes for low-income homebuyers.

Finally, American Dream Downpayment Initiative (ADDI) funds were awarded by the City to IHA to provide down payment assistance to very low-income homebuyers that received Section 8 assistance. IHA used $410,000 of ADDI funds to help 41 Section 8 tenants purchase their own homes in 2006. It is anticipated that another eight homebuyers will be assisted in the coming year.

Actions Taken to Affirmatively Further Fair Housing
The City of Indianapolis released the current Analysis of Impediments to Fair Housing Choice in July of 2004. This document defines fair housing, includes data analyses for Indianapolis, describes citizen input, identifies fair housing impediments and sets forth an action plan to mitigate fair housing impediments. Specifically, it identifies the following impediments to fair housing choice: racial concentration, affordable housing concentration, minorities’ access to credit, discrimination and lack of awareness about fair housing/reporting violations.

Racial Concentration
Minority and low-income populations are concentrated in Marion County’s Center Township. According to census data, white residents are the most evenly dispersed of any racial or ethnic group in Marion County, while African Americans and Hispanics are the least dispersed.

Affordable Housing Concentration
Overall, Marion County has a good supply of affordable, owner-occupied and rental housing. However, most of the county’s housing affordable to the very lowest income groups is concentrated in Center Township.
Minorities’ Access to Credit
Home mortgage lending data shows that applicants in areas with moderate and high percentages of minorities had lower loan acceptance and higher denial rates than areas with few minorities, primarily with home improvement lending.

Discrimination
Housing and community development professionals who responded to a mail survey for this report estimated that 25 to 30 percent of the city’s residents have experienced some form of discrimination. The most common reasons for discrimination include race, disability and familial status.

Lack of Awareness About Fair Housing/ Reporting Violations
Housing and community development professionals who responded to a mail survey for this report estimated that 60 to 70 percent of Indianapolis residents are unaware of how to report fair housing violations.

While impediments to fair housing do exist, there is also positive news about the state of fair housing in Indianapolis:

- City and housing authority policies do not contribute to fair housing barriers. In fact, city land use policies are largely favorable toward fair housing issues.
- Marion County has a good supply and distribution of affordable housing, especially for households earning between 50 and 80 percent of the area median family income.
- Housing discrimination based on religious preferences and gender appears to be rare.
- The City of Indianapolis has participated in a variety of initiatives to promote fair housing choice.
- There are two organizations in Indianapolis that are dedicated to mitigating fair housing impediments. They are the Marion County Center for Housing Opportunities (MCCHO) and the Indiana Civil Rights Commission.

The Analysis of Impediments includes an Action Plan to mitigate identified impediments. The following chart summarizes the action plan component:
<table>
<thead>
<tr>
<th>GOAL</th>
<th>STRATEGY</th>
<th>BENCHMARK</th>
<th>2006 Accomplishments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work towards desegregating the racial makeup of the county and deconcentrating affordable housing.</td>
<td>• The City will actively participate in MCCHO activities.</td>
<td>• Ongoing 2005-2009</td>
<td>• Although MCCHO is no longer functioning, ADDI funding was awarded to Section 8 homebuyers.</td>
</tr>
<tr>
<td></td>
<td>• All townships should have at least 15% of their total rental housing stock affordable to households earning 50% of the AMI or less.</td>
<td>• To be achieved by 2009</td>
<td>• To be achieved by 2009</td>
</tr>
<tr>
<td></td>
<td>• Ensure that the next large city sponsored affordable owner-occupied development includes minority Realtors.</td>
<td>• As projects are implemented</td>
<td>• Martindale on the Monon includes one minority realtor.</td>
</tr>
<tr>
<td>Increase the awareness of fair housing and the complaint process.</td>
<td>• Establish a central phone number to call where complainants can inquire about fair housing issues and how to file a complaint.</td>
<td>• To be achieved in 2007</td>
<td>• To be achieved in 2007</td>
</tr>
<tr>
<td></td>
<td>• Implement a City marketing plan to educate the public about fair housing and how to file complaints.</td>
<td>• To be achieved in 2007</td>
<td>• To be achieved in 2007</td>
</tr>
<tr>
<td>Work with MIBOR to implement training programs to increase awareness of fair housing issues among real estate professionals.</td>
<td>• Contribute articles to MIBOR publications on the basis of fair housing issues and the process of making fair housing complaints in Marion County.</td>
<td>• Semi-annually, beginning 2006</td>
<td>• Submitted two articles to MIBOR newsletters in 2006.</td>
</tr>
<tr>
<td></td>
<td>• Work with MIBOR to develop a flyer on fair housing issues that will be distributed by Realtors to their clients.</td>
<td>• Flyer developed in 2006</td>
<td>• Flyer was developed in 2005 (see appendix H.)</td>
</tr>
</tbody>
</table>
Establish or support an existing homeownership counseling/education program.

- Work with INHP to expand their current program or establish a new program as described in the AI.
- New program offered in 2006
- Some components of the new training program were implemented in 2006. Two classes on predatory lending were held in 2006 in conjunction with mortgage bankers. Working with INHP and Momentive to complete.

Continue the regional transportation process.

- Ensure that regional transportation planning continues to move forward.
- 2005-2007
- Transportation Planning is underway.

**Actions Taken to Eliminate Barriers to Affordable Housing**

The 2007 *Action Plan* identified the three most prevalent impediments to affordable housing in Indianapolis as: 1) the high cost associated with development of affordable housing; 2) decreased availability of affordable housing units; and 3) poor credit history for potential homebuyers. In 2006, CDBG, HOME, and American Dream Downpayment Initiative funds were used to address these issues.

To combat the obstacle of high costs associated with housing development, the City invested more than $2.8 million of federal funds to directly offset costs incurred by developers in 2006. The City also increased the subsidy amount available for funding on an individual unit basis.

The second obstacle pertaining to affordable housing was the decrease in the availability of affordable housing stock. For housing to be considered affordable, no more than 30 percent of the monthly gross income should go towards housing costs. Despite its continued classification as an affordable housing market, Indianapolis’ low/moderate income population continues to face difficulty in affordably meeting their housing needs. The City awarded over $1 million in HOME funds to provide down payment assistance and tenant based rental assistance in 2006. These funds were provided to low/moderate income persons earning less than 80 percent of the median family income.

Finally, the third obstacle identified as an affordable housing barrier, 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,) which offers an array of services to first time and low/moderate income homebuyers, including classes designed to improve credit standing.
Continuum of Care

In 2006, the Continuum of Care (CoC) process was restructured in Indianapolis. It was decided that the *Blueprint to End Homelessness* Pipeline Committee would become the official Continuum of Care Board. For the past two years, the Pipeline Committee has served as the Review Committee during the annual Continuum of Care application process. It therefore made sense for this committee to transition into its new role. While exact duties have not yet been worked out, the Board will serve a more definitive role.

The Board will have an elected Chair and Co-Chair and will consist of City staff, as well as 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, the local university school of social work and current and former homeless neighbors. A representative from the local HUD office is currently Pipeline Committee member, however, due to conflict of interest they will not sit on the Board during the annual review process. These changes mean that members will play a more active role in the Continuum of Care throughout the year rather than just at one time of year.

The City and CHIP worked throughout the year with consultants from Abt Associates to help restructure the CoC process. Changes were made so that projects submitting applications would be more inline with the City’s *Blueprint to End Homelessness*. For most homeless service providers, this was a drastic change from what had been done in the past. In keeping in line with both the *Blueprint* and HUD priorities, more emphasis was placed on projects that would create permanent supportive housing rather than focusing only on providing services. New projects applying for funding under the Continuum of Care will no longer be able to ask for supportive service dollars. These organizations will now have to look to other sources of funding for their supportive service efforts. This change will help the City increase its housing to services ratio score during the HUD review process and will bring more permanent housing units to the community as called for in the *Blueprint*.

Additional changes will take place in 2007 to strengthen the Continuum of Care and to better serve Indianapolis’ homeless neighbors.

Housing Opportunities for Persons with AIDS

To serve the housing and housing related needs of persons with HIV/AIDS and their families in 2006, the City received $751,000 in Housing Opportunities for Persons With AIDS (HOPWA) funds. The primary project sponsor for City HOPWA funds 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 better reach under-served populations, the City provided funding to Concord Center, Bridging the Gap and Bethlehem House.

The City continues to struggle with recruiting services providers from the seven other counties in its MSA. A major reason for this issue is the lesser number of HIV/AIDS clients in outlying counties. With a limited number of clients, providers cannot justify the expense of running a HOPWA program. Since most of their clients already seek
medical attention in Indianapolis, providers often refer their clients to the Damien Center for services.

**The Damien Center**

The largest HIV/AIDS service provider in Indianapolis and the surrounding MSA, the Damien Center served a total of 499 clients with services and housing in 2006. Three hundred fifty clients received short-term rent, mortgage or utility assistance from the Damien Center through the HOPWA program. Seventy nine households were received tenant based rental assistance (TBRA.)

Structured so that a family/client will transition from the HOPWA program into housing that is not subsidized through the HOPWA grant after two years, the Damien Center TBRA program has met both success and challenges. The only HOPWA service provider with funding for tenant-based rental assistance, the Damien Center strongly relies on a waiting list to best meet the needs of their clients.

When placed on the waiting list, an individual is assigned a number of one through four. Anyone given a “1” is determined to be most in need of housing while “4” would be given to a client who is currently housed but seeking different accommodations. Clients assigned a “1” or “2” are given first priority for TBRA assistance. If the housing situation changes for a client who is assigned a “3” or “4,” then they may move up on the list. However, no client in immediate need of housing is denied assistance. If the client can not be assisted through TBRA, then they are offered Short Term Rent, Mortgage, Utility Assistance (STRMU) to keep them in their housing. Because some landlords fear clients who receive government subsidies will not be good tenants, the Damien Center continues to struggle with finding landlords who are willing to assist TBRA clients. As a result, the Damien Center and other HOPWA providers continue to educate the community on this issue.

**Other HOPWA Programs**

Concord Community Center also received HOPWA funds for short-term rental assistance in 2006. With their $142,758 award, Concord continued to offer valuable services to clients impacted by HIV/AIDS on the southwest side of Indianapolis. While the center does have a specific target area, they will assist clients that do not live within their defined boundaries. When other HOPWA providers run out of STRMU funds, their clients are often referred to Concord Center for assistance. In 2006, 104 clients received STRMU payments through Concord, a number slightly down from the previous year. The small decline is reported to be the result of rising rent and utility costs and the length of time clients require assistance.

Ebenezer Baptist Church’s Bridging the Gap Program, was able to receive funding again in 2006. In the 2005 award year, capacity issues prevented the organization from receiving HOPWA funding. With technical assistance from City staff, Bridging the Gap was able to overcome those setbacks and were therefore eligible for funding. As a result, the program provided STRMU assistance to 85 clients in 2006.
Barriers

Affordable, accessible and safe housing options for HIV/AIDS clients continues to be a concern for the City, as well as maintaining the individual independence of those persons who have already established a household.

In 2006, the demand for short-term assistance was much greater than the supply of funds available. All of the city’s providers indicated that short-term assistance was expended much faster than in previous years. The current state of the country’s economy likely played a big part in the increased need for assistance, which affected each of the City’s grant programs.

HIV positive or at-risk individuals frequently face many 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, determination of HIV status and location of resources to deal with an HIV positive status. The Bridging the Gap program assists individuals by providing HIV testing, HIV/AIDS information referrals treatment and assessments for at-risk individuals.

With a more diversified network of providers receiving HOPWA funds, a larger number of HIV/AIDS positive clients were served in 2006. This enabled more individuals to find housing or remain housed, provided much needed counseling and allowed increased outreach to the Spanish-speaking population.

Administrative Oversight

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

The Human Services Team consists of the Grant Manager and a Grant Analyst. Together they share in the responsibility for the oversight for the HOPWA programs. On a daily basis they discuss projects and address any concerns that arise. All HOPWA programs are monitored annually to ensure that federal and city regulations are being met. In this process, the team conducts monitoring visits and review Quarterly Reports. If a project sponsor is struggling or needs any type of technical assistance, either team member, or both, will provide assistance. The Grant Analyst tracks and analyzes the spending patterns of project sponsors to ensure that funds are spent at a rate that will allow them enough funds to last the entire grant year. As an added support, training sessions are held each year in January to help project sponsors better understand their contractual obligations in regards to grant funds.

Emergency Shelter Grant

The Emergency Shelter Grant (ESG) program supports the family self-sufficiency goal identified in the City’s Consolidated Plan. The City was awarded $417,000 of ESG funds in 2006, 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.

- Salvation Army Social Service provided services to victims of domestic violence and families experiencing homelessness.
- Quest for Excellence’s “WINGS” program and The Julian Center provided services to homeless women and children escaping a domestic violence.
- Gennesaret Free Clinic provided respite care to homeless men while they recovered from a severe illness after being released from a hospital or institution.
- Holy Family Shelter and Dayspring Shelter are the few Indianapolis shelters that provide services to large families. Holy Family will also accept homeless couples without children, which most other Indianapolis shelters will not accept.
- Horizon House, a drop in center for homeless neighbors, allows clients to do their laundry, receive mail, meet with a case manager or take advantage of many of the other co-located supportive services.

ESG funds also provided bus tickets to shelters and missions for transportation that would enable homeless neighbors to seek employment, housing and other resources that they would otherwise have little or no access to.
Institutional Structure and Coordination

Following last year’s major reorganization efforts, no dramatic changes were made to the City’s institutional structure in 2006. In the previous year, the Division of Community Development was merged with the Division of Economic Development to create the Division of Community Economic Development. The benefits of these changes continue to be seen through improved coordination and cohesion between the two divisions and the development of more effective public-private partnerships.

Monitoring
Each year, City staff performs at least one monitoring visit for organizations that receive federal funding (CDBG, HOME, ESG and HOPWA.) A mechanism to help ensure that project sponsors are operating their program within the guidelines of both federal and city grant management policies and procedures, the annual monitoring process also allows the staff an opportunity to become better aware of current program status. Through interviews with the organization’s executive director and interacting with program staff, City staff can gauge whether or not a project will be able to meet established production goals. In addition to the required annual monitoring visit, each federal grant team also conducted supplementary visits to provide needed technical assistance.

City staff has worked hard to coordinate monitoring visits for project sponsors who receive grants from multiple funding sources. By working together, the City has minimized the intrusiveness of monitoring visits and has been able to save the time of both the project sponsor and City staff.

Additionally, according to HOME regulation, HOME funded rental developments must remain within tenant income qualifications and property standards during a specified period of time. In 2006, 33 projects, totaling 205 HOME-assisted units were physically inspected to insure that property standards were maintained. Furthermore, 10 rental projects consisting of 313 total HOME-assisted units were visited to conduct on-site tenant file review. Of those 313 units, approximately 15-20 percent of the tenant project files were reviewed and analyzed. Finally, 34 total projects representing 1,030 HOME-assisted units underwent annual recertification of tenant income and occupancy.

Additional Training
In 2006, the HOME program announced the upcoming adoption of the Recapture policy for units sold relating to homeownership programs set for 2007. During the year, an outside consultant provided a workshop to educate both City staff and project sponsors on the new requirements regarding the policy. To further prepare, City staff conducted multiple supplemental trainings.

Quarterly Meetings
In an effort to strengthen the partnership between the City and area community development corporations (CDCs), quarterly update meetings continued during 2006. These meetings provided an opportunity for CDC executive directors to meet with City
leadership to discuss current neighborhood development projects and potential areas in which communication and joint efforts can be improved.

Continuum of Care
The Continuum of Care (CoC) process was restructured in Indianapolis during 2006. It was decided that the Blueprint to End Homelessness Pipeline Committee would become the official Continuum of Care Board. Serving for the past two years as the Review Committee during the annual Continuum of Care application process, it made sense to transition this body into its current role. The Board will have an elected Chair and Co-Chair and consist of staff from the City of Indianapolis, 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, schools of social work and current and former homeless neighbors. A representative from the local HUD office is currently a Pipeline Committee member, however, due to conflict of interest they will not sit on the Board during the annual review process. It is anticipated that this group will play a more active role in the Continuum of Care throughout the year rather than just at review time. While exact duties have not yet been worked out, the Board will serve a more definitive role in the overall process.

The City and CHIP worked throughout the year with consultants from Abt Associates to help restructure the CoC process. Changes were made so that projects submitting applications would be more in line with the City’s Blueprint to End Homelessness. For most of homeless service providers, this was a drastic change from what had been done in the past. In keeping with the priorities outlined by the Blueprint and HUD, more emphasis was placed on projects that would provide permanent supportive housing rather than only services. New projects interested in applying for funding under the Continuum of Care will not be able to ask for supportive service dollars. Organizations will now have to look to other sources of funding to meet their supportive service needs. This change will help the City increase their housing to services ratio score during the HUD review process and bring more permanent housing units to the community, as is called for in the Blueprint.

Additional changes will take place in 2007 to strengthen the City’s Continuum of Care and to better serve Indianapolis’ homeless neighbors.
In 2006, the Marion County Health Department (MCHD) continued to work on its lead hazard reduction program, with the City acting as a partner. Starting in 2006, the MCHD will receive approximately $3 million in Lead Hazard Control Grant funds for the next 3 years. This continues the strong efforts that have already taken place to protect thousands of Indianapolis children from lead based paint hazards associated with housing. The focus continues to be low-income rental housing, which produces the most cases of the city’s childhood lead poisoning cases, as well as single family units where lead poisonings have previously occurred, in some cases multiple times.

Since it was determined that the majority of Marion County lead poisonings in children resulted from rental housing problems, the focus of lead hazard prevention efforts has shifted towards large, multi-family housing units in low-income areas. Working through the Community Action of Greater Indianapolis’ Weatherization Program and local community development corporations, the City and the MCHD were able to aggressively address the problems of lead hazards in low income housing.

In 2006, MCHD provided 250 inspections in pre-1978 low-income housing units. They also removed lead-based paint hazards from 120 units of affordable housing.
In fiscal year 2006, the City of Indianapolis partnered with numerous community organizations to fund affordable housing, homelessness prevention efforts and supportive service projects. As a funding agency, the City tries to fill funding “gaps” in the projects of applicants rather than provide the majority of financial support. This policy has allowed the City to maximize the amount of housing and services provided through grant dollars received from the U.S. Department of Housing and Urban Development (HUD.).

The City was able to exceed its 2006 HOME match liability by approximately $5.6 million. This match comes from a combination of 2005 excess match and other resources contributed to 2006 HOME projects. As indicated in the HOME Match Report in Appendix H, approximately $4.5 million of 2006 matching funds came from rental housing tax credits, city bond funds, Federal Home Loan Bank, Lilly Endowment, Local Initiative Support Corporation, community impact grants and other smaller sources.

The United Way of Central Indiana administers Federal Emergency Management Agency (FEMA) funds from the federal government. These dollars, along with those from the State of Indiana Emergency Shelter Grant, are leveraged against the City’s Emergency Shelter Grant (ESG) to provide meals, other food needs, rent or mortgage assistance and utility payment assistance to emergency housing organizations. By blending funding, homeless service providers are better able to meet the needs of their clients while also offering a variety of essential services.

The City also matches Community Development Block Grant (CDBG) dollars with community partners to enrich the lives of young people. Programs sponsored by organizations like the Indianapolis Foundation, the Lilly Endowment, the Annie E. Casey Fund, the Clowes Fund, the Chrystal DeHann Fund and the Nina Mason Pulliam Charitable Trust, provide summer activities to youth up to age 18 that includes employment training and educational programs.

While these partnerships are significant, the City’s fiscal partners include more than those mentioned above. Many project sponsors utilize funds from other organizations, including their own, to sustain their programs. The chart on the following page shows the amount of funding from other sources used in collaboration with City grants to realize the goals named in the 2006-2009 Consolidated Plan.
Increase the Availability of safe, decent, affordable housing

Prevent homelessness for special needs populations and persons at-risk of homelessness

Support Capital & Enterprise Development

Eliminate Unsafe Buildings & Sites

2006 Leveraging Sources

- Entitlement
- City Dollars
- Project Sponsor
- Other Federal
- Private Grants
- Other Funds

19
Neighborhood Revitalization Strategy Area

The City of Indianapolis, with HUD's approval, formed a Neighborhood Revitalization Strategy Area (NRSA) in 1996. In August of 2006, the City amended its Consolidated Plan to expand the NRSA and identify specific goals and benchmarks to address the needs in this area (see maps in Appendix F.

This area was chosen by selecting qualified census tracts that meet a defined set of criteria established by HUD. The purpose of this designation is to marshal resources to facilitate the City's ability to engage in comprehensive community revitalization. The series of tables below identify goals and benchmarks achieved in 2006 within the NRSA.

<table>
<thead>
<tr>
<th>Strategy</th>
<th>2006 Achieved</th>
<th>5-Year Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rehabilitate substandard units to create rental housing for persons at 0-30% MFI.</td>
<td>53</td>
<td>110</td>
</tr>
<tr>
<td>Rehabilitate substandard units to create rental housing for persons at 31-80% MFI.</td>
<td>76</td>
<td>40</td>
</tr>
<tr>
<td>Rehabilitate substandard units to create homeownership opportunities.</td>
<td>11</td>
<td>46</td>
</tr>
<tr>
<td>Construct new homes as part of a strategic comprehensive development plan to create homeownership opportunities for persons below 80% MFI.</td>
<td>4</td>
<td>16</td>
</tr>
<tr>
<td>Increase homeownership opportunities for low-moderate income persons through down-payment assistance.</td>
<td>33</td>
<td>52</td>
</tr>
<tr>
<td>Assist homeowners with repairs to residences.</td>
<td>125</td>
<td>200</td>
</tr>
</tbody>
</table>
Economic Development Goals:

Increase educational opportunities;
Support capital enterprise development for job creation.

<table>
<thead>
<tr>
<th>Strategy</th>
<th>2006 Achieved</th>
<th>5-Year Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide job training to low-moderate income persons.</td>
<td>273</td>
<td>200</td>
</tr>
<tr>
<td>Place low-moderate income persons in jobs.</td>
<td>126</td>
<td>100</td>
</tr>
<tr>
<td>For persons placed in jobs, help ensure employment for at least 180 days.</td>
<td>3</td>
<td>40</td>
</tr>
<tr>
<td>Create new jobs through new development.</td>
<td>30</td>
<td>240</td>
</tr>
<tr>
<td>Improve commercial facades and signage for small business owners.</td>
<td>2</td>
<td>20</td>
</tr>
</tbody>
</table>

Both of these goals will help residents of the NRSA overcome obstacles which prevent them from achieving self sufficiency. Over the course of five years, the City will increase the number of homeowners, reduce the number of vacant structures, increase the number of jobs and reduce the number of unemployed residents within the NRSA area. While these goals focus on this specific area of distress, the City is utilizing the same goals to address similar needs for the entire county.

In 2007, the City will review the five-year goals and amend them to reflect some of the achievements made in 2006. For example, the City exceeded five-year benchmarks for the following strategies: rehabilitate rental units for persons between 31 and 80 percent MFI, homeowner repair, job training and job placement.
The City of Indianapolis’ Consolidated Plan identifies two specific areas for directing the course of CDBG activities: housing and community development. Within these two areas, five goals were established in the 2005-2009 Consolidated Plan.

Increase the Availability of Safe, Decent, Affordable Housing

The first goal of the 2005-2009 Consolidated Plan is to promote safe, decent, affordable housing for those families earning less than 80 percent MFI. To achieve this goal, four specific strategies were funded with CDBG dollars:

<table>
<thead>
<tr>
<th>Strategy</th>
<th>2006 Goal</th>
<th>2006 Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rehabilitate substandard units to create rental housing for persons at 0-30% MFI.</td>
<td>63</td>
<td>3</td>
</tr>
<tr>
<td>Rehabilitate substandard units to create rental housing for persons at 31-80% MFI.</td>
<td>22</td>
<td>6</td>
</tr>
<tr>
<td>Increase homeownership opportunities for low-moderate income persons through down-payment assistance.</td>
<td>16</td>
<td>3</td>
</tr>
<tr>
<td>Assist homeowners with repairs to residences.</td>
<td>281</td>
<td>273</td>
</tr>
<tr>
<td><strong>Total Units</strong></td>
<td><strong>367</strong></td>
<td><strong>285</strong></td>
</tr>
</tbody>
</table>

In 2006, West Indianapolis Community Development Corporation again partnered with Group Works Foundation to provide repairs to rental housing for people below 80 percent MFI. A total of nine homes received minor repairs such as painting, carpentry, and plumbing. A certified contractor was on-site to supervise all the work and ensure that all codes were followed. CDBG funds were used for half of the supply cost and to ensure that contractors followed lead-safe work practices in issues concerning lead-based paint hazards.

As part of its efforts to increase homeownership opportunities for low/moderate income persons, the City assisted three homebuyers with down payment assistance through CDBG in the Martindale on the Monon project. Designed after the successful Fall Creek Place development, this project combines CDBG and HOME funding to stabilize and improve an area that has experienced years of economic disinvestment through increased homeownership opportunities. The leading entities in Martindale on the Monon are Martindale Brightwood CDC and Development Concepts, Inc. Participating partners include the City of Indianapolis, Citizens Coke and Utility, Indiana Housing Finance Authority, Keep Indianapolis Beautiful and National City Bank.
As part of the larger allocation of CDBG funding, seventeen grants were awarded for homeowner repair of owner-occupied units. A major component of building stronger neighborhoods and preserving homeownership is the repair and maintenance of homes in economically challenged neighborhoods. In 2006, community development corporations and Community Action of Greater Indianapolis utilized CDBG funding to repair 273 owner-occupied units.

### Prevent Homelessness

The second goal of the 2005-2009 Consolidated Plan is to minimize the number of people who experience homelessness in Indianapolis. On average, 3,500 people are without basic shelter in the city on any given day.

ESG and HOWPA funds are utilized to provide emergency rent and utility assistance to persons with special needs and those at risk of homelessness. The City utilizes CDBG funding to provide supportive services to those at risk of homelessness and to special needs populations to improve their self-sufficiency. In 2006, CDBG grant funds helped provide such services to 907 individuals, far exceeding the goal of 250 set in the annual plan.

### Increase Educational Opportunities

Youth services and job training/placement were two top priorities identified through citizen input and the City’s consultation process.

<table>
<thead>
<tr>
<th>Strategy</th>
<th>2006 Goal</th>
<th>2006 Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase educational opportunities for youth</td>
<td>63</td>
<td>667</td>
</tr>
<tr>
<td>Provide job training to low-moderate income persons</td>
<td>765</td>
<td>766</td>
</tr>
</tbody>
</table>

Indianapolis allocated $100,000 to provide educational opportunities to at-risk youth through the Summer Youth Program Fund, a unified funding partnership between the City and other philanthropic organizations in Indianapolis. In addition, CDBG funds were awarded to six year round youth programs to provide educational, job readiness, summer employment and drug prevention programs. All told, CDBG-funded programs reached 667 children in 2006.

In addition, the City awarded $621,000 in CDBG funds to projects that provided job training and placement to low to moderate-income individuals. As a result, six project sponsors assisted 766 persons with job training and job placement assistance.

### Support Capital Enterprise Development for Job Creation

Neighborhoods cannot be built and families become self-sufficient, without a flourishing economy to sustain them. Nor can the jobs be simply minimum-wage; minimum wage jobs do not promote self-sufficiency, nor can businesses grow if families are only barely making ends meet. To successfully promote both, CDBG funds were used to improve
commercial facades, encourage facility renovation and promote job creation as part of the City’s overall strategy for capital enterprise development.

<table>
<thead>
<tr>
<th>Strategy</th>
<th>2006 Goal</th>
<th>2006 Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Place low-moderate income persons in jobs.</td>
<td>584</td>
<td>620</td>
</tr>
<tr>
<td>For those placed in jobs, help ensure employment for at least 180 days.</td>
<td>337</td>
<td>382</td>
</tr>
<tr>
<td>Create new jobs through new development.</td>
<td>240</td>
<td>9</td>
</tr>
<tr>
<td>Improve commercial facades and signage for small business owners.</td>
<td>20</td>
<td>2</td>
</tr>
</tbody>
</table>

Nine new jobs were also created in the Keystone Enterprise Park (KEP) in 2006. An industrial park in the Martindale Brightwood neighborhood, KEP was developed with the use of CDBG and Section 108 Loan funds.

The City also awarded $100,000 of CDBG funds to the Local Initiative Support Corporation (LISC) in 2006 to provide exterior façade improvements to 20 commercial/retail buildings located in urban commercial corridors. LISC worked with community development corporations to complete two units during the year. Five additional units are underway and near completion. While this contract was extended through June of 2007, and it is anticipated that LISC and its partner organizations will have successfully completed each of the 20 units by June 30, 2007.

Six grants were also awarded for employment services, with the goal of achieving successful job placement for clients and a 180-day retention benchmark. Through their efforts, 620 persons were placed in positions and of that number, 382 were able to retain those jobs for at least 180 days - both numbers exceeded the annual goals set for 2006.

### Eliminate Unsafe Buildings and Sites

The City of Indianapolis invested $1.8 million in CDBG funds to address unsafe buildings in 2006. As a result, the City was able to board 2,263 vacant and unsafe structures and demolish 398. Also as part of the program, non-compliant property owners were required to board 1,536 structures, demolish 394 and repair 490. By working in cooperation with the Marion County Health and Hospital Corporation and property owners, the City was able to address 4,655 buildings.

<table>
<thead>
<tr>
<th>Strategy</th>
<th>2005 Goal</th>
<th>2005 Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eliminate unsafe sites that pose a threat to the environment.</td>
<td>4</td>
<td>9</td>
</tr>
<tr>
<td>Eliminate unsafe structures that pose a threat to public safety.</td>
<td>3000</td>
<td>5,081</td>
</tr>
</tbody>
</table>

Continuing a policy that began in 2004, the City included the cost of demolitions and boarding on property tax assessments to increase the number of owners who pay for the cost of such activities. Given the success of the past two years, the City will continue with this policy in an effort to make the Unsafe Buildings Program self-sustaining.
The Indianapolis’ Brownfields Redevelopment Program has identified over 120 properties in need of cleanup and redevelopment in Center Township alone. Areas targeted are former industrial or commercial sites where perceived or real contamination prohibits redevelopment. The program has planned to utilize CDBG funding to assess and clean up a minimum of four sites per year over the next five years. These efforts will contribute to the elimination of unsafe building conditions and environmental hazards. With the use of CDBG funds, a total of nine projects were assisted through the program in 2006.

Relationship of CDBG Funds to the Annual Action Plan

The City is required to submit an Annual Action Plan to HUD that details the actions that will be undertaken 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 2006 Annual Action Plan. Changes meeting the definition of a substantial amendment were included when this document was amended in August of 2006. Additional dollars available from prior year carry over, or funds from projects that did not move forward were reallocated to others that requested funding. The chart on the next page illustrates these changes made and offers an explanation for those adjustments.
<table>
<thead>
<tr>
<th>Organization</th>
<th>Project</th>
<th>Original Budget</th>
<th>Revised Budget</th>
<th>Change</th>
<th>Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>BOS Community Development Corporation</td>
<td>Preserve Homeownership</td>
<td>$285,000</td>
<td>$405,000</td>
<td>$120,000</td>
<td>Awarded 10 additional home repair units.</td>
</tr>
<tr>
<td>Near North Community Development Corporation</td>
<td>Preserve Homeownership</td>
<td>$135,000</td>
<td>$225,000</td>
<td>$90,000</td>
<td>Awarded 6 additional home repair units.</td>
</tr>
<tr>
<td>Riley Community Development Corporation</td>
<td>Preserve Homeownership</td>
<td>$200,000</td>
<td>$220,000</td>
<td>$20,000</td>
<td>Awarded 2 additional home repair units.</td>
</tr>
<tr>
<td>Southeast Community Development Corporation</td>
<td>Preserve Homeownership</td>
<td>$224,000</td>
<td>$374,000</td>
<td>$150,000</td>
<td>Awarded 13 additional home repair units.</td>
</tr>
<tr>
<td>United Northwest Area Development Corporation</td>
<td>Preserve Homeownership</td>
<td>$549,000</td>
<td>$399,000</td>
<td>$150,000</td>
<td>Awarded 13 additional home repair units.</td>
</tr>
<tr>
<td>West Indianapolis Development Corporation</td>
<td>Preserve Homeownership</td>
<td>$105,000</td>
<td>$185,000</td>
<td>$80,000</td>
<td>Awarded 2 additional units.</td>
</tr>
<tr>
<td>Damar Services Inc.</td>
<td>Rental Rehabilitation 0-30% MFI</td>
<td>$175,000</td>
<td>$16,000</td>
<td>-$159,000</td>
<td>Reduced award amount to reflect eligible expenditure.</td>
</tr>
<tr>
<td>Mapleton Fall Creek Development Corporation</td>
<td>Neighborhood Engagement and Planning</td>
<td>$0</td>
<td>$5,000</td>
<td>$5,000</td>
<td>Dollars leveraged with other sources to complete process.</td>
</tr>
<tr>
<td>The Community Builders, Inc.</td>
<td>Reconstruction</td>
<td>$0</td>
<td>$958,915</td>
<td>$958,915</td>
<td>Loan provided to cover time gap for tax credits.</td>
</tr>
</tbody>
</table>
The 2005-2009 Consolidated Plan identified three housing priorities for the City of Indianapolis: 1) Preservation of Homeownership; 2) Increased Affordable Homeownership; and 3) Increased Supply of Affordable Rental Housing. In 2006, HOME funds were used to provide closing costs and down payment assistance throughout Marion County, create new construction and rehabilitate existing affordable housing and increase the availability and quality of affordable rental housing throughout the community.

The City allocated approximately $1,752,583 million of HOME funds for the construction and rehabilitation of six affordable rental housing projects in 2006. Of these, three were supported by Rental Housing Tax Credits (RHTC.) Of the 185 units of affordable rental housing created through HOME funds in 2006, 60 were occupied by households at or below 30 percent of the area median family income.

Additionally, the following Marion County developments received an allocation of Rental Housing Tax Credits from the Indiana Housing and Community Development Authority (IHCDA) to either construct or rehabilitate affordable rental housing in the Indianapolis area.

<table>
<thead>
<tr>
<th>Development</th>
<th>Total Units</th>
<th>% of Units Dedicated to Households at or below 50% AMI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valley Forge</td>
<td>140</td>
<td>84%</td>
</tr>
<tr>
<td>Boner Center</td>
<td>24</td>
<td>100%</td>
</tr>
<tr>
<td>MLK Homes II</td>
<td>35</td>
<td>88%</td>
</tr>
<tr>
<td>Amber Woods</td>
<td>125</td>
<td>83%</td>
</tr>
<tr>
<td>New Parkwoods</td>
<td>64</td>
<td>84%</td>
</tr>
</tbody>
</table>

Homeownership

Approximately $1.6 million of HOME funds were awarded to provide 128 homeownership opportunities in 2006. Activities included homebuyer assistance in the form of down payment and closing costs, development costs for new construction and the rehabilitation of existing units for sale.

HOME funds were awarded to community development corporations to acquire and rehabilitate or reconstruct 14 units that were sold to persons earning less than 80 of the area median family income. Also, 17 new units were constructed for additional affordable homeownership opportunities.

A total of 97 families at or below 80 percent of the area median family income were assisted through down payment and closing cost assistance, grants, loans and homeownership training in 2006. 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.
Affirmative Marketing

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.

Each year, project sponsors are given a copy of the Grant Management Policies and Procedures, which includes examples of how to meet affirmative marketing goals, as well as other federal regulations required by HOME. Several of the 2006 contracts complied and fell within the affirmative marketing threshold and staff worked to ensure that project sponsors were using affirmative marketing strategy. As a federal regulation requirement, the subject of affirmative marketing will continue to be closely monitored.

As part of its annual monitoring visit, City staff determined if projects were in compliance with the affirmative marketing requirements by requesting copies of housing advertisements or marketing material from project sponsors. 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 HOME-assisted units exceeds five.

Inspections

The City had a total of 55 completed HOME-assisted rental projects in its inventory. in 2006. During 2006, 33 projects with 205 HOME-assisted units were physically inspected for Property Standards compliance. Annual Recertification of tenant income and occupancy from 35 projects were received and reviewed. On-site tenant file reviews were conducted at 23 projects, representing 571 HOME-assisted units.

Minority Outreach

The City encourages that efforts are made to utilize minority and women-owned businesses in all affordable housing activity contracts. This minority outreach program ensures the inclusion, to the maximum extent possible, of woman and minority owned businesses. The following chart depicts the contract and subcontract amounts awarded to minority (MBE) and women business enterprises (WBE) in 2006.
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.

In 2005, a task force was formed with staff from the City, the Indiana Association for Community Economic Development and the local Community Development Corporation to explore new ways to further expand opportunities for minority and women-owned businesses in the bidding process. The team developed a new procedure to increase the percentage of contracts awarded to minority and women-owned businesses. The following steps were implemented in early 2006:

- Better dissemination of information to City partners regarding the process of placement on the City of Indianapolis - Department of Administration MBE/WBE list of certified entities.
- On each and every procurement action, the project sponsor will send the bid to the City of Indianapolis through the Department of Administration, who will send this bid out to eligible MBE/WBE firms.
- The City staff will include with the request for bid, the appropriate information on when and to whom the bid is due.

The goal of this process is to increase the participation of MBE/WBE firms on federally funded developments and provide training for contractors involved in the bidding process.

In addition to the above, 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 new 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.

**Tenant-Based Rental Assistance**

The 2005-2009 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
2001, the City of Indianapolis entered into an agreement with the Coalition for Homelessness Intervention and Prevention (CHIP) to provide $500,000 for Tenant Based Rental Assistance (TBRA) to families at or below 30 percent MFI.

CHIP administers the program and distributes funds to Contracting Agencies (CAs) who write rent checks and provide a range of support services. With this program, low-income households on the verge of homelessness (0-30 percent MFI) 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. This 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, childcare and mentoring programs. Program participants must comply with all aspects of the plan in order to continue receiving TBRA assistance.

CHIP has identified the two primary barriers to running the program as 1) finding suitable families to participate; and 2) a lack of time by CA staff to process applications due to excessive paperwork requirements. CHIP has also stated that the level of case management that is available from the CAs differs greatly, which can also have a direct impact on the success or failure rates of clients.

However, there are many instances of success, with participants able to save money, reduce debt, enroll in classes, improve their employment status, regain custody of minor children, move to safer areas, receive treatment for mental illness addictions and reduce other barriers to housing stability. In these instances, case managers saw the positive impact made by the rental assistance program with supportive services.

During 2006, a second allocation HOME funds was made to Gennesaret Free Clinic in the amount of $48,600 to provide rental assistance to 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 helped provide transitional housing for six clients while also offering the health services vital to their success in the program.
Each year, the City reviews its accomplishments to not only to recognize the work that has been done, but to plan improvements for the upcoming year. Below are some of the specific milestones the City has reached in its community development efforts during 2006.

**Creation of Additional Technical Assistance Opportunities**
The Division of Community Resources, Community Resources Section provided several hands on technical training and assistance to participating project sponsors during 2006, laying the groundwork for the implementation of new Policies and Procedures guidelines for 2007.

**Evaluation of Grant Programs Status /Assessment of Major Goals**
All major goals regarding the expansion of safe, decent, and affordable housing are currently on schedule, with the exception of activities designed to create homeownership units through new construction or acquisition/rehabilitation. A number of variables ranging from high construction costs to a national decline in home sales has contributed to this shortfall. It is also possible that policy change undertaken in early 2006 played a role. Project sponsors were given an additional year to complete their contracts, possibly delaying efforts to maintain a two year schedule of completion. It is believed that as project sponsors seek to meet their contract requirements during 2007, activity will increase.

Although construction and acquisition/rehabilitation numbers are below projected targets, the City has been able to use other funding sources to promote homeownership. During 2006, the City, in partnership with the Indianapolis Neighborhood Housing Partnership, the Indiana Housing Agency and specific community development corporations, invested more than $800,000 of HOME and CDBG funds to provide down payment assistance to 97 homebuyers. After just the second year of its five-year plan, the City is close to reaching its five-year goal to provide down payment assistance to 200 low/moderate income persons.

In addition to homeownership, the City has made considerable progress in providing affordable rental opportunities to qualifying households. BR Indy’s development of Red Maple Grove is currently on track to provide increased rental housing opportunities on the near East side of Indianapolis. Although still two years away from completion, some 40 units have been completed and filled in phase two of the project. Units at Partners in Housing’s Gladstone Apartments have also begun to fill with low/moderate income renters after completion of the project in late 2006. The first phases of The Villages at Mill’s Crossing project were completed and nearly 88 units have been rented to low-moderate income renters.

**Reporting Changes**
The City has made several major inroads in streamlining and revamping reporting requirements for its federal grant programs. Specifically, the City’s Online Quarterly Reporting System was upgraded to allow more thorough reporting on minority and women business organizations contracted in federally funded projects. In an effort to provide more consistency with HOME funded activities, several guides and universal documents have been created for use by participating project sponsors.