



2016 CAPER CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT

Submitted: June 14, 2017
by
City of Anderson, Indiana
Community Development Department
Thomas Broderick Jr., Mayor

First Program Year
Caper
Period Beginning
April 1, 2016 through
March 31, 2017

In compliance with HUD
grantee regulations for
public comment and HUD
approval.

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Executive Summary

As a recipient of federal entitlement grant funds from the U.S. Department of Housing and Urban Development (HUD), the City of Anderson, Indiana is required to submit a Consolidated Annual Performance and Evaluation Report (CAPER). The 2016 CAPER reports on the progress in achieving priorities and goals outlined in the second year of the 2015-2019 Consolidated Plan. The Consolidated Plan is a five-year strategic planning guide that identifies the City's affordable housing and community development needs, and each Annual Action Plan describes planned projects and activities and how funds will be used for a given year of the Consolidated Plan.

The City of Anderson was awarded the following grant amounts for PY2016:

- Community Development Block Grant (CDBG) – \$828,637
- HOME Investment Partnership Program (HOME) – \$261,275

This document is a summary of the City of Anderson Consolidated Annual Performance and Evaluation Report (CAPER) for the period April 1, 2016—March 31, 2017. The CAPER reports the use of federal housing and community development funds and local funds spent to benefit low- and moderate-income residents. The CAPER is also an assessment of how the City of Anderson met other HUD requirements such as affirmatively furthering fair housing, reducing barriers to affordable housing, improvements to institutional structures, the progress of the Continuum of Care for the homeless; monitoring, compliance, and citizen participation requirements.

Included in the CAPER are the number and demographics of the persons served during the plan year. The federal Department of Housing & Urban Development (HUD) requires that entitlement communities submit this report every year after making a draft version available in a 15-day public comment period.

The draft CAPER was available for public review and comment from June 14th through June 29th, 2017.

CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

The objectives identified in the 2nd year Action Plan of the 2015-2019 Consolidated Plan were actions designed to expand and preserve affordable housing, revitalize low and moderate income neighborhoods, provide activities and recreational opportunities for youth, implement services for seniors and provide assistance to area homeless shelters along with promoting fair housing choices. The City's goals determined the allocation of funding and priorities during the 2016 Action Plan. The goals included:

Expand housing, and safe living environments • Invest strategically in neighborhoods • Assist special needs populations, youth, and senior citizens • Assist public service agencies • Invest strategically in public facilities, infrastructure, and improvements

Performance outcomes from these objectives resulted in increased affordable housing units through rehab, access to services, activities for youth, and homeowner support assistance. Federal entitlement funds were used to provide continued improvements to targeted neighborhoods through investment such as community development, public infrastructure improvements, and cleanup efforts. In addition, the 2016 Action Plan provided increased funding efforts for targeted minor repair programs, or repairs deemed an emergency for seniors and disabled residents. The plan also provided for community and supportive services for the homeless and those with special needs.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

| Goal | Category | Source / Amount | Indicator | Unit of Measure | Expected – Strategic Plan | Actual – Strategic Plan | Percent Complete | Expected – Program Year | Actual – Program Year | Percent Complete |
|--|-----------------------------------|---------------------|--|------------------------|---------------------------|-------------------------|------------------|-------------------------|-----------------------|------------------|
| Create Transitional Housing Units | Affordable Housing Homeless | CDBG: \$ | Housing for Homeless added | Household Housing Unit | 5 | 1 | 20.00% | 1 | 1 | 100% |
| Emergency Family Housing | Homeless | CDBG: \$ | Housing for Homeless added | Household Housing Unit | 3 | 0 | 0.00% | | | |
| Increase Homeownership Opportunities | Affordable Housing | HOME: \$ | Homeowner Housing Added | Household Housing Unit | 5 | 9 | 180.00% | 7 | 9 | 129% |
| Increase Homeownership Opportunities | Affordable Housing | HOME: \$ | Homeowner Housing Rehabilitated | Household Housing Unit | 5 | 19 | 380.00% | 20 | 19 | 95.00% |
| Increase quality rental housing | Affordable Housing Public Housing | CDBG: \$ / HOME: \$ | Rental units rehabilitated | Household Housing Unit | 25 | 41 | 164.00% | 10 | 41 | 410% |
| Increase quality rental housing | Affordable Housing Public Housing | CDBG: \$ / HOME: \$ | Tenant-based rental assistance / Rapid Rehousing | Households Assisted | 30 | 0 | 0.00% | 10 | 0 | 0.00% |
| Increase the number of qualified employees | Non-Housing Community Development | CDBG: \$ | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 150 | 0 | 0.00% | | | |

| | | | | | | | | | | |
|-----------------------------|--|---|---|------------------------|------|-------|-----------|-----|-------|-----------|
| Neighborhood Revitalization | Affordable Housing Non-Housing Community Development | CDBG: \$ / HOME: \$ / Indiana Housing & Community Development Authority: \$ | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 1000 | 16915 | 1,691.50% | 500 | 16915 | 3,383.00% |
| Neighborhood Revitalization | Affordable Housing Non-Housing Community Development | CDBG: \$ / HOME: \$ / Indiana Housing & Community Development Authority: \$ | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 500 | 21318 | 4,263.60% | 500 | 21318 | 4,263.60% |
| Neighborhood Revitalization | Affordable Housing Non-Housing Community Development | CDBG: \$ / HOME: \$ / Indiana Housing & Community Development Authority: \$ | Rental units rehabilitated | Household Housing Unit | 25 | 10 | 40.00% | 10 | 10 | 100.00% |
| Neighborhood Revitalization | Affordable Housing Non-Housing Community Development | CDBG: \$ / HOME: \$ / Indiana Housing & Community Development Authority: \$ | Homeowner Housing Rehabilitated | Household Housing Unit | 25 | 20 | 80.00% | 20 | 19 | 95.00% |
| Neighborhood Revitalization | Affordable Housing Non-Housing Community Development | CDBG: \$ / HOME: \$ / Indiana Housing & Community Development Authority: \$ | Direct Financial Assistance to Homebuyers | Households Assisted | 30 | 9 | 30.00% | 7 | 9 | 129% |

| | | | | | | | | | | |
|-----------------------------|--|---|--|---------------------|-----|-----|--------|-----|-----|---------|
| Neighborhood Revitalization | Affordable Housing Non-Housing Community Development | CDBG: \$ / HOME: \$ / Indiana Housing & Community Development Authority: \$ | Tenant-based rental assistance / Rapid Rehousing | Households Assisted | 20 | 0 | 0.00% | 10 | 0 | 0% |
| Neighborhood Revitalization | Affordable Housing Non-Housing Community Development | CDBG: \$ / HOME: \$ / Indiana Housing & Community Development Authority: \$ | Homeless Person Overnight Shelter | Persons Assisted | 300 | 388 | 130% | 75 | 388 | 518% |
| Neighborhood Revitalization | Affordable Housing Non-Housing Community Development | CDBG: \$ / HOME: \$ / Indiana Housing & Community Development Authority: \$ | Jobs created/retained | Jobs | 30 | 0 | 0% | | | |
| | | | | | | | | | | |
| Neighborhood Revitalization | Affordable Housing Non-Housing Community Development | CDBG: \$ / HOME: \$ / Indiana Housing & Community Development Authority: \$ | Buildings Demolished | Buildings | 130 | 13 | 10.00% | 10 | 13 | 130.00% |
| Neighborhood Revitalization | Affordable Housing Non-Housing Community Development | CDBG: \$ / HOME: \$ / Indiana Housing & Community Development Authority: \$ | Other | Other | 500 | 16 | 3.20% | 500 | 16 | 3.20% |

| | | | | | | | | | | |
|---|-----------------------------------|----------|---|------------------|-----|-------|-----------|-----|-----|---------|
| Recreational and Educational Youth Activities | Non-Housing Community Development | CDBG: \$ | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 200 | 16915 | 8,457.50% | | | |
| Recreational and Educational Youth Activities | Non-Housing Community Development | CDBG: \$ | Public service activities other than Low/Moderate Income Housing Benefit | Persons Assisted | 200 | 405 | 202.50% | 200 | 405 | 202.50% |

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Assess how the jurisdiction’s use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

| Summary of Resources and Distribution of Funds | Grant Allocations | | |
|---|--------------------------|------------------|-----------------------------|
| PY2016 CDBG | \$ | 828,637 | |
| PY2016 HOME | \$ | 261,275 | |
| PY2016 Total Funds | \$ | 1,089,912 | |
| Unexpended CDBG Funds from prior years | \$ | 860,313 | as of: March 31, 2017 |
| Unexpended HOME Funds from prior years | \$ | 610,008 | as of: March 31, 2017 |
| Total Funds | \$ | 2,560,233 | |
| Summary of Distrubtion of Funds | | | PY2016 Distributions |
| PY2016 HOME: Housing Rehabilitation | \$ | 257,210 | |
| Total HOME Distribution | \$ | 257,210 | |
| PY2016 CDBG: Administration | \$ | 163,657 | |
| PY2016 CDBG: Housing Rehabilitation | \$ | 136,360 | * |
| PY2016 CDBG: Housing Rehabilitation-Emergency | \$ | 17,423 | * |
| PY2016 CDBG: Public Services | \$ | 89,568 | * |
| PY2016 CDBG: Demolition | \$ | 62,098 | * |
| PY2016 CDBG: Infrastructure | \$ | 725,125 | |
| PY2016 CDBG: Public Facilities & Improvements | \$ | 248,271 | * |
| Total CDBG Distribution | \$ | 1,442,502 | |
| Total Housing Rehab Distribution: CDBG & HOME | \$ | 410,993 | as of: March 31, 2017 |
| Total PY2016 Distribution | \$ | 1,699,712 | as of: March 31, 2017 |
| (* Denotes ongoing projects in progress) | | | |
| Percentage of Available Funds Distributed (total PY2016 Allocation + Unexpended funds as of March 31, 2016) | | 73% | as of: March 31, 2017 |

As planned, more than 99% of CDBG & HOME funds were used to benefit persons of low and moderate income and low-mod income neighborhood.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted). 91.520(a)

| | CDBG | HOME |
|---|------|------|
| White | 139 | 1 |
| Black or African American | 155 | 0 |
| Asian | 0 | 0 |
| American Indian or American Native | 0 | 0 |
| Native Hawaiian or Other Pacific Islander | 0 | 0 |
| Total | 294 | 1 |

Table 2 – Table of assistance to racial and ethnic populations by source of funds

Narrative

During 2016, the City of Anderson concentrated Community Development Block Grant and Home Investment Partnership Program funds in qualified census tract block groups with high concentrations of low and moderate-income households. The areas are primarily located on the city's west side and in the central core of the city. The Census Tract Block Groups and their corresponding percentages of low-and-moderate-income households are as follows:

CT 3, 4, 5, 8, 17, 19, 20

**Priority was given to projects in these areas, however, other requests outside the proposed target area were completed based on need, eligibility, and funding.*

As it relates to Minority Disproportionality, the department continued to work on a neighborhood basis and found it evident that people living in certain census tracts with high percentages of low incomes, correspond with racial and ethnic groups that have a disproportionately greater need than the rest of the city. This is evidenced by maps, statistical data as well as observation. These are the areas of the city that the department will continue to develop. Although numbers of undocumented Latino persons are moving into some of these census tracts, the condition of Minority Disproportionality is still particularly true of the Black/African American population in Anderson.

| Table 1 - Demographics | | | |
|---|---|----------|--|
| | (Anderson, IN CDBG, HOME) Jurisdiction | | |
| Race/Ethnicity | # | % | |
| White, Non-Hispanic | 41,110 | 76.32% | |
| Black, Non-Hispanic | 8,403 | 15.60% | |
| Hispanic | 2,646 | 4.91% | |
| Asian or Pacific Islander, Non-Hispanic | 269 | 0.50% | |
| Native American, Non-Hispanic | 130 | 0.24% | |
| Two or More Races, Non-Hispanic | 1,199 | 2.23% | |
| Other, Non-Hispanic | 111 | 0.21% | |

Table 9 - Demographics of Households with Disproportionate Housing Needs

| Disproportionate Housing Needs | (Anderson, IN CDBG, HOME) Jurisdiction | | |
|---|---|---------------------|-------------------------------|
| Households experiencing any of 4 housing problems | # with problems | # households | % with problems |
| Race/Ethnicity | | | |
| White, Non-Hispanic | 6,404 | 19,029 | 33.65% |
| Black, Non-Hispanic | 1,295 | 2,624 | 49.35% |
| Hispanic | 264 | 619 | 42.65% |
| Asian or Pacific Islander, Non-Hispanic | 35 | 69 | 50.72% |
| Native American, Non-Hispanic | 25 | 65 | 38.46% |
| Other, Non-Hispanic | 304 | 602 | 50.50% |
| <i>Total</i> | <i>8,320</i> | <i>23,015</i> | <i>36.15%</i> |
| Race/Ethnicity | | | |
| Households experiencing any of 4 Severe Housing Problems | # with severe problems | # households | % with severe problems |
| Race/Ethnicity | | | |
| White, Non-Hispanic | 3,170 | 19,029 | 16.66% |
| Black, Non-Hispanic | 680 | 2,624 | 25.91% |
| Hispanic | 215 | 619 | 34.73% |
| Asian or Pacific Islander, Non-Hispanic | 25 | 69 | 36.23% |
| Native American, Non-Hispanic | 15 | 65 | 23.08% |
| Other, Non-Hispanic | 199 | 602 | 33.06% |
| <i>Total</i> | <i>4,290</i> | <i>23,015</i> | <i>18.64%</i> |

The four housing problems are incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 30%. The four severe housing problems are incomplete kitchen facilities, incomplete plumbing facilities, more than 1 person per room, and cost burden greater than 50%. Affirmatively Furthering Fair Housing Data and Mapping Tool .3.1 U.S Department of Housing and Urban Development, retrieved 5.24.2017, www.hudexchange.info

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

| Source of Funds | Source | Resources Made Available | Amount Expended During Program Year |
|-----------------|--------|--------------------------|-------------------------------------|
| CDBG | | 1,701,275 | 1,442,502 |
| HOME | | 626,157 | 257,210 |

Table 3 - Resources Made Available

Narrative

The City of Anderson received federal funding from the following source to provide assistance to low-moderate income individuals, families, and neighborhoods: 1.) HUD CDBG in the amount of \$828,637 and HUD HOME in the amount of \$261,036, awarded in 2016.

Per the PR26 as of March 31, 2017 the amount expended during the PY on CDBG activities was \$1,442,502.00. The City expended and additional \$257,210 in HOME Partnership funds to complete housing for special needs populations, owner-occupied and rental rehabilitation projects.

Identify the geographic distribution and location of investments

| Target Area | Planned Percentage of Allocation | Actual Percentage of Allocation | Narrative Description |
|--------------------|----------------------------------|---------------------------------|-----------------------|
| CT 120.1, 2, and 3 | 25 | | |
| CT 4, 5, 8, 17 | 50 | | |
| CT 119 | 25 | | |

Table 4 – Identify the geographic distribution and location of investments

Narrative

The City of Anderson identified geographic area in the 2016 Annual Action Plan. All programs were advertised and available jurisdiction-wide.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied.

Local public service partners' funded monetary contributions of \$864,690 toward public service projects with other federal, state, local and in-kind funds; 2.) Municipal Development Department invested resources in the amount of \$63,814 and demolished unsafe structures through the City's general fund demolition budget. 3) The city allocated \$828,159 toward infrastructure improvements such as curbs, sidewalks, paving, and handicap ramps under the City general fund infrastructure budget. 4) The city allocated \$23,740 in direct classroom impact education grants during 2016 to meet specific classroom needs. 5) The city allocated over \$16,000 in city resources to assist with a significant city-wide clean-up project this investment above; however, is without consideration of the cost to staff the project or equipment. The clean-up removed 437 tons of trash, 2000 tires, 14,000 pounds of metal (which was recycled), 16,152 electronic items, and hazardous materials (not measured).

| PY2016 Projects | Investment |
|--|----------------|
| HUD Investment: CDBG & HOME | \$1,699,712.00 |
| City Investment Infrastructure & Improvements | \$828,159.00 |
| City Investment Demolition-Municipal Development | \$63,814.00 |
| Blight Elimination Grant-Demolitions 1/16-3/17 | \$338,387.00 |
| Mayor's Ball Education Grants | \$23,740.00 |
| Public Service Partner Investment | \$864,690.00 |
| Rental Rehab Partner Investment-Landlords | \$50,008.00 |
| PY2016 Total Investment reported by the Community Development Department | \$3,868,510.00 |

HOME Match Report - Table 5 – Fiscal Year Summary - HOME Match Report

Local Jurisdictions

When a local jurisdiction meets one of the distress criteria, it is determined to be in fiscal distress and receives a 50 percent reduction of the match. If a local jurisdiction satisfies both of the distress criteria, it is determined to be in severe fiscal distress and receives a 100 percent reduction of the match.

FY 2016 Calculations

FY 2016 family poverty rate and per capita income (PCI) income were based on data obtained from the ACS 2007-2011 5-Year Estimate from Census. These were the latest data available at the time. For a jurisdiction to qualify as distressed based on the poverty criterion, its percent of families in poverty must have been at least 14.08 percent, which is 125 percent of the average national rate for families in poverty of 11.26 percent.

For a jurisdiction to qualify as distressed based on the PCI criterion, its average PCI must have been

less than to \$20,885, which is 75 percent of the average PCI of 27,846.

| State | Participating Jurisdiction/State | % Families in Poverty (≥14.08%) | | \$PCI (<\$20,885) | | % Income Growth (<3.04%) | Match Reductions | |
|-------|----------------------------------|---------------------------------|---|-------------------|---|--------------------------|------------------|-----------------------|
| | | | | | | | Fiscal Distress | Presidential Disaster |
| IN | Anderson | 19.5% | Y | \$18,823 | Y | | 100% | |

Table 6 – Match Contribution for the Federal Fiscal Year

How any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

The City has identified parcels that may be used to address public facility needs in the near future. The City is working partnership with Community Development, Anderson Transit System, and the Federal Transit Agency (FTA). The property is currently undergoing an environmental review.

Table 7 – Program Income

| Program Income – Enter the program amounts for the reporting period | | | | |
|---|---|---|--------------------------------|--|
| Balance on hand at beginning of reporting period \$ | Amount received during reporting period \$ | Total amount expended during reporting period \$ | Amount expended for TBRA \$ | Balance on hand at end of reporting period \$ |
| 0 | 0 | 0 | 0 | 0 |

HOME MBE/WBE Report

| Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period | | | | | | |
|--|-------|-----------------------------------|---------------------------|--------------------|----------|--------------------|
| | Total | Minority Business Enterprises | | | | White Non-Hispanic |
| | | Alaskan Native or American Indian | Asian or Pacific Islander | Black Non-Hispanic | Hispanic | |
| Contracts | | | | | | |
| Dollar Amount | 0 | 0 | 0 | 0 | 0 | 0 |
| Number | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-Contracts | | | | | | |
| Number | 0 | 0 | 0 | 0 | 0 | 0 |
| Dollar Amount | 0 | 0 | 0 | 0 | 0 | 0 |

| | Total | Women Business Enterprises | Male |
|----------------------|-------|----------------------------|------|
| Contracts | | | |
| Dollar Amount | 0 | 0 | 0 |
| Number | 0 | 0 | 0 |
| Sub-Contracts | | | |
| Number | | | 0 |
| Dollar Amount | | | 0 |

Table 8 – Minority Business and Women Business Enterprises

| Minority Owners of Rental Property – Indicate the number of HOME-assisted rental property owners and the total amount of HOME funds in these rental properties assisted | | | | | | |
|--|-------|-----------------------------------|---------------------------|--------------------|----------|--------------------|
| | Total | Minority Property Owners | | | | White Non-Hispanic |
| | | Alaskan Native or American Indian | Asian or Pacific Islander | Black Non-Hispanic | Hispanic | |
| Number | 0 | 0 | 0 | 0 | 0 | 0 |
| Dollar Amount | 0 | 0 | 0 | 0 | 0 | 0 |

Table 10 – Relocation and Real Property Acquisition

| Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition | | | | | | |
|--|-------|-----------------------------------|---------------------------|--------------------|----------|--------------------|
| Parcels Acquired | | 0 | 0 | | | |
| Businesses Displaced | | 0 | 0 | | | |
| Nonprofit Organizations Displaced | | 0 | 0 | | | |
| Households Temporarily Relocated, not Displaced | | 0 | 0 | | | |
| Households Displaced | Total | Minority Property Enterprises | | | | White Non-Hispanic |
| | | Alaskan Native or American Indian | Asian or Pacific Islander | Black Non-Hispanic | Hispanic | |
| Number | 0 | 0 | 0 | 0 | 0 | 0 |
| Cost | 0 | 0 | 0 | 0 | 0 | 0 |

Table 10– Relocation and Real Property Acquisition

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

| | One-Year Goal | Actual |
|--|---------------|-----------|
| Number of Homeless households to be provided affordable housing units | 20 | 6 |
| Number of Non-Homeless households to be provided affordable housing units | 20 | 60 |
| Number of Special-Needs households to be provided affordable housing units | 10 | 20 |
| Total | 50 | 86 |

Table 1 – Number of Households

| | One-Year Goal | Actual |
|--|---------------|-----------|
| Number of households supported through Rental Assistance | 10 | 5 |
| Number of households supported through The Production of New Units | 10 | 0 |
| Number of households supported through Rehab of Existing Units | 10 | 61 |
| Number of households supported through Acquisition of Existing Units | 10 | 0 |
| Total | 40 | 66 |

Table 12 – Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

Although the City exceeded many of the goals that were established, we did encounter a slow start with the TBRA project. PY2016 came with great challenges. The new administration took office January 1, 2016, and the Annual Action Plan was due April 1; however, the citizen participation requirement along with the public service application process was not in process. Thereby, the plan of action for the year was behind schedule. After receiving funding in early September, the new staff also faced a threat of DE obligation of funds if the approximate \$1 million spend-down requirements was not met by January of 2017. The city along with its TBRA partner, the Anderson Housing Authority (AHA), experienced multiple challenges in meeting the planning objectives for the project which slowed down the implementation time of the project. In spite of the challenges, the planning process is now completed. In the coming year, the city and AHA are looking forward to working in partnership with local agencies that will make referrals to the affordable housing project. The TBRA project will offer housing opportunities to low-income renters who need help paying rent, utility costs, security deposits, and utility deposits. PY2017 seeks to meet the needs of the homeless seeking permanent housing. It also seeks to meet the needs of families separated from their children, who can successfully reunite but due to housing impediments are not currently unified. The potential participants will include but are not limited to families with children in foster care or the care of others and in-tact families separated due to homelessness. The referring agencies will continue to provide participants with ongoing case management. Additionally, AHA will provide housing counseling and participants will engage in a self-sufficiency program. We hope through this initiative to be able to reduce the number of residents facing homelessness and to ensure more families remain intact and reunify whenever possible.

Discuss how these outcomes will impact future annual action plan

The 2017 TBRA project model is designed as a self-sufficiency program with targeted populations, specifically, residents who are currently facing challenges as described above and who are currently receiving case management services from a referring agency. As the program develops, it will undergo formative evaluations which will enable the partners to improve the project design, its processes, and implementation, as well as demonstrate success and progress. It is the desire of the City and AHA to expand the scope of the project to include a Homebuyer program for residents living in public housing, particularly Section 8 renters, making available more affordable housing options, and assisting current Section 8 tenants' transition to homeownership. As the project develops and grows, future annual actions plans will reflect the change in the project's scale.

In addition, the City of Anderson is preparing to transition from a structure of an Analysis of Impediments to the new Assessment of Fair Housing (AFH). The City will include the experiential data collected from the TBRA program to assist in the analysis of fair housing issues and in identifying goals that will inform the AFH, future investments in housing, and the 2020-2025 Consolidated plan.

Program Income – Enter the program amounts for the reporting period

| Balance on hand at the beginning of reporting period | Amount received during reporting period \$ | Total amount expended during reporting period \$ | Amount expended for TBRA \$ | Balance on hand at the end of reporting period \$ |
|---|--|--|---------------------------------------|---|
| 0 | 0 | 0 | 0 | 0 |

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

| Number of Persons Served | CDBG Actual | HOME Actual |
|---------------------------------|--------------------|--------------------|
| Extremely Low-income | 4 | 1 |
| Low-income | 11 | 0 |
| Moderate-income | 4 | 1 |
| Total | 19 | 2 |

Table 13 – Number of Persons Served

Narrative Information

The City of Anderson works with other agencies public, private and not-for-profit to increase the availability of and access to housing for households and individuals with a range of incomes, from those who are homeless to those in moderate-income households.

In the past year, the City partnered with PathStone Corporation, a CHDO, to expand the number of affordable rental units available and to expand homeownership opportunities. Through PathStone’s education and counseling services, 38 families received homebuyer education to help them understand the home buying process as well as understand financial assistance programs to help reduce the barrier of Downpayment associated with purchasing a home. PathStone held 24 workshops half of which were held at the Anderson Public Library. PathStone partners with First Merchants, Old National, Main Source & Star Financial to assist families utilizing the Homeownership Opportunities Program funded by Federal Home Loan Bank of Indianapolis. Through these partnerships and the partnership with the City of Anderson 9 families purchased their first home.

As of February 2017 the Abbott Apartment Rehabilitation project was completed. The open house and ribbon cutting event took place on Thursday, February 9. PathStone expected a 6-month lease up period and began preparing for lease up as of March 14, 2017. Eight apartment units were restored for low-mod tenant availability: 4-1bedroom units; 4-2 bedroom units. The City and PathStone worked to ensure the Lease Agreement and Conflict of Interest Disclosure form, and on-going monitoring documentation met regulatory requirements.

Below are links to the video of the Abbott project and the Open House Event.

- <http://view.paradym.com/applets/flashviewer2/viewer.asp?t=3750956&sk=13&prt=10003>
- http://www.heraldbulletin.com/news/local_news/turning-blight-into-beauty/article_7e2666ec-f579-5eaf-855d-b851c08beb7b.html

The Community Development (CD) department also works to make sure that the quality of existing units is affordable. Several of the rehabilitation programs such as Emergency Home Repair, Owner-occupied Rehabilitation, provided grants for residents to help them maintain their units adequately. These programs improved substandard units and prevented deterioration and/or loss of our existing housing units.

The department will continue to develop programs and partnerships that help maintain the currently available units while continuing to increase the number of affordable units as it strives to preserve and expand the supply of good quality housing units for low-income residents.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

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

The City continues to face problems associated with homelessness and the prevention of homelessness. Shelters and shelter services in Anderson and the surrounding communities continue to report a rise in need due to unemployment, rising rental costs and the continuing effects of the recession. Homeless needs are identified through the Point in Time Count, as well as regular meetings of the Homeless Task Force (HTF). HTF is a committee established to address the unmet need of shelter for families. A representative from the City of Anderson, Economic Development Department is the Chairperson for the local Homeless Task Force, and the Community Development Department continues its involvement with the committee.

The Homeless Taskforce manages a comprehensive outreach project throughout the city. The activities include coordination of cold weather shelters providing services for persons otherwise unsheltered. Shelter providers offer programs that involve, outreach, assessment, and engagement activities. Individuals and families are assessed to determine resource needs and agency response to vulnerabilities.

HTF also serves as a networking platform for providers and shelters to share events and resources to serve the homeless population of Anderson and Madison County better. HTF identified the following needs in the Anderson Community:

- Top Priority: Gap in Services-An Emergency Shelter for Women and Families
- Process mapping: To enable HTF to identify gaps in existing services to homeless individuals
- Transportation: Transportation needs include traveling to and from counseling and medical appointments, job interviews and emergency facilities in other counties that provide for women and or families

The members of the Task Force along with their respective agencies will continue reaching out to homeless persons (especially unsheltered persons) to assess and address their individual needs.

Addressing the emergency shelter and transitional housing needs of homeless persons

HOME funds are frequently used to support transitional housing needs, and other funds support case management and support services to encourage stabilization. During PY2016 the department completed a rehabilitation project for Aspire, Inc., a local mental health agency, to house homeless clients receiving mental health services. Through the use of CDBG funds, CD provided funding to Alternatives, Inc. for emergency shelter needs and a summer youth education, activities, and self-

esteem program for children housed in the emergency shelter during the summer season. In addition, the department and Operation Move-IN, a local CHDO, began plans to rehab a property to develop a Permanent Supportive Housing unit. The project is scheduled to complete in PY2017. It will serve Dove Harbor Inc., a local faith-based transitional housing agency. Dove Harbor will house low-income, homeless women, and their children as they transition out of their temporary housing and education programs. The transitional housing will allow Dove Harbor to more rapidly serve additional women and children in need of shelter and services while rehousing women and families in a safe, decent living environment. The families will remain connected to Dove Harbor's educational and supportive services.

The City of Anderson will continue to support, in partnership with shelter and housing resources, the development of a coordinated access system to match a homeless person's need for housing with available housing vacancies among providers. Doing so will promote a system to ensure limited collaborative resources are used to create maximum impact and efficiency.

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

The following programs and activities were undertaken during the past year to help families and individuals to avoid becoming homeless:

- * CD and AHA developed a project to begin a tenant based rental assistance program (TBRA), to provide rental assistance to 10 or more household in need of permanent housing. The TBRA participants are referred from agencies that currently provide case management and or temporary/emergency housing services.
- * CD assisted 19 households with necessary accessibility modifications and home rehabilitation to enable them to remain in their homes.
- * CD donated a Wells Fargo home to Aspire and rehabilitated the home for clients receiving mental health services.
- * CD provided \$225,000 to PathStone to rehabilitate an 8 unit apartment, 4: 1 bedroom and 4: 2 bedroom complex on the City's East Side.
- * CD Provided funding to House of Hope Substance Abuse Counseling, Stripped Love Homeless Prevention Program, and Park Place Community Center Food Bank. The department created a home-delivery food program for homebound senior citizens and disabled residents. The program was implemented through the Impact Center Senior Program, and food was delivered by Carrie May Hyatt Food Bank.

Helping homeless persons (especially chronically homeless individuals and families, families

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

The following programs and activities were undertaken during the past year to help chronically homeless individuals and families with children transition to permanent housing and shortening the period residents experience homelessness:

* CD Provided funding to Alternatives, Inc. Emergency Domestic Violence Shelter and committed to ensuring TBRA funding is available to help women and their children transition out of the facility with expanded access to permanent housing.

* CD entered into an agreement with Anderson Community Schools (ACS) D26 program to provide material to rehab 2 houses that will be used for low-income families with children in the ACS school system. ACS has experienced 1225% increase in Homeless children in our schools over the past ten years. From 2005-2006 there were 24 homeless children from 2015-2016, there were 293 homeless children in our public school system. The rental rehab project will expand access to safe, affordable housing and help address homelessness for vulnerable families with children.

*CD committed to assisting in funding a transitional housing unit for Dove Harbor, a local shelter housing women, and women with children. Operation Move-In, a CHDO has acquired the home and will complete the rental rehabilitation project.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

During Program Year 2016, \$42,000 in CDBG funds were allocated to AHA to assist with the cost of roof repairs and to make public housing available to 31 households. The grant allowed AHA to replace 3 of 8 roofs at Westvale Manor Apartments. It enabled AHA to utilize the agency's limited funding to complete much needed interior rehabilitation and to provide safe, decent, sanitary, housing for low-income households. At the time of the 2016 Action Plan publication, the wait list for the public housing and Section 8 Housing Choice Voucher programs was more than 990 households. Currently, there are 722 households on AHA waiting lists.

The Anderson Housing Authority is not a designated troubled PHA.

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

The City of Anderson Community Development Department and AHA have a strong partnership that has been built throughout the years. The staff regularly meet to listen and to offer advice and suggestions to how the two agencies can partner to serve the low-income community better. The two agencies entered into an agreement to develop and implement the TBRA and Housing Counseling program, utilizing 2016 HOME Partnership funds. The Housing Counselor will provide services to both Public Housing and Section 8 residents, and TBRA clients. The expansion phase of the TBRA project will include housing programs aimed at addressing access to homeownership for Section 8 clients and TBRA programs aimed at addressing unmet needs of public housing clients. The future success of the TBRA project will center on ingenuity in program design, emphasis on resident participation towards economic self-sufficiency, and partnerships with other organizations to address the needs of this population.

Actions taken to provide assistance to troubled PHAs

The Anderson Housing Authority is not considered a troubled PHA.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

The City of Anderson currently provides fee waivers and reduced utility deposits in partnership with the Anderson Housing Authority and the Anderson Township Trustee Offices, and tax abatement for affordable housing projects where appropriate.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

The most commonly cited obstacle to meeting the underserved community development needs of Anderson (aside from inadequate funding) is the limited administrative capacity.

The HOME Program provides grant funds, deferred forgivable loans, and repayable loans through the Community Development Office, CHDOs, Councils of Governments (“COG”), and the local PHA. These funds are primarily used to foster and maintain affordable housing by providing rental assistance, rehabilitation, or reconstruction of owner-occupied housing units, down payment and closing cost assistance for the acquisition of affordable single family housing, and funding for rental housing development or preservation of existing affordable or subsidized rental housing. HOME funds may also be used in conjunction with the Housing Tax Credit Program to construct or rehabilitate affordable multifamily housing.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

The City partners with JobSource and the licensed Lead Risk Assessors and Licensed Lead Risk Renovators for its housing rehabilitation programs. In FY2016, there were four exempted projects. There were four projects that presumed lead that was reported. Lead Clearance testing indicated no lead present.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

The City provides financial assistance to social service agencies, through its CDBG and HOME allocation processes, who provide services to families in need. The Community Development and Human Relations/Fair Housing departments attempt to fill the substantial gap between housing costs and the elevated local poverty level with an effort to educate the public about housing issues through landlord/tenant Counseling and mediation, Homeownership and Predatory Lending Counseling and Down-payment Assistance to coordinate supporting programs. And, the Departments share contact information with agencies to assist in better housing choice. In addition, Community Development provides funding for a variety of agencies who provide services to the neediest members of the community.

Actions were taken to develop institutional structure. 91.220(k); 91.320(j)

The department works with various stakeholders including other city departments, social service agencies, housing groups, and interested citizen boards to bring about positive change in Anderson. The City has developed and or strengthened a variety of programs and services all centered around improving people's living environments by providing federal and local funding for social service agencies, regulating rental properties, working with neighborhoods to ensure self-directed improvements and providing assistance with community development and redevelopment activities.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

HOME

The HOME Program encourages partnerships in order to improve the provision of affordable housing. Organizations receiving HOME funds are required to provide homebuyer education classes to households directly or coordinate with an agency that will provide the education. In addition, organizations receiving TBRA funds must provide self-sufficiency services directly, or coordinate with a referring organization to ensure the services are provided.

CDBG

CDBG funds are awarded to nonprofit agencies thereby providing these agencies with financial resources to respond to community needs. Each applicant to the CDBG Program is required, through its citizen participation process, to attend a mandatory grantee meeting if they intend to apply for CDBG funding. The City also invites their input into the annual needs assessment process.

Programs coordinate between public and private housing and social service agencies, as well as local businesses using both HOME and CDBG funding may include planning; constructing infrastructure, rehabilitation of facilities and housing; and implementing economic development initiatives. The City continues to coordinate with Housing and Community Affairs groups, state and local governments, and Economic Development agencies and others to further its mission and target beneficiaries of CDBG and HOME funds.

Additionally, the Community Development staff participates in work groups with representatives from many organizations. The workgroups focus on housing, racial and ethnic disparities, disability, health-related issues, and quality of life city initiatives.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

Agencies report common threads of concern and obstacles that may affect the ability to meet housing needs in Anderson. These obstacles include the lack of quality affordable housing, lack of organizational capacity, lack of organizational outreach, opposition to affordable housing, regulatory barriers to affordable housing, and area income characteristics. The local agencies take actions to mitigate these obstacles such as effectively using existing resources to administer

programs, providing information resources to individuals and local areas, and coordinating resources.

In 2019, the AI will transition to the new Assessment of Fair Housing approach (AFH), which “involves refining the fair housing elements of the existing planning process that states, local governments, insular areas, and public housing agencies now undertake. The process proposed by this rule assists these program participants to assess fair housing determinants, prioritize fair housing issues for the response, and take meaningful actions to affirmatively further fair housing,” Department of Housing and Urban Development (HUD). In 2016, the City of Anderson experienced an administration transition. The new staff in both Community Development and Human Relations Departments are attending training and preparing to develop the new AFFH report.

The 2014 Analysis of Impediments, the most recent Analysis, did not find zoning requirements that would impose limits on new housing developments. The City’s overall lack of regulation keeps the price of housing development down. Because builders have few zoning regulations to follow, prices are kept at a level more affordable to low and moderate-income households. The City also has minimum parking space requirements for housing development. This requirement could increase the cost of housing development for multi-family housing. It is important to note zoning requirements are usually intended to minimize on-street parking surrounding housing developments.

The City of Anderson continues to monitor all applicable county and city regulations to spot potential barriers. The city works closely with the Human Relations Department for the City of Anderson which provides 12 months of service to the City of Anderson’s residents in the area of Fair Housing. In collaboration, the two offices will work to monitor the Fair Housing goals and objectives as detailed in the Consolidated Plan.

The Human Relations Department employed two full-time staff members, a Director and an Investigator. The investigator devoted approximately 60% of her time on fair housing activities, annually. Likewise, the Director invested approximately 20% of her time on fair housing activities, annually. Tax dollars provided financial resources invested in fair housing activities through the Anderson City General Fund and total approximately \$51,916.00, annually. The 2017 budget was increased 4% over the prior year. In prior years, the (CD) Department provided resources to employ a staff person; however, due to budget cuts, the department is unable to maintain the level of support. The CD Department participated as a member of the Fair Housing Coalition and worked closely with HRC to obtain additional resources for the annual Fair Housing Conference, held April 2017.

The following actions were undertaken during the past year to overcome the effects of impediments to fair housing choice:

- The City’s Human Relations Department monitors all fair housing complaints. During the calendar year 2016, there was one housing complaint formally filed. The complainant alleged that respondent refused to make any repairs based on disability/retaliation. The case resolved effective September 2, 2016, with the respondent releasing the complainant from the contract and reimbursing him of

- \$1,750.89. Also, there were three (3) indirect cases mediated. One case was filed based on the complainant's sexual orientation. The complainant contended his landlord refused to make any repairs. Another case filed was based on the complainant's disability. The complainant contended that he was leased a mobile home without functioning plumbing. The final case was filed based on familial status. The complainant contended that respondent would not sell the property to them because they had custody of their grandchildren. Each case was resolved and dismissed in 2016.
- Attended training and webinars to begin transitioning from the Analysis to Impediments to the Analysis of Fair Housing in accordance with existing HUD regulations.
 - Led monthly fair housing coalition meetings.
 - Provided information to the community regarding rental laws, lending information, the complaint process and access to home ownership opportunities. An emphasis was placed on reaching Anderson's low and moderate income, elderly and Hispanic populations.
 - Provided targeted training and updated information to local real estate, banking, insurance and apartment management professionals.
 - The Human Relations Department continued their city-wide campaign to promote fair housing choice by the distribution of the department's newsletter to over 300 agencies and businesses throughout the City of Anderson, highlighting updates to fair housing cases and U.S. Justice Department rulings about fair housing.
 - A public Information Resource Library exists within the Department of Human Relations and will continue to exist. Continue to revise brochures to address current developments within Fair Housing. In addition, brochures for persons whose first language is Spanish were designed and developed by the department.
 - The Human Relations Department continued to update the Fair Housing Web-site and worked to continue to build the membership of the Fair Housing Coalition.
 - Planned the April 2017 Fair Housing Conference.
 - The Coalition was awarded a \$500.00 mini-grant to purchase marketing material for the 2017 Fair Housing Conference from the Community Services Council; a local nonprofit that aims to bring together a diverse group of human service providers to enhance delivery of services that improve the human condition.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

The City of Anderson follows the policies and procedures outlined in the manual that outlines requirements for disbursing funding from CDBG and HOME. Monitoring standards and policies and procedures are under review. New policies were created, and some existing policies were updated to ensure compliance and consistency in Project implementation. The staff is currently resolving monitoring and compliance concerns and requesting sub-recipients provide draw-down schedules for projects in an attempt to strengthen program and project oversight. In addition, staff regularly talks to various individuals and groups about Community Development programs and services and how local businesses, (including contractors), residents, and non-profit agencies may participate.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

CAPER Public Notification

The City of Anderson's 2016 CAPER Report was available for a fifteen-day comment period on the City's website, at the Anderson Public Library and in the Community Development office, located at Anderson City Hall. A Public Notice was submitted to the local Herald Bulletin Newspaper. The completed document is available electronically on the City's website as well as in hard copy form in the Community Development office. Comments and questions regarding the plan may be submitted in writing via email to:

communitydevelopment@cityofanderson.com or to the Community Development Director, Lelia Kelley at 120 E. 8th Street – Anderson, IN 46016.

Community Development Staff:
Lelia Kelley, Director
Kim Townsend, Project Contract Specialist
April Philips, Finance Manager

Public Comments:

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

There were no changes in the City of Anderson's program objectives this year.

| | |
|--|----|
| Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants? | No |
|--|----|

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

CR-50 - HOME 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

2016 -2017 HOME Rental Inspections Completed Inspections: 70; Final Inspections in progress: 13 Units

Hoosier Woods Apartments: 3833 Hoosier Woods Ct

➤ 21 Units

Phase I addresses: 3409, 3820, 3832, 3834, 3947, 3929, 3931, 3951, 3955, 4013, 4033

3832: Repair or replace bath faucet spray

3904: Blinking shower light

3929: Repair or replace handle on toilet

3951: Plate missing on bathroom receptacle, replace light bulb in vanity

3955: Replace smoke detector, repair tub faucet

4021: Replace smoke detector

4025: Repair bath faucet leak

4027: Replace smoke detector

Building C: Repair or replace fascia board and globe on upstairs light

Phase II addresses: 3008, 3818, 3826, 3929, 3939, 3947, 4005, 4025, 4027, 4041

3818: Repair or replace bath faucet

Building B: Repair or replace cracked globe outside 3947, replace GFCI cover in upstairs hallway

Assisted Senior Living: 2120 Central Ave

➤ 12 units

Addresses: 107, 110, 111, 112, 113, 208, 209, 210, 212, 214, 215, 216

110: Replace or repair spray nozzle in kitchen sink

112: Replace or repair spray nozzle in kitchen sink

212: Replace smoke detector in bedroom

214: Replace or repair spray nozzle in kitchen sink

Completed Inspections: Total 50 Units-No Violations

Crown Point: 2727 Emerald Dr.

➤ 5 Units

128, 132, 136, 140, 141

1309 Monticello Dr.

➤ 5 Units

Get Addresses

YMCA: 28 W. 12th St.

➤ 27 Units

200-211, 300-311,400-406 (except 202)

Scattered Sites

➤ 13 Units

1003 E. 8th St.

1221 W. 10th St.

804 W. 11th St.

814 W. 11th St.

821 W. 11th St.

1324 W. 11th St.

217-219 W. 13th St.

1316 E. 35th St.

1610 Chase St.

804 Nichol Ave.

810 Nichol Ave.

820 Nichol Ave.

Total: 83 Units

The Department of Housing and Urban Development (HUD) requires all rental units within the PJ jurisdiction to be inspected on a 3, 4, or 5-year inspection cycle. All the units listed were in compliance or is currently in the process of correcting any deficiencies. Tenant Verification monitoring is also in progress. Of the 118 of units that were not in compliance as of PY 2016, 70 units have now met the housing standards, 13 units are in progress for a second or final inspection, and 35 units will be inspected during PY2017.

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units.

92.351(b)

The City of Anderson will inform the public, owners and potential tenants of HOME-assisted dwelling units by the use of Equal Housing Opportunity logo or slogan in press releases and solicitations to owners, and in written communications to fair housing and other groups. Furthermore, the City will require the owners all HOME and/or NSP assisted properties implement the City's affirmative marketing goal to assure that individuals who normally might not apply for the vacant HOME-assisted units because of their race, color, religion, age, sex, handicap, ethnicity or familial status: Know about the vacancies; Feel welcome to apply, and Have the opportunity to rent the units.

The owners of properties with NSP or HOME-assisted housing units will be required to carry out the following procedures:

1. Informing the public, potential tenants, existing tenants and owners about Federal Fair Housing Laws and Affirmative Marketing policies. Owners of HOME-assisted projects will be required to post signs with the HUD Equal Housing Opportunity logo in each project building.
2. The City of Anderson requires HOME property owners to sign Deed Restrictions which

remain in effect for the same number of years during which the project shall remain affordable to low- income persons, based on the level of HOME subsidy per unit. For rehabilitated units with a total HOME assistance subsidy (acquisition and rehab) of under \$15,000, the affirmative marketing requirement shall remain in effect for five (5) years, from \$15,000 to \$40,000, ten (10) years; over \$40,000, fifteen (15) years. For new construction or the acquisition of newly constructed housing, the affirmative marketing requirement shall remain in effect for twenty (20) years.

These Deed Restrictions will require the owner to market HOME-assisted units affirmatively in order to attract tenants, regardless of sex, of all minority and majority groups. In soliciting tenants, the owner agrees to: a) use the Equal Housing Opportunity logo, slogan or statement in all advertising; b) where appropriate to advertise, use media, including minority outlets and senior citizen newsletters, likely to reach persons least likely to apply for the housing (those least likely to apply for this housing are the elderly); c) use of community contacts; d) display of Fair Housing poster.

If it becomes necessary to advertise these vacancies in area newspapers, information will be included in such advertisements including the nature of the program, the subsidies available for the project (if applicable) and the Equal Opportunity Housing logo. Records of such actions will be retained in HOME files.

3. In order to document the Affirmative Marketing activities that have been carried out, the City will meet record keeping requirements per 24 CFR 92.508(a)(5)(I) & (ii) and 92.351 concerning racial, ethnic, and gender characteristics, and maintain records as follows:
 - A. Preconstruction and Completion Forms with complete tenant information.
 - B. Sign-off document by landowner/applicant of acknowledgment of fair housing notice and laws.
 - C. Record of contact with current tenants by owners.
 - D. Record of contact of current tenants by Community Development.
 - E. Notice to Anderson Housing Authority of project and vacancies.
 - F. A copy of notices to area community organizations, places of worship, employment centers, fair housing groups and housing counseling agencies concerning the availability of vacant units.
4. The effectiveness of the affirmative marketing efforts will be assessed as follows:
 - A. To determine if good faith efforts have been made, CD staff will compare the information contained in the records of actions that were taken to carry out the

affirmative marketing efforts.

- B. To determine results, CD staff will examine whether or not persons from all racial and ethnic groups in the community applied for or became tenants of units that were affirmatively marketed. If a property owner is determined by CD not to be affirmatively marketing vacancies, then CD will require a conference to correct the problem. If, after consultation, further problems persist, CD shall seek an injunction mandating the owner to fulfill the affirmative marketing requirements of the HOME program as identified in the applicable Deed Restrictions. All of the above shall be reflected in the contract between the project owner and CD.

C. **MBE/WBE OUTREACH**

The Community Development Department of the City of Anderson will maintain a current listing of all certified Minority Business Enterprise, Women Business Enterprise Entities for the Anderson and surrounding areas. A listing of all Veteran owned businesses will also be maintained. Community Development will strive to create an environment that promotes meaningful business opportunities, builds productive partnerships and nurtures successful integration of MBE/WBE firms into the purchasing efforts of City by sponsoring educational opportunities, networking events and notice of upcoming bid/quote opportunities for local MBE/WBE organizations.

The City will publish legal ads in the *Herald Bulletin* seeking participation from qualified Minority Business and Women Business Enterprises. The City of Anderson is committed to achieving significant utilization of Minority and Women Business Enterprises (MBE/WBE) in the community purchasing efforts and will seek to provide an atmosphere of equal opportunity for all vendors to participate in procurement opportunities, including the purchasing of products, services, and public works contracts.

Community Development will continue to publish ads as well as send direct mailings requesting MBE and WBE participation in the CDBG, HOME and other federal programs.

Section 3: Policy

City of Anderson, Indiana

Purpose and Implementation

Section 3 (S#) of the Housing and Community Development Act of 1968 helps foster local economic development, neighborhood economic development, and individual self-sufficiency. The S3 program requires the recipients of certain HUD financial assistance, to the greatest extent feasible, provide job training, employment and contracting opportunities for low-or-very –low-income residents in connection with projects and activities in their neighborhoods. S3 is intended to ensure that when employment or contracting opportunities are generated because a covered project or activity **necessitates the employment of additional persons or the awarding of contracts for work**, preference must be given to low-and very-low income person or business concerns residing in the community where the project is located.

The requirements of S3 apply to recipients (in this case, the City) of HUD Community Planning Development funding (covered funding) exceeding \$200,000. All projects/activities involving housing construction or rehabilitation of housing (including lead-based paint hazards), or other public construction such as street repair, sewage line repair or installation, etc. that are completed

with covered funding are subject to the requirements of S3. This can include contracts for professional services for work arising from the covered project.

Contractors or subcontractors that receive contracts in excess of \$100,000* for S3 covered projects/activities are required to comply with the S3 regulations regarding job training, offering employment and contracting opportunities for low and very-low income residents, record keeping and reporting responsibilities.

If the contractor/subcontractor has a need to hire additional persons or to subcontract portions of the work to any other business to complete the S3 covered project, S3 requires them to first direct their newly created employment and/or subcontracting opportunities to S3 residents or business concerns.

*The Section 3 regulations should not be construed to mean that the recipients or contractors are **required** to hire Section 3 residents or award contracts to Section 3 business concerns other than what is needed to complete the covered project. If the expenditure of covered funding does not result in new employment, contracting or training opportunities, the requirements of Section 3 are not triggered.*

A Section 3 resident is:

- 1.) a public housing resident
- 2.) a low-or-very-low income person residing in the metropolitan area in which the S3 covered assistance is expended; or
- 3.) a homeless individual

A Section 3 business concern must meet on of the following criteria:

- 1.) 51 percent or more owned by S3 residents; or
- 2.) at least 30 percent of its full-time employees include persons that are currently S3 residents, or within three years of the date of first employment with the business concern were S3 residents; or
- 3.) provide evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontracts to be awarded to business concerns that meet the qualification of 1 and 2.

In order to comply with S3, the City of Anderson has implemented the following procedures:

- The construction project is evaluated by the Community Development Department to determine if it is an S3 covered project.
- The S3 clause is included verbatim in signed agreements with the city for projects that are S3 eligible (i.e. involve construction, meet thresholds.) This requirement is passed through the developer to the contractor and subcontractor.
- At the pre-construction conference, S3 is reviewed with the developer and general contractor. The S3 Contractor Packet, containing all necessary forms and instruments, is distributed and reviewed.
- If contractors/subcontractors hire new employees for the covered project, and none of these are S3 hires, they must document, on the S3 Employee Form, efforts that were made to hire S3 residents and why these efforts were not successful. If the contractor does not hire any additional employees to complete the project, the Se Employee form

must still be submitted. The goal of each project is that 30% of new hires will be Section 3 residents.

- The covered sub-contractors (those with contracts in excess of \$100,000 on the project) are to complete and submit the S3 Employee Form to the general contractor at a time prescribed by the contractor. Do so allows the general to complete and submit the report to the city by the designated deadline (January 31, for the period January – June and July 31, for the period July – December) for the duration of the project. (See S3 Employee Form Filing Instructions). If S3 employees are hired, the Resident Certification Form should accompany the S3 Employee form forwarded to the general and the city. Both the S3 Employee Certification Form and the Business Certification Form are self-certifying, meaning the employee or business concern will be able to select the criteria which qualify them for the preference and by signing the form they certify to the veracity of their statement.
- Results are gathered by the general contractor for all eligible subcontractor and sent to the city twice a year. **The following forms MUST BE SUBMITTED at the end of each six-month period:**
 - 1.) **Section 3 Employee Form and Section 3 Contract Reporting Form;**
 - 2.) **If Section 3 hires are made: Section 3 Resident Certificate;**
 - 3.) **If Section 3 Businesses are used: Section 3 Business Certification Form.**

In addition, to the January and July deadlines, all Section 3 forms will be required prior to receipt of the final draw on the project.

- All S3 forms will be collected, and data compiled by the Community Development Department. This information will be used to complete the Section 3 HUD Form 60002 to be included in the annual Consolidated Annual Performance and Evaluation Report (CAPER) and submitted separately to HUD's Economic Opportunity Division in Washington, D.C.

Recipient Goals

Recipient of covered funding will be in compliance with S3 if they meet the minimum numerical goals established by HUD:

- 30 percent of the aggregate number of new hires shall be S3 residents;
- 10 percent of the total dollar amount of all covered construction contracts shall be awarded to S3 business concerns; and
- 3 percent of the total dollar amount of all covered non-construction contracts shall be awarded to S3 business concerns.

Recipients that fail to meet the minimum goals listed above bear the burden of demonstrating why it was not possible to do so. This justification should describe the efforts that were taken, barriers encountered and other relevant information that will enable HUD to make a compliance determination.*For purposes of Neighborhood Stabilization funds, this \$100,000 threshold is the combined amount of S3 covered funds per developer project, not the individual amount of each construction job in the project.

Refer to IDIS reports to describe the amount and use of program income for projects,

including the number of projects and owner and tenant characteristics

The City of Anderson did not receive program income for the HOME Program.

Describe other actions taken to foster and maintain affordable housing. 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 91.320(j)

Funding through HOME remained the primary means of investment in affordable housing. By using these funds to pay for development costs, the City has been able to reduce development risks for its participating CHDO, which has resulted in eligible properties being acquired and renovated, targeted to low-moderate income households. Community Housing Development Organizations (CHDOs) apply for funding to rehabilitate, renovate and affordable housing.

The City's CDBG Rehabilitation Program increases and improves the quality of life and supply of affordable housing. The program provides forgivable loans to qualified homeowners to address safety, code and system issues.

HOME BUYER ASSISTANCE: PathStone administers the down-payment and closing cost assistance program which uses the recapture option for HOME funds if the property is transferred during a 5-Year affordability period. The maximum HOME funds allowed for this program is \$7,500. Each year, 20% of the funds are forgiven over the life of the affordability period.

REHABILITATION ASSISTANCE: Is based on the HOME investment, a % of the HOME funds are recaptured as follows: 20% of the HOME funds are forgiven annually. If the property is transferred before the affordability period expires, the remaining % of the funds invested but not forgiven are recaptured and due payable to the City in full. Under new construction, funds are forgiven after 20 years of affordability. Rehabilitation with federal funds less than \$15,000 has a 5 year mandatory affordability period, between \$15,000 and less than \$40,000 has 10 years mandatory affordability period. Rehabilitation with federal funds over \$40,000 has 15 years mandatory affordability period.

RENTAL ASSISTANCE- TBRA, the rental assistance program encompasses assistance to low-income renters to help individual households afford housing costs such as rent and security deposits. The TBRA program also assists renters with utility deposits but only when HOME is also used for rental assistance or security deposits. The TBRA and Housing Counseling program is administered through the Anderson Housing Authority and collaborates with referring agencies that offer additional case management services. Participants are required to participate in housing counseling and a self-sufficiency program.

Attachment A
Notice