



THE

# CITY OF MUNCIE

DEPARTMENT OF

## COMMUNITY DEVELOPMENT

USING FUNDING FROM THE  
UNITED STATES DEPARTMENT OF  
HOUSING AND URBAN DEVELOPMENT

PRESENTS

### Program Year 2023

(JUNE 2023-MAY 2024)

### Draft Annual Action Plan

MAY 5, 2023



# Executive Summary

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

### 1. Introduction

Muncie is an entitlement community for the CDBG and HOME Programs. HOME and CDBG are Federal grants funded annually by an appropriation in the Transportation, Housing and Urban Development or Omnibus Bill. Once the President signs the appropriations bill into law, HUD goes through a series of steps which can take up to 90 days, prior to notifying grantees or Participating Jurisdictions (PJs) of annual allocations. The annual allocation is determined by a funding formula. This Program Year 2023 Annual Action Plan (PY 2023 AAP) describes how Muncie will spend this year's HUD appropriation for CDBG and HOME and how those decisions were made. The CDBG and HOME Program fiscal year is June 1, 2022 thru May 31, 2023.

The Program Year (PY) 2023 HUD allocation is \$602,616 for HOME (\$8,985 or 1.49% decrease from PY 2023.) \$126,501 in previous years resources are also available bringing the total HOME funds available to commit to PY 2023 projects to \$729,117. HOME activities typically include housing rehabilitation and/or new construction for rental or homeownership units, down payment assistance, Community Housing Development Organization (CHDO) set-aside, and administration.

The PY 2023 HUD allocation for CDBG is \$1,287,189 (\$47,833 or 3.72% decrease from PY 2023.) Seventy percent of dollars spent on CDBG activities must benefit low- to moderate-income City of Muncie residents. Activities can include but are not limited to public services, public facilities and infrastructure. Approx. 24% of of the CDBG allocation can be used to "eliminate slum and blight." These funds are generally used to demolish unsafe buildings.

### 2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

In PY 2023 the City will again focus CDBG resources on programs that assist people experiencing homelessness and addressing the causes of homelessness. CD Director has consulted extensively with the city's homeless providers over the last couple of years, as they took over services formerly provided by Bridges Community Services at the Muncie HUB Homeless Service Center and engaged in a strategic planning process that will bring better coordinated services to the homeless population

### 3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

CD will continue to fund a reduced roster of agencies by focusing funding on homelessness as we did in PY 2022. Due to continued expenditure of CDBG CV funds we did not see much of a reduction of staff time in administration of public service activities. This reduction should be realized this year. Our first year of administering our homeowner rehab program, formerly administered by Pathstone, has been successful and a learning experience.

Last year staff spent considerable time coordinating with other agencies to take over Bridges IHEDA grants. This year we spent considerable time working on disposition of Bridges-owned properties that have HOME mortgages. These properties were assumed by a responsible and qualified owner at the end of February following over a year of underwriting and analysis in conjunction with technical assistance provided by HUD. All of the units will remain affordable through the end of the HOME POA.

We continue to work toward spending funds timely. Supply chain and labor shortages continue to make this a challenge. We did not take public facility applications this year, intending to focus on larger street improvements that require less staff time to implement as they are managed mostly by the city engineer.

CD had one finding in the State Board of Accounts Audit re compliance with FFATA (Federal Funding Accountability and Transparency Act) Subaward Reporting System for awards to subrecipients over \$30,000. We revised our policies and procedures to insure future compliance with this reporting requirement.

#### **4. Summary of Citizen Participation Process and consultation process**

Summary from citizen participation section of plan.

CPD-22-05: Guidance on Submitting Consolidated Plans and Annual Action was utilized allowing citizens to attend public meetings related to the Annual Action Plan in person or electronically via City of Muncie Facebook Live.

A public hearing to solicit public comment on community needs and how those needs might be addressed with 2023 CDBG and HOME funding was published on 01/20/23, the public hearing was held on 2/1/23 in person at City Hall Auditorium and livestreamed via City of Muncie's Facebook Live. One individual attended the public hearing and ten attended via Facebook Live. No comments were received. See Section AP-12 for links to the legal notice and affidavit, screen shots of City of Muncie Community Development Department Facebook page posting, cityofmuncie.com website posting, sign in sheet, meeting summary and meeting video recording.

Application availability; information related to meetings held via Zoom re CDBG Public Service and HOME application information meetings; application due dates were all published in the notice referenced above.

A second public hearing to solicit public comment on the Draft 2023 Annual Action Plan was held on June 17, 2023. See Section PR-12 for links to the legal notice and affidavit, screen shots of City of Muncie Community Development Department Facebook page posting, cityofmuncie.com website posting, sign in sheet, meeting minutes, meeting video recording.

**5. Summary of public comments**

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

See summaries of public hearings in PR-12.

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

All comments were accepted.

**7. Summary**

The City of Muncie continues collaboration with homeless providers as we plan for the expenditure of HOME ARP funds and plan together for ways to better deliver services to those experiencing homelessness. We continue to work toward reducing the number of public services and public facility grants we administer and increasing our involvement in housing rehab activities.

**PR-05 Lead & Responsible Agencies – 91.200(b)**

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

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

| Agency Role        |        | Name | Department/Agency                               |
|--------------------|--------|------|---|
| CDBG Administrator | MUNCIE |      | City of Muncie Community Development Department |
| HOME Administrator | MUNCIE |      | City of Muncie Community Development Department |

**Table 1 – Responsible Agencies**

**Narrative (optional)**

City staff administering the CDBG and HOME Grants in addition to the CD Director listed below are Brad King, Stephanie Hutchison and Allen Wiseley. Applications were available in early January for 2023 projects. An informational meeting was held on 2/2/23 covering how to complete the applications. All applications were submitted electronically by applicants. CDBG public service and public facility (exclusive of parks and infrastructure) projects were limited to programs and projects that assist people experiencing homelessness and that address causes of homelessness. The funded projects were selected by CD Staff in conjunction with Mayor Ridenour. Several projects are being completed in conjunction with the City Park and Street Departments.

**Consolidated Plan Public Contact Information**

Gretchen Cheesman, Director; Community Development Dept.; 300 N. High St.; Muncie, IN 47305; 765-747-4825 (office); gcheesman@muncie.in.gov

## **AP-10 Consultation – 91.100, 91.200(b), 91.215(I)**

### **1. Introduction**

CD Staff members are involved in various boards, commissions and neighborhood activities both as city employees and as volunteers. This give us insight into many needs in the community and can make citizens aware of how CDBG and HOME resources can be used to address needs.

The CD Director participates in meetings/serves on boards of multiple organizations and agencies over the course of the program year. These groups include Muncie Action Plan, Next Muncie Live Learn Neighborhood Project Management Team, Muncie Homeless Providers Executive Directors (meets weekly), Continuum of Care Region 6 (meets monthly) ;Delaware County Housing Permanency Project and East Central Indiana Regional Planning District Brownfields Committee. She touches base regularly with Muncie Housing Authority director Joe Anderson. In addition, CD Director serves by ordinance as a member of the Industrial Revolving Loan Fund Board and Unsafe Building Hearing Authority.

Stephanie Hutchison keeps in close touch with the public service agencies we have funded in the past.

Brad King attends monthly meetings of United Way's Covid Action Team, serves as Muncie Land Bank Board President, Unsafe Building Hearing Authority member, Historic Preservation Officer/Secretary Treasurer of Muncie Historic Preservation & Rehabilitation Commission, participates in CoC meetings and serves as President of the Old West End Neighborhood Association.

Allen Wiseley serves as president of the Delaware Muncie Metropolitan Plan Commission, member of the Board of Zoning Appeals, on the board of Cornerstone Center for the Arts, Delaware County Historical society and Treasurer of Avondale United Methodist Church, a provider of homeless services and outreach in the Avondale neighborhood.

### **Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))**

CD Director meets weekly with the local homeless service providers which includes the CEO of Open Door Health Services, a Federally Qualified Health Center. Meridian Health Services, the county’s community mental health services provider, also attends. Meridian provides services to tenants of Walnut Commons, the city’s largest (44 units) permanent supportive housing project (PSH). A conversation has started with UP Holdings, the developer of Walnut Commons, about development of a second PSH project in the city.

IU Health Ball Hospital, Meridian Health Services, Open Door Health Services, City of Muncie (CD, Mayor’s Office, Police), Addictions Coalition of Delaware County, Delaware County Sheriff and homeless

advocates have made a plan to establish a crisis center a reality. People who are experiencing mental health crisis or are ready to check in to inpatient drug rehabilitation can obtain help with treatment or placement here. The group has toured similar facilities in several other Indiana communities and has arrived at a model they think will work for Muncie. The Crisis Center will be located within walking distance of the Muncie HUB, a resource center for people experiencing homelessness and the Muncie Mission. Funding for facility improvements and staffing will be partially funded by City of Muncie's \$2 million ARP funds grant, CD is providing acquisition funding with CDBG-CV funds.

City Code Enforcement staff work closely with County Health Department Officials on unsafe to occupy homes that are occupied by squatters, trespassers and/or other unauthorized individuals.

Public and assisted housing providers and private and governmental health, mental health and service agencies all meet monthly at Continuum of Care meetings as well.

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

CD Director meets weekly with the executive directors of city homeless shelters (local CoC members.) This started as a way to coordinate the assumption by other agencies of services provided by Bridges Community Services when it became apparent Bridges would be closing. The other homeless providers stepped up to take over these services and the HUB (Bridges' offices, Homeless resource center, Tiny Homes, and several apartments.) The rapid rehousing grant was taken over by A Better Way as ABW has experience with a similar program funded by domestic violence funds, YWCA took over Coordinated Entry and Point in Time Count. Muncie Mission assumed operation of the Muncie HUB and purchased the HUB property from Bridges. Muncie Mission is now the convener/lead agency for the Continuum of Care. The agencies worked with IHDA, funder of the above-mentioned programs, to assume these grants from Bridges. This transition occurred in January 2022 and continues to work well for agencies and clients. Cooperation and collaboration amongst the homeless providers has flourished since the transitions over a year ago. The transition was almost seamless to clients.

Over this time, the local CoC members worked together with other community stakeholders developing a strategic plan. With assistance from a consultant, the implementation of the plan will begin in the second quarter of 2023. This initiative was funded by United Way. The regional CoC group meets monthly and now holds a separate case management meeting coordinating with multiple agencies to discuss specific ways to help individuals and families. CoC meets every month, frequently having a guest speaker to address the group on programs or partnerships that can benefit individuals and families experiencing homelessness.

CoC also works with Muncie Housing Authority (MHA) as MHA has CV emergency vouchers that must be filled via referral from Coordinated Entry. The YWCA Women's Shelter Executive Director was recently

appointed by the mayor to serve as a member of the MHA board of directors, forging a solid connection between the CoC and MHA. In addition, she serves as a member of IHCD's Balance of State board of directors.

These groups that meet as part of the COC work with the populations indicated below

|                            |   |
|----------------------------|---|
| Chronically homeless men   | Muncie Mission  |
| Chronically homeless women | YWCA  |
| Women and Children         | YWCA  |
| Families with Children     | Muncie Mission Emergency Family Shelter, YW, A Better Way (DV)                          |
| Veterans                   | A Journey Home, Brightpoint, VA, Muncie Mission, Meridian Services                      |
| Unaccompanied Youth        | Firefly, Division of Families & Children, Muncie OUTreach, Juvenile Court and Probation |

CD has consulted extensively with all of the groups above in development of the HOME ARP Plan.

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

Muncie is not an ESG Entitlement Community. ESG funds are allocated to shelters via direct grants from IHCD to Balance of State.

**2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities**



**Table 2 – Agencies, groups, organizations who participated**

|   |  |   |
|---|--|---|
| 1 | <b>Agency/Group/Organization</b>   | Muncie Redevelopment Commission   |
|   | <b>Agency/Group/Organization Type</b>  | Housing<br>Services-Employment<br>Other government - Local<br>Grantee Department  |
|   | <b>What section of the Plan was addressed by Consultation?</b>   | Economic Development  |
|   | <b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b> | Mayor Ridenour is leading the MRC and economic development initiatives. MRC administered the Blight Elimination grants and owns the resulting vacant lots. Many of these lots are being used for new homes financed as LIHTC projects. City View Homes I and II will use 33 BEP lots. CD funds play an important role in MRC work by providing funding for demolition of blighted properties that can later be acquired by MRC and redeveloped. |
| 2 | <b>Agency/Group/Organization</b>   | Region 6 Continuum of Care Homeless Prevention Network  |
|   | <b>Agency/Group/Organization Type</b>  | Services - Housing<br>Services-Children<br>Services-Victims of Domestic Violence<br>Services-homeless<br>Regional organization  |
|   | <b>What section of the Plan was addressed by Consultation?</b>   | Homeless Needs - Chronically homeless<br>Homeless Needs - Families with children<br>Homelessness Needs - Veterans<br>Homelessness Needs - Unaccompanied youth<br>Homelessness Strategy<br>Anti-poverty Strategy   |

|   |  |   |
|---|--|---|
|   | <b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b> | CD Staff meet with the Region 6 CoC monthly, and with the Muncie homeless providers weekly. CD has prioritized public service agency funding in this PY to benefit agencies serving homeless clients and to gear up for HOME ARP. CoC participated in a long range planning process along with local homeless providers which will be implemented starting this summer. The CoC has recently started to hold multi-agency case conferencing meetings to discuss specific individuals and families and how to best help them out of homelessness.  |
| 3 | <b>Agency/Group/Organization</b>   | Muncie Action Plan  |
|   | <b>Agency/Group/Organization Type</b>  | Planning organization<br>Business and Civic Leaders<br>Neighborhood Organization  |
|   | <b>What section of the Plan was addressed by Consultation?</b>   | Housing Need Assessment<br>Neighborhood Planning  |
|   | <b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b> | CD Director serves on the steering committee for Muncie Action Plan and a member of Task Force 3 Nurture Healthy Blocks for Healthy Neighborhoods with a goal to cultivate partnerships around comprehensive, block-level strategies that utilize a wide range of tools to cover the fundamentals of neighborhood health. This is year one of a new Strategic Investment Plan developed in conjunction with the City/County comprehensive planning process. This strategic investment plan provides detailed implementation guidance for the execution of the comprehensive plan within the city. It was approved by City Council in December 2021. Three priority Issues were identified: improving quality of place; strengthening housing conditions and options and expanding opportunities for upward mobility. CD will have opportunity to fund programs that address these issues as the plan is implemented over the next several years. CDBG eligible projects identified in the plan include street improvements, park improvements, housing rehab, public service programming that promotes a path out of poverty for local residents. |

|   |  |   |
|---|--|---|
| 4 | <b>Agency/Group/Organization</b>                               | Open Door Health Services, Inc.   |
|   | <b>Agency/Group/Organization Type</b>                          | Services-Children<br>Services-Elderly Persons<br>Services-Persons with Disabilities<br>Services-Persons with HIV/AIDS<br>Services-Victims of Domestic Violence<br>Services-homeless<br>Services-Health<br>Services - Victims<br>Health Agency<br>Major Employer |
|   | <b>What section of the Plan was addressed by Consultation?</b> | Homeless Needs - Chronically homeless<br>Homeless Needs - Families with children<br>Homelessness Needs - Veterans<br>Homelessness Needs - Unaccompanied youth<br>Homelessness Strategy<br>Non-Homeless Special Needs  |

|   |   |   |
|---|---|---|
|   | <p><b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b></p> | <p>Bryan Ayars, CEO of Open Door Health Services (ODHS), provided information on expanding services at ODHS, a non-profit Federally Qualified Health Center serving clients regardless of their health insurance status. Services include medical, dental, behavioral health, family planning, WIC, Health Insurance Navigators, community health workers, and outreach workers. Open Door's clients are many of the same people and families served by other CD subrecipients, including the agencies serving the homeless population. In 2022, more than 250 patients of Open Door Health Services self-reported as homeless. Behavioral health services, including addiction treatment, have expanded significantly over the past few years, adding 24 new counselors over the past 3 years. Improved access to care, better health outcomes and the need for substance abuse treatment are highly ranked by citizens, experts and employers as needs throughout Muncie; A new health center is planned in south Muncie, an area of high need, bringing services to patients in their own neighborhood. The CEO meets weekly with the Delaware County Homeless Consortium, which has created more opportunities to assist those at risk or suffering from homelessness and for planning for creation of the Crisis Center to address the needs of residents in crisis while avoiding arrest or visits to the local Emergency Department.</p> |
| 5 | <p><b>Agency/Group/Organization</b></p>   | <p>East Central Indiana Regional Planning District</p>  |
|   | <p><b>Agency/Group/Organization Type</b></p>  | <p>Services - Broadband Internet Service Providers<br/> Services - Narrowing the Digital Divide<br/> Other government - County<br/> Regional organization<br/> Planning organization<br/> Civic Leaders</p>   |
|   | <p><b>What section of the Plan was addressed by Consultation?</b></p>   | <p>Economic Development<br/> Brownfields</p>  |

|   |   |   |
|---|---|---|
|   | <p><b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b></p> | <p>ECIRPD is an independent nonprofit government entity that serves the economic development, planning and grant development needs of its members, which includes City of Muncie. ECIRPD has worked with CD by acting as a pass through for transfer of dilapidated and brownfield properties and continues to facilitate applications for EPA grants. ECIRPD was awarded a USEPA Brownfield Assessment Grant in 2022 to concentrate on three neighborhoods, McKinley, Whitely and Industry. Funds from this grant have been used to assess several properties in these neighborhoods in anticipation of new or redevelopment. CD Director serves as a member of this committee. In 2021 ECIRPD has formed the East Central Indiana Broadband Committee worked with Taylor Siefker Design Group and Yates Engineering to prepare a broadband plan to connect underserved areas of the county. The first contract to service 1250 customers was awarded to AT&amp;T and a second large project is in the works with Comcast.</p> |
| 6 | <p><b>Agency/Group/Organization</b></p>   | <p>MUNCIE HOUSING AUTHORITY</p>   |
|   | <p><b>Agency/Group/Organization Type</b></p>  | <p>Housing<br/> PHA<br/> Services - Housing<br/> Services-homeless<br/> Service-Fair Housing<br/> Civic Leaders<br/> Grantee Department</p>   |
|   | <p><b>What section of the Plan was addressed by Consultation?</b></p>   | <p>Housing Need Assessment<br/> Public Housing Needs<br/> Homelessness Needs - Unaccompanied youth</p>  |

|   |  |   |
|---|--|---|
|   | <b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b> | CD Director meets or speaks with Joe Anderson, MHA Director to discuss issues including homelessness, foster care vouchers, ARP emergency vouchers, potential development projects funded or under consideration by the City and MHA and working collaboratively on AFFH Plans. MHA recently awarded 11 project-based vouchers to the City View I LIHTC project. We see some projects on which we may be able to collaborate. MHA is working closely with homeless providers on assigning ARP emergency vouchers (11 of 16 are under lease) and feels there is potential to get more vouchers due to communities turning unused vouchers back to HUD for reassignment. MHA participates in the Continuum of Care. |
| 7 | <b>Agency/Group/Organization</b>   | Delaware Muncie Metropolitan Plan Commission  |
|   | <b>Agency/Group/Organization Type</b>  | Agency - Managing Flood Prone Areas<br>Agency - Management of Public Land or Water Resources<br>Agency - Emergency Management<br>Other government - County  |
|   | <b>What section of the Plan was addressed by Consultation?</b>   | Local Planning Organization for FHWA  |
|   | <b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b> | CD and other City Staff meet regularly with DMMPC staff. The agency works with Indiana Dept. of Natural Resources on floodplain management. In addition, DMMPC coordinates regularly with Delaware County Soil and Water Conservation District, and with Indiana American Water Company Watershed/Wellhead/Protection Planning Team and the Emergency Management Advisory Council, facilitated by the Delaware County Emergency Management Agency which meets jointly with the Local Emergency Planning Committee.. DMMPC also serves as the LPA for federal transportation grants.   |

|   |  |   |
|---|--|---|
| 8 | <b>Agency/Group/Organization</b>   | City of Muncie  |
|   | <b>Agency/Group/Organization Type</b>  | Agency - Managing Flood Prone Areas<br>Agency - Management of Public Land or Water Resources<br>Agency - Emergency Management<br>Grantee Department   |
|   | <b>What section of the Plan was addressed by Consultation?</b>   | Resiliency  |
|   | <b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b> | CD Department coordinates regularly with City Engineer Adam Leach, PE, who sits on the Board of Sanitary Commissioners and oversees the Muncie Sanitary District's Municipal Separate Storm / Sewer System (MS4) program. MSD also manages levee system certification in conjunction with FEMA National Flood Insurance Program and Army Corps of Engineers and manages solid waste treatment and recycling programs. Coordination with Mr. Leach insures CDBG and HOME projects are compliant. CD Department coordinates with Building Commissioner Office which serves as Zoning and Flood Plain Administrator for the City of Muncie, a participant in FEMA National Flood Insurance Program to insure CDBG and HOME projects are compliant. |

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

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

| <b>Name of Plan</b> | <b>Lead Organization</b>        | <b>How do the goals of your Strategic Plan overlap with the goals of each plan?</b> |
|---------------------|---------------------------------|---|
| Continuum of Care   | Muncie Mission Ministries, Inc. | Plans of CoC and CD align.  |

**Table 3 – Other local / regional / federal planning efforts**

**Narrative (optional)**

Muncie Mission Ministries is the lead of the CoC. Meetings are held monthly. Executive Director's of local homeless shelters (A Better Way, YWCA, Muncie Mission, Christian Ministries) meet weekly with CD Director and Open Door CEO and Township Trustee to plan and discuss timely issues and to invite outside resource people for collaboration. The local group worked with IHEDA regarding the reassignment of Bridges grants and how to maximize IHEDA funding for Muncie. Muncie Mission and Christian Ministries shelters have become ESG shelter grant recipients as a result of these meetings. Muncie Mission has become a CDBG Public Service Recipient for the first time. Muncie Mission also purchased the HUB building previously owned by Bridges which serves as a resource center for people experiencing homelessness. A strategic planning process was undertaken with the homeless providers, now known as Delaware County Homeless Consortium, over a 6-8 month period that included three large meetings inviting input from other stakeholders that serve people experiencing homelessness. The planning effort was funded by United Way.



## **AP-12 Participation – 91.105, 91.200(c)**

### **1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting**

A public hearing **to solicit public comment on community needs and how those needs might be addressed with 2023 CDBG and HOME funding**

Publication Date: 01/20/2023

Public Hearing Date: 02/01/2023 in person and livestreamed via City of Muncie Facebook page.

Public Comment Period: 01/20/23 through 02/21/23 (30 days)

In addition to CD Staff, one individual (Ken Hudson, Whitely Community Council) attended the hearing. No comments were received at or after the hearing. Links to the legal notice and affidavit, screen shots of City of Muncie Community Development Department Facebook page posting, cityofmuncie.com website posting, sign in sheet, meeting minutes, meeting video recording are attached at AD-26 (Administration)

The above referenced notice included information on dates of application availability; information related to meetings held via Zoom concerning CDBG Public Service and HOME applications; application due dates. A meeting covering these application related matters was held on 02/03/23 via Zoom.

A second public hearing to solicit public comment on the Draft 2023 Annual Action Plan:

Publication date: 05/05/2023

Hearing date 05/17/2023

Comment period: 05/05/2023 thru 06/06/2023 (30 days)

A resolution was passed by City Council on May 1, 2023 authorizing Mayor Ridenour to submit the PY 2023 action plan to HUD. The approved resolution includes the spending contingency plan.

THE URL IN ITEM 1 BELOW IS A LINK TO A WORD DOCUMENT THAT HAS LINKS TO ALL DOCUMENTS REFERENCED BELOW.

**Citizen Participation Outreach**

| Sort Order | Mode of Outreach | Target of Outreach  | Summary of response/attendance   | Summary of comments received   | Summary of comments not accepted and reasons | URL (If applicable) |
|------------|------------------|---|--|--|--|---------------------|
| 1          | Public Hearing   | Minorities<br>Persons with disabilities<br>Non-targeted/broad community<br>Residents of Public and Assisted Housing | One individual (Ken Hudson, Whitely Community Council) attended the hearing, besides staff. No comments were received at or after the hearing. Links to the legal notice and affidavit, screen shots of City of Muncie Community Development Department Facebook page posting, cityofmuncie.com website posting, sign in sheet, meeting minutes, meeting video recording are attached at AP 25 | No comments were received either at the hearing or from online participants. |  |                     |

| Sort Order | Mode of Outreach  | Target of Outreach  | Summary of response/attendance | Summary of comments received | Summary of comments not accepted and reasons | URL (if applicable) |
|------------|-------------------|---|--------------------------------|------------------------------|--|---------------------|
| 2          | Newspaper Ad      | Minorities<br>Persons with disabilities<br>Non-targeted/broad community<br>Residents of Public and Assisted Housing | NA                             | No comments were received    |  |                     |
| 3          | Internet Outreach | Minorities<br>Persons with disabilities<br>Non-targeted/broad community<br>Residents of Public and Assisted Housing | NA                             | No comments were received    |  |                     |

| Sort Order | Mode of Outreach | Target of Outreach  | Summary of response/attendance | Summary of comments received | Summary of comments not accepted and reasons | URL (if applicable) |
|------------|------------------|---|--------------------------------|------------------------------|--|---------------------|
| 4          | Public Hearing   | Minorities<br>Persons with disabilities<br>Non-targeted/broad community<br>Residents of Public and Assisted Housing |                                |                              |  |                     |

**Table 4 – Citizen Participation Outreach**

## Expected Resources

### AP-15 Expected Resources – 91.220(c)(1,2)

#### Introduction

The City's Program Year 2023 HUD allocation is \$1,287,189 for CDBG. The CDBG program this program year includes funding for single family housing homeowner rehabilitation, public services, demolition of blighted structures, acquisition of a building to be used for recovery housing, design work for McKinley Park, planning and administration. The amount that must benefit low- to moderate income residents is \$720,826.

The funds allocated for acquisition of recovery housing are dependent on award of a state grant to cover the development cost of the project. If the grant is not awarded, funds allocated for recovery housing will be spent on infrastructure improvements. Any adjustment to the budget due to any other increase or decrease if funding will be added or deducted from Clearance.

The City's Program Year 2023 HUD allocation is anticipated to be \$602,616 for HOME, \$126,501 will be reallocated from previous years. HOME activities typically include housing rehabilitation and/or new construction for rental or homeownership units, down payment assistance and

Community Housing Development Organization (CHDO) set-aside, and administration.

See discussion section below for source of previous years resources.

**Anticipated Resources**

| Program | Source of Funds  | Uses of Funds  | Expected Amount Available Year 1 |                    |                          |           | Expected Amount Available Remainder of ConPlan \$ | Narrative Description |
|---------|------------------|--|----------------------------------|--------------------|--------------------------|-----------|---|-----------------------|
|         |                  |  | Annual Allocation: \$            | Program Income: \$ | Prior Year Resources: \$ | Total: \$ |   |                       |
| CDBG    | public - federal | Acquisition<br>Admin and Planning<br>Economic Development<br>Housing<br>Public Improvements<br>Public Services | 1,287,189                        | 0                  | 0                        | 1,287,189 | 1,287,189   |                       |

| Program | Source of Funds  | Uses of Funds   | Expected Amount Available Year 1 |                    |                          |           | Expected Amount Available Remainder of ConPlan \$ | Narrative Description   |
|---------|------------------|---|----------------------------------|--------------------|--------------------------|-----------|---|---|
|         |                  |   | Annual Allocation: \$            | Program Income: \$ | Prior Year Resources: \$ | Total: \$ |   |   |
| HOME    | public - federal | Acquisition<br>Homebuyer assistance<br>Homeowner rehab<br>Multifamily rental new construction<br>Multifamily rental rehab<br>New construction for ownership<br>TBRA | 602,616                          | 0                  | 126,501                  | 729,117   | 602,616   | Previous years resources for HOME include cancellation of two projects: PY 2020 / 2107 S. Beacon @ \$25,000 and PY 2021 / 1007 W. Charles @ \$101,501 |
| Other   | public - federal | Other   | 0                                | 0                  | 0                        | 0         | 0   |   |

Table 5 - Expected Resources – Priority Table

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

Local guidelines require HOME developers to contribute other funds to HOME-funded construction projects. For rehabilitation of existing units, non-profits and Community Housing and Development Organizations (CHDO) must contribute at least 25% of the total cost, and for-profit entities must contribute at least 50% of the total cost. For new construction projects, all entities must contribute at least 50% of the total project cost. However, on a case-by-case basis, guidelines may be waived or amended as needed to allow for the increased cost of historic renovations and difficulty in obtaining private financing.



HOME funds in conjunction with LIHTC awards are leveraging multimillion-dollar affordable housing investments in Muncie.

Non-profit organizations administering CDBG public service activities have other programs that are funded by a variety of sources. CDBG funding is not adequate to sustain an agency or a particular activity, in most cases. Organizations therefor must develop partnerships to develop and implement their projects and services.

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

Abandoned property or land owned by the city, county, state, or federal agencies may be used to develop affordable housing or mixed-use development as projects are proposed that meet the needs of low and moderate-income households. The City View I (PY 2021, 2022) project (HOME/LIHTC) a 28 unit scattered site and townhome development, will use vacant lots owned by Muncie Redevelopment Commission (MRC), acquired through the state's Blight Elimination Program (BEP). City View II (HOME/LIHTC) is the second phase of City View (PY 2022, 2023) is also a scattered site and townhome development. Of the 33 units multiple buildings will be sited on MRC owned BEP lots.

**Discussion**

The City will utilize prior year resources from unused allocations only for HOME activities this year.

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives

#### Goals Summary Information

| Sort Order | Goal Name                           | Start Year | End Year | Category                            | Geographic Area | Needs Addressed  | Funding            | Goal Outcome Indicator   |
|------------|-------------------------------------|------------|----------|-------------------------------------|-----------------|--|--------------------|--|
| 1          | Homeowner Rehabilitation and Repair | 2020       | 2024     | Affordable Housing                  | City Wide       | Housing Preservation<br>Increase Affordable Housing - Reduce Cost Burden | CDBG:<br>\$295,900 | Homeowner Housing Rehabilitated: 23 Household Housing Unit   |
| 2          | New Construction for Homeownership  | 2020       | 2024     | Affordable Housing                  | City Wide       | Increase Affordable Housing - Reduce Cost Burden                         | HOME:<br>\$36,835  | Homeowner Housing Added: 1 Household Housing Unit<br>Homeowner Housing Rehabilitated: 1 Household Housing Unit |
| 3          | Public Services                     | 2020       | 2024     | Homeless Non-Homeless Special Needs | City Wide       | Homeless Prevention<br>Public Services for Special Needs Groups          | CDBG:<br>\$193,000 |  |

| Sort Order | Goal Name                            | Start Year | End Year | Category   | Geographic Area | Needs Addressed  | Funding                                 | Goal Outcome Indicator  |
|------------|--------------------------------------|------------|----------|--|-----------------|--|---|---|
| 4          | Slum and Blight Clearance            | 2020       | 2024     | Non-Housing<br>Community<br>Development<br>Slum and Blight<br>Clearance  | City Wide       | Neighborhood<br>Improvements   | CDBG:<br>\$244,689                      | Buildings Demolished: 20<br>Buildings   |
| 5          | Public Facilities or<br>Improvements | 2020       | 2024     | Non-Housing<br>Community<br>Development  | City Wide       | Neighborhood<br>Improvements   | CDBG:<br>\$41,000                       | Public Facility or Infrastructure<br>Activities other than<br>Low/Moderate Income Housing<br>Benefit: 2750 Persons Assisted |
| 6          | CHDO Program<br>Administration       | 2020       | 2024     | Affordable<br>Housing  | City Wide       | Increase Affordable<br>Housing - Reduce<br>Cost Burden   | CDBG:<br>\$10,000                       | Homeowner Housing Added: 1<br>Household Housing Unit  |
| 7          | Program<br>Administration            | 2020       | 2024     | Affordable<br>Housing<br>Public Housing<br>Homeless<br>Non-Homeless<br>Special Needs<br>Non-Housing<br>Community<br>Development<br>Economic<br>Development | City Wide       | Homeless<br>Prevention<br>Housing<br>Preservation<br>Neighborhood<br>Improvements<br>Increase Affordable<br>Housing - Reduce<br>Cost Burden<br>Economic<br>Development<br>Public Services for<br>Special Needs<br>Groups | CDBG:<br>\$255,000<br>HOME:<br>\$60,250 | Other: 1 Other  |

| Sort Order | Goal Name                  | Start Year | End Year | Category           | Geographic Area | Needs Addressed                                  | Funding         | Goal Outcome Indicator   |
|------------|----------------------------|------------|----------|--------------------|-----------------|--|-----------------|--|
| 8          | Rental Housing Development | 2020       | 2024     | Affordable Housing |                 | Increase Affordable Housing - Reduce Cost Burden | HOME: \$455,732 | Rental units constructed: 9 Household Housing Unit               |
| 9          | Down Payment Assistance    | 2020       | 2024     | Affordable Housing | City Wide       | Increase Affordable Housing - Reduce Cost Burden | CDBG: \$30,000  | Direct Financial Assistance to Homebuyers: 9 Households Assisted |

Table 6 – Goals Summary

### Goal Descriptions

|   |                         |  |
|---|-------------------------|--|
| 1 | <b>Goal Name</b>        | Homeowner Rehabilitation and Repair  |
|   | <b>Goal Description</b> | Working along side four non-profit housing agencies the city will offer homeowner rehabilitation services to low- to moderate-income homeowners city wide. |
| 2 | <b>Goal Name</b>        | New Construction for Homeownership   |
|   | <b>Goal Description</b> | New Construction of one and substantial rehabilitation of one home for low-to moderate-income home owners by non-profit housing developers.                |
| 3 | <b>Goal Name</b>        | Public Services  |
|   | <b>Goal Description</b> |  |
| 4 | <b>Goal Name</b>        | Slum and Blight Clearance  |
|   | <b>Goal Description</b> | Demolition of blighted structures city wide on a spot basis.   |

|   |                         |   |
|---|-------------------------|---|
| 5 | <b>Goal Name</b>        | Public Facilities or Improvements   |
|   | <b>Goal Description</b> | Improvements to infrastructure and parks.   |
| 6 | <b>Goal Name</b>        | CHDO Program Administration   |
|   | <b>Goal Description</b> | Administration of CHDO developing affordable housing for low- to moderate income families.  |
| 7 | <b>Goal Name</b>        | Program Administration  |
|   | <b>Goal Description</b> | Administration of CDBG and HOME programs.   |
| 8 | <b>Goal Name</b>        | Rental Housing Development  |
|   | <b>Goal Description</b> | Development of rental housing units for low- to moderate-income renters.  |
| 9 | <b>Goal Name</b>        | Down Payment Assistance   |
|   | <b>Goal Description</b> | Provide down payment and/or closing cost assistance to low- to moderate-income homebuyers, with preference given to first time home buyers. |

## Projects

### AP-35 Projects – 91.220(d)

#### Introduction

Projects to be funded in PY 2023 are summarized below.

#### Projects

| #  | Project Name  |
|----|---|
| 1  | HOME - Administration                               |
| 2  | HOME - CHDO Operating                               |
| 3  | HOME - Rental Housing                               |
| 4  | HOME - Homeownership Housing                        |
| 5  | PS - A Better Way                                   |
| 6  | PS - Christian Ministries of Delaware County        |
| 7  | PS - Muncie Mission Ministries                      |
| 8  | PS - YWCA of Central Indiana                        |
| 9  | SBS - Clearance                                     |
| 10 | HOU - Home Owner Rehabilitation                     |
| 11 | PF - Infrastructure                                 |
| 12 | PF - Park Improvements (McKinley Neighborhood Park) |
| 13 | ADM - CDBG Program Administration                   |
| 14 | HOME - Down-Payment and/or Closing-Cost Assistance  |
| 15 | PF Recovery Housing Acquisition                     |

Table 7 - Project Information

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

There are many underserved needs in the community. The biggest obstacle to addressing them is inadequate funding availability. The City has chosen to prioritize homelessness in public service grants to agencies serving people experiencing homelessness, clearance, homeowner rehab, parks and recovery housing in this year's grants. Demolition of blighted homes and housing rehabilitation continue to be a big need in the community, given the age of the housing stock and lower incomes of many residents in older neighborhoods.

HOME grants will focus on homeownership and rental projects for low to moderate income families.





**AP-38 Project Summary**  
**Project Summary Information**

|   |  |  |
|---|--|--|
| 1 | <b>Project Name</b>  | HOME - Administration  |
|   | <b>Target Area</b>   |  |
|   | <b>Goals Supported</b>   | Program Administration   |
|   | <b>Needs Addressed</b>   | Increase Affordable Housing - Reduce Cost Burden   |
|   | <b>Funding</b>   | HOME: \$60,250   |
|   | <b>Description</b>   | 24 CFR 92.207(a-g) Salary & benefits for HOME Program Manager  |
|   | <b>Target Date</b>   | 6/1/2025   |
|   | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | N/A; beneficiaries will be counted on a separate but related project   |
|   | <b>Location Description</b>  | N/A; locations will be determined on a separate but related project.   |
|   | <b>Planned Activities</b>  | 24 CFR 92.207(a-g) sections (a) general management, oversight and coordination, (b) staff and overhead, (c) public information, (d) fair housing, (e) indirect costs, (f) preparation of the consolidated plan, and (g) other federal requirements |
| 2 | <b>Project Name</b>  | HOME - CHDO Operating  |
|   | <b>Target Area</b>   |  |
|   | <b>Goals Supported</b>   | Homeowner Rehabilitation and Repair  |
|   | <b>Needs Addressed</b>   | Increase Affordable Housing - Reduce Cost Burden   |
|   | <b>Funding</b>   | CDBG: \$10,000   |
|   | <b>Description</b>   | 24 CFR 92.208 (a) Operating expenses for a certified CHDO in conjunction with development of an affordable-housing project (rehab of house located at 612 W. 5th St.)  |
|   | <b>Target Date</b>   | 6/1/2025   |
|   | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | One unit will be renovated for one moderate income (51-80% AMI) household.   |
|   | <b>Location Description</b>  | 612 W 5th St., Muncie, IN 47305  |

|          |  |  |
|----------|--|--|
|          | <b>Planned Activities</b>  | CHDO Operating funds cover staff and other administrative costs related to the development of affordable housing and homeownership opportunities. The project is eligible under 24 CFR 92.208 (a). |
| <b>3</b> | <b>Project Name</b>  | HOME - Rental Housing  |
|          | <b>Target Area</b>   | City Wide  |
|          | <b>Goals Supported</b>   | Rental Housing Development   |
|          | <b>Needs Addressed</b>   | Increase Affordable Housing - Reduce Cost Burden   |
|          | <b>Funding</b>   | HOME: \$445,732  |
|          | <b>Description</b>   | 24 CFR 92.205(a)(1)Funding for rental housing for income-qualified tenants.  |
|          | <b>Target Date</b>   | 5/30/2025  |
|          | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 9 HOME-assisted units will be created for low- and/or moderate-income renters.   |
|          | <b>Location Description</b>  | Scattered sites  |
|          | <b>Planned Activities</b>  | New construction of rental housing for income-qualified households.  |
| <b>4</b> | <b>Project Name</b>  | HOME - Homeownership Housing   |
|          | <b>Target Area</b>   | City Wide  |
|          | <b>Goals Supported</b>   | New Construction for Homeownership   |
|          | <b>Needs Addressed</b>   | Increase Affordable Housing - Reduce Cost Burden   |
|          | <b>Funding</b>   | HOME: \$183,185  |
|          | <b>Description</b>   | 24 CFR 92.205(a)(1)Development of single family homes to be sold to an income-qualified homebuyers   |
|          | <b>Target Date</b>   | 1/1/2025   |
|          | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 2 low- to moderate income families   |

|                           |   |   |
|---------------------------|---|---|
|                           | <b>Location Description</b>   | One located at 612 W 5th St. (this is a CHDO Reserve project which will be funded at \$146,300 (CHDO reserve minimum is \$90,392)).<br>Second location for Habitat home is TBD. |
|                           | <b>Planned Activities</b>   | Funding reserved for future homeownership activities. Future projects selected under this project will be eligible under 24 CFR 92.205(a)(1).                                   |
| <b>5</b>                  | <b>Project Name</b>   | PS - A Better Way   |
|                           | <b>Target Area</b>  | City Wide   |
|                           | <b>Goals Supported</b>  | Public Services   |
|                           | <b>Needs Addressed</b>  | Public Services for Special Needs Groups  |
|                           | <b>Funding</b>  | CDBG: \$43,000  |
|                           | <b>Description</b>  | 24 CFR 570.201(e) Staffing costs for case managers at domestic violence shelter.  |
|                           | <b>Target Date</b>  | 5/31/2024   |
|                           | <b>Estimate the number and type of families that will benefit from the proposed activities</b>  | 300 victims of domestic violence and people experiencing homelessness.  |
|                           | <b>Location Description</b>   | Domestic Violence Shelter   |
| <b>Planned Activities</b> | Shelter services and support for victims of domestic violence and their children (transportation, advocacy, support groups, counseling, emotional support, parenting support and case management.) Rapid rehousing support services to domestic violence survivors and other people experiencing homelessness through the Muncie HUB. 24 CFR 570.201(e) |   |
| <b>6</b>                  | <b>Project Name</b>   | PS - Christian Ministries of Delaware County  |
|                           | <b>Target Area</b>  | City Wide   |
|                           | <b>Goals Supported</b>  | Public Services   |
|                           | <b>Needs Addressed</b>  | Public Services for Special Needs Groups  |
|                           | <b>Funding</b>  | CDBG: \$20,000  |
|                           | <b>Description</b>  | 24CFR 570.201(e) - LMC Payroll for shelter coordinator and night managers to staff Men's Emergency Sleeping Room.   |
|                           | <b>Target Date</b>  | 5/31/2024   |

|          |  |   |
|----------|--|---|
|          | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 50 men experiencing homelessness  |
|          | <b>Location Description</b>  | 401 E. Main St., Muncie, IN 47305   |
|          | <b>Planned Activities</b>  | Operation of mens emergency shelter.  |
| <b>7</b> | <b>Project Name</b>  | PS - Muncie Mission Ministries  |
|          | <b>Target Area</b>   | City Wide   |
|          | <b>Goals Supported</b>   | Public Services   |
|          | <b>Needs Addressed</b>   | Public Services for Special Needs Groups  |
|          | <b>Funding</b>   | CDBG: \$72,000  |
|          | <b>Description</b>   | 24CFR 570.201(e) Payroll cost for activity administrator and utility costs for Muncie HUB.                              |
|          | <b>Target Date</b>   | 5/31/2024   |
|          | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 900 individuals experiencing homelessness   |
|          | <b>Location Description</b>  | 318 W. 8th St., Muncie, IN 47305  |
|          | <b>Planned Activities</b>  | Operation of the Muncie Hub homeless services center.   |
| <b>8</b> | <b>Project Name</b>  | PS - YWCA of Central Indiana  |
|          | <b>Target Area</b>   | City Wide   |
|          | <b>Goals Supported</b>   | Public Services   |
|          | <b>Needs Addressed</b>   | Public Services for Special Needs Groups  |
|          | <b>Funding</b>   | CDBG: \$58,000  |
|          | <b>Description</b>   | 24CFR 570.201 (e)Provide funds for executive director salary for operation of emergency shelter for women and children. |
|          | <b>Target Date</b>   | 5/31/2024   |

|    |  |  |
|----|--|--|
|    | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 650 women and children experiencing homelessness   |
|    | <b>Location Description</b>  | 310 E Charles St., Muncie, IN  |
|    | <b>Planned Activities</b>  | Administration of YWCA emergency shelter program and COTS overnight emergency shelter housed at the YWCA.  |
| 9  | <b>Project Name</b>  | SBS - Clearance  |
|    | <b>Target Area</b>   | City Wide  |
|    | <b>Goals Supported</b>   | Slum and Blight Clearance  |
|    | <b>Needs Addressed</b>   | Neighborhood Improvements  |
|    | <b>Funding</b>   | CDBG: \$252,289  |
|    | <b>Description</b>   | 24 CFR 570.201(d) Demolition, asbestos inspection and abatement, dumpsters, and other services related to removal of slum and blight.  |
|    | <b>Target Date</b>   | 12/31/2024   |
|    | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | Demolition of 20 structures across the community. It is unknown how many families will benefit from the activity as the activity addresses are no yet known and no area is targeted for this program |
|    | <b>Location Description</b>  | City wide  |
|    | <b>Planned Activities</b>  | Demolition of 20 structures, asbestos abatement, dumpsters and related services related to elimination of slum and blight on a spot basis city wide  |
| 10 | <b>Project Name</b>  | HOU - Home Owner Rehabilitation  |
|    | <b>Target Area</b>   | City Wide  |
|    | <b>Goals Supported</b>   | Homeowner Rehabilitation and Repair  |
|    | <b>Needs Addressed</b>   | Increase Affordable Housing - Reduce Cost Burden   |
|    | <b>Funding</b>   | CDBG: \$295,900  |
|    | <b>Description</b>   | 24 CFR 570.202 (a) (1) Rehabilitation services for low- to moderate-income homeowners including roof replacement, HVAC repair/replacement, and other repairs.  |

|           |  |  |
|-----------|--|--|
|           | <b>Target Date</b>   | 12/31/2024   |
|           | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 20 households up to 80% AMI.   |
|           | <b>Location Description</b>  | City wide  |
|           | <b>Planned Activities</b>  | Home improvements for low-to-moderate income homeowners including but not limited to roofs, ramps, HVAC replacements             |
| <b>11</b> | <b>Project Name</b>  | PF - Infrastructure  |
|           | <b>Target Area</b>   | City Wide  |
|           | <b>Goals Supported</b>   | Public Facilities or Improvements  |
|           | <b>Needs Addressed</b>   | Neighborhood Improvements  |
|           | <b>Funding</b>   | CDBG: \$1,000  |
|           | <b>Description</b>   | 24 CFR 570.201 (c)- LMAPaving, sidewalks and other infrastructure activities in low- to moderate-income neighborhoods.           |
|           | <b>Target Date</b>   | 5/31/2024  |
|           | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 100 residents of a low income area.  |
|           | <b>Location Description</b>  | City wide  |
|           | <b>Planned Activities</b>  | Street and sidewalk improvements in a TBD low and moderate income neighborhoods to improve livability and meet ADA requirements. |
| <b>12</b> | <b>Project Name</b>  | PF - Park Improvements (McKinley Neighborhood Park)  |
|           | <b>Target Area</b>   |  |
|           | <b>Goals Supported</b>   | Public Facilities or Improvements  |
|           | <b>Needs Addressed</b>   | Neighborhood Improvements  |
|           | <b>Funding</b>   | CDBG: \$40,000   |
|           | <b>Description</b>   | 24 CFR 507.201 (c) LMA Design work for park improvements in McKinley Neighborhood Park.  |
|           | <b>Target Date</b>   | 5/31/2023  |

|           |  |  |
|-----------|--|--|
|           | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | 2750   |
|           | <b>Location Description</b>  | 700-800 Blocks of North Elm St. (east side) Muncie, IN 47305   |
|           | <b>Planned Activities</b>  | Park design for area recently cleared as part of a stormwater project in anticipation of application for Federal park development grant.   |
| <b>13</b> | <b>Project Name</b>  | ADM - CDBG Program Administration  |
|           | <b>Target Area</b>   | City Wide  |
|           | <b>Goals Supported</b>   | Program Administration   |
|           | <b>Needs Addressed</b>   | Increase Affordable Housing - Reduce Cost Burden<br>Homeless Prevention<br>Housing Preservation<br>Public Services for Special Needs Groups<br>Neighborhood Improvements<br>Economic Development |
|           | <b>Funding</b>   | CDBG: \$255,000  |
|           | <b>Description</b>   | 24CFR 570.205 & 570.206 Program Administration, Planning and Technical Assistance for the CDBG & HOME Programs.  |
|           | <b>Target Date</b>   | 5/31/2024  |
|           | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | Muncie Community Development will provide program administration and planning for CDBG in order to provide services to over 70,000 residents in the City of Muncie.                              |
|           | <b>Location Description</b>  | 300 N High St., Muncie, IN 47305   |
|           | <b>Planned Activities</b>  | Program Administration and Planning for CDBG Programs for the City of Muncie   |
| <b>14</b> | <b>Project Name</b>  | HOME - Down-Payment and/or Closing-Cost Assistance   |
|           | <b>Target Area</b>   | City Wide  |
|           | <b>Goals Supported</b>   | Down Payment Assistance  |
|           | <b>Needs Addressed</b>   | Increase Affordable Housing - Reduce Cost Burden   |
|           | <b>Funding</b>   | HOME: \$30,000   |



|    |  |  |
|----|--|--|
|    | <b>Description</b>   | 24 CFR 92.206(c) Acquisition assistance for nine income-eligible homebuyer households.   |
|    | <b>Target Date</b>   | 12/31/2024   |
|    | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | Nine low- to moderate-income homebuyers.   |
|    | <b>Location Description</b>  | City wide  |
|    | <b>Planned Activities</b>  | Down payment and closing cost assistance for low to moderate income home buyers.   |
| 15 | <b>Project Name</b>  | PF Recovery Housing Acquisition  |
|    | <b>Target Area</b>   | City Wide  |
|    | <b>Goals Supported</b>   | Public Facilities or Improvements  |
|    | <b>Needs Addressed</b>   | Homeless Prevention  |
|    | <b>Funding</b>   | CDBG: \$250,000  |
|    | <b>Description</b>   | 24 CFR 570.201(c) Acquisition of a structure which will provide stable, transitional housing for individuals in recovery from a substance use disorder. This project is funded as a match to a SAMHSA grant. Matrix Code 03B |
|    | <b>Target Date</b>   | 12/31/2024   |
|    | <b>Estimate the number and type of families that will benefit from the proposed activities</b> | Ten individuals returning to the community from substance abuse rehabilitation will occupy the facility.   |
|    | <b>Location Description</b>  | TBD  |
|    | <b>Planned Activities</b>  | Acquisition of a structure which will provide stable, transitional housing for individuals in recovery from a substance use disorder.  |

## **AP-50 Geographic Distribution – 91.220(f)**

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

The major target area for the City of Muncie is city wide and includes all areas within the city boundary.

#### **Geographic Distribution**

| <b>Target Area</b> | <b>Percentage of Funds</b> |
|--------------------|----------------------------|
| City Wide          | 100                        |

**Table 8 - Geographic Distribution**

#### **Rationale for the priorities for allocating investments geographically**

The City of Muncie as a whole is 58.24% low- and moderate-income. Targeted funding will improve parks and infrastructure in low- and moderate-income neighborhoods. In addition, funds will target programs and organizations serving low- and moderate-income clientele, especially people experiencing homelessness. . Our LIHTC developments are in difficult to develop or qualified census tracts. The recently funded Southern Terrace LIHTC project will build three bedroom homes/duplexes on 9 lots in Industry Neighborhood and 10 lots in Whitely Neighborhood, both areas of minority concentration tht have seen significant disinvestment over the last 50 years.

#### **Discussion**

Muncie has several neighborhoods that have higher than 51% low- and moderate-income households and many facilities that serve low- and moderate-income clientele. The funds for the CDBG and HOME programs will be targeted in these areas

## Affordable Housing

### AP-55 Affordable Housing – 91.220(g)

#### Introduction

CD works with several local organizations to increase the number of affordable housing units available in the city-for both homeownership and rental projects.

Public input to the Consolidated Plan highlighted the community’s preference for rehabilitation over new construction and CD emphasizes this as a goal with applicants to both HOME and CDBG programs. CD received multiple comments on the Consolidated Plan from residents of the Old West End Neighborhood, lamenting a lack of investment in their historic neighborhood and need for stabilization and improvements to the historic housing stock. The project at 719 W. Charles St. is starting to move forward with asbestos abated, design work complete and roof quotes accepted. 719 W. Charles is a multiyear project at a large historically significant building at to be developed as affordable apartments. Phase one should complete this summer

| <b>One Year Goals for the Number of Households to be Supported</b> |    |
|--|----|
| Homeless   | 0  |
| Non-Homeless   | 30 |
| Special-Needs  | 0  |
| Total  | 30 |

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

| <b>One Year Goals for the Number of Households Supported Through</b> |    |
|--|----|
| Rental Assistance  | 0  |
| The Production of New Units  | 11 |
| Rehab of Existing Units  | 26 |
| Acquisition of Existing Units  | 0  |
| Total  | 37 |

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

#### Discussion

Non homeless households supported will be supported through homeowner rehabilitation projects. The grant provides service support vs permanent housing support for people experiencing homelessness.

The grants do not provide rental assistance, new units are provided through the HOME program which has budgeted for two homeowner projects: one rehab (Pathstone); one new construction (Habitat). 33 unit LIHTC project City View HOMES II should complete this PY and includes 4 HOME assisted units. A

second LIHTC project Southern Terrace will include 50 units with 5 HOME assisted.

Acquisition of Existing Units will occur in the Recovery Housing Project. At this time this is a match commitment and dependent on another grant. The facility acquired will determine the number of units acquired.

CD Staff continues to administer the Home Owner Rehab Program. We continue to partner with Habitat for Humanity and ECOREhab who have been providing construction administration services to the program. In addition, HomeSavers specializes in plumbing, HVAC repair/replacement, and ramp construction.

Pathstone continues with homeownership counseling and down payment assistance with carryover funding from 2021 and a new funding allocation this year. Increasing interest rates will likely require granting of additional assistance to homebuyers.

Habitat for Humanity will construct one new build home.

All of our subrecipients and developers are struggling with the increased cost of building materials.

## **AP-60 Public Housing – 91.220(h)**

### **Introduction**

The mission of Muncie Housing Authority (MHA) is to "provide quality choices of affordable housing and to foster self-sufficiency and homeownership."

The local homeless providers have started regular dialogue with the Housing Choice Voucher (HCV) program managers to get the CV emergency vouchers filled so more can be obtained. MHA staff are invited to attend CoC meetings monthly

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

The Muncie Housing Authority (MHA) provides eligible residents of Muncie with quality affordable housing in decent, safe neighborhoods. By working in partnership with the public and private sectors, MHA provides families with housing choice and the opportunity to achieve self-sufficiency. MHA operates a total of 502 Public Housing units: Earthstone Terrace (100); Gillespie Tower (98) ; Southern Pines (99); Millennium Place (62). In addition MHA controls 968 HCVs. This number includes 15 VASH, 23 Foster Youth and 16 Emergency HCVs. There is currently a waitlist of approximately 500 individuals for HCVs.

All assisted units must meet minimum Housing Quality Standard (HQS) requirements except where MHA has adopted a higher standard. MHA conducts housekeeping inspections and inspects each unit at least once annually to determine if the unit meets HQS and is maintained in decent, safe and sanitary condition.

The MHA Section 8 Homeownership Program is part of MHA's Family Self-Sufficiency (FSS) Program that offers homeownership opportunities to MHA residents and post purchase counseling.

The City of Muncie has a strong working relationship with MHA. The City supports MHA's 5-Year and Annual Plans as submitted to the U.S. Department of Housing and Urban Development. The Muncie Housing Authority has approved and implemented their 504/ADA Voluntary Compliance Agreement (VCA) to address accessibility and ADA provisions as required by Section 504 of the Rehabilitation Act of 1973. As a part of its 5-Year Plan for MHA, a strategic goal was established to undertake affirmative measures to ensure accessible housing to persons with all varieties of disabilities. Accessible features include, but are not limited to: widened doorways, modified kitchen cabinets, lowered sink counters, bathroom grab bars, raised or lowered toilet seats as well as modification for blind and hearing-impaired

individuals.

MHA has instituted preferences at multi-family PHA complexes for families with a homeless, disabled, elderly or working head of household. For HCVs MHA prioritizes single elderly or single disabled individuals over applicants that are not elderly or disabled. More than 80% of these applicants have “extremely low incomes” (at or below 30% of AMI). More than 13% of MHA residents are seniors. Gillespie Tower (92 unit) serves elderly and disabled tenants only.

The Muncie Housing Authority (MHA) Board of Commissioners approved policies establishing local preferences for its HCV Program. Public Housing has implemented a homelessness preference[ks1] and a VAWA preference. The HCV Program has a Self-Sufficiency Program to foster homeownership with its participants.

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

Residents create a Resident Council. This council is responsible for holding monthly meetings where the council and residents can vote to hold events, parties. In addition, MHA is required to have a resident member on the Board of Commissioners. MHA Staff are required to attend Resident Council meetings to provide information, hear complaints and address environmental, health and safety concerns.

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

The Muncie Housing Authority is not designated as a troubled PHA.

### **Discussion**

The city will continue working with MHA on Section 3 and in development of the new Fair Housing / Equity Plan in conjunction with Delaware County Housing Authority.

## **AP-65 Homeless and Other Special Needs Activities – 91.220(i)**

### **Introduction**

These goals are being established through a strategic planning process that includes all of the city's homeless service providers and the HOME ARP consultation process. The HOME ARP Allocation Plan has been approved and implementation will begin during this program year.

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

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

IU Health Bloomington employs two outreach workers to work with unsheltered people in the community. The positions are related to HIV and Hepatitis C diagnosis, testing and prevention and include distribution of naloxone in addition to general support of the homeless population, including referrals for mental health and/or addiction treatment and housing. Additional outreach is conducted via free meal sites and various locations in the city including the Muncie HUB.

Muncie Mission was awarded a \$10,000 outreach grant from IHEDA which has been used to support street outreach personnel and to assist property owners with homeless people living on their property with tents, sleeping bags, and backpacks. In the case of homeless families funds have been used to provide short-term temporary stays in a hotel. In addition, when a homeless person has verified housing available in another city, fuel cards have been issued to assist in travel.

#### **Addressing the emergency shelter and transitional housing needs of homeless persons**

The HOME ARP plan includes \$1,000,000 for acquisition and development of Non-Congregate Shelter (54% of the grant) as well as \$553,493 for supportive services. PY 2023 includes support for four organizations that provide shelter for individuals experiencing homelessness.

The City of Muncie has set the following goals for PY2023:

- 1) To shorten length of homelessness: Support Muncie Mission Ministries and Christian Ministries of Delaware County through their shelters for households experiencing homelessness. Both organizations will shelter households experiencing homelessness and connect them through coordinated entry services in the Region. Case managers will work with households (individuals and families) to work towards permanent housing solutions. These organizations will serve a combined 350 individuals.
- 2) To facilitate access for affordable housing: Support A Better Way and 300 victims of domestic

violence. A Better Way will provide individualized case management services and connect these households to permanent housing solutions. Case managers will assist with housing searches to quickly move victims away from their abusers.

3) To prevent clients from returning to homelessness: All service and housing agencies in the regional Continuum of Care, and work towards reducing returns to homelessness. All case managers at A Better Way, Muncie Mission Ministries, and Christian Ministries of Delaware County support their clients after placement in permanent housing.

**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**

This program year the city has prioritized homeless shelters and services for funding. Three full time shelters and one three season shelter are being funded.

Families with children have been prioritized for referral to Muncie Housing Authority for award of Recovery Act Emergency Vouchers by the Continuum of Care. These vouchers are eligible only to people referred via Coordinated Entry. All clients have access to case management meetings via the Continuum of Care and attendant agencies. All of these groups are benefitting from new weekly case management services and coordination being implemented by the Continuum of Care and weekly prioritization and evaluation of the rapid rehousing and coordinated entry lists and discussion of cases via active case management. Funds available via HOME ARP for supportive services and TBRA should allow agencies to provide more services to assist these populations.

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

At this time the Continuum of Care does not have an official plan for individuals in these situations. All of these institutions occasionally discharge people to the shelters. Funds available through HOME ARP



will provide for development of new non-congregate shelter for individuals and families as well as additional services.

### **Discussion**

A new crisis center to be operated by the local hospital and serve people in mental health crisis or ready to enter drug treatment is being built near the Muncie HUB and Muncie Mission. It is hoped that the services provided here will help people by addressing mental health and social service needs providing services that may prevent them from becoming homeless or connecting them with services that can lead them out of homelessness. Acquisition of the building that will house the Crisis Center will be partially funded by CDBG-CV.

## **AP-75 Barriers to affordable housing – 91.220(j)**

### **Introduction:**

As described in the 5-year Consolidated Plan, and the Analysis of Impediments to Fair Housing Choice, completed in 2020, the City has no obvious policies that serve as barriers to affordable housing. Delaware County administers planning and zoning. Zoning ordinances are inclusive and flexible, City building code provisions are standard, and permit fees and charges are not excessive and do not present a barrier to entry into the housing market.

Four LIHTC projects have been funded in Muncie in the last three years. Each of these developments will receive some funding from HOME. Construction at River Bend Flats funded in 2021 is almost complete, and accepting applications from tenants. It will provide 60 rental units in two 30 unit apartment buildings on a former grayfield site. City View I will provide 28 units and City View II will provide 33 units of townhomes and scattered site single family homes/duplexes/townhomes with lease purchase opportunities. Southern Terrace, funded in 2023 will provide 50 three-bedroom units, also with lease purchase opportunities. These projects together will provide a good supply of new affordable housing both rental and rental with ownership potential. Many are units are single family homes with three and four bedrooms. Total development cost for the four developments is ~\$46 million.

Programs are in place that make housing more affordable, including a three-year tax abatement available for new construction of single-family homes in the City, and energy and down payment assistance. ICAP (Indiana Community Action Program), provides energy assistance and weatherization services to income-eligible households and is available to both owners and tenants. CD administers a housing rehab program for low- to moderate-income homeowners and provides rental development and down payment assistance via HOME

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

The city continues to spend substantial resources on demolition of dilapidated homes in inner city neighborhoods. One dilapidated or squatter-occupied house can drag down values on an entire block of homes. According to the Analysis of Impediments to fair housing, Muncie does not have any of the above mentioned barriers to affordable housing.

### **Discussion:**

The City of Muncie will continue to use CDBG and HOME funds to partner with non-profit and for-profit housing developers to construct and rehabilitate affordable housing units, make home repairs for low-mod-income home owners, and make accessibility improvements to the homes of disabled persons.

HOME funds for housing development have been granted to developers working in neighborhoods where there is ready access to public transportation and other amenities.

The City of Muncie partners with Pathstone, a HUD approved housing counseling agency, to provide down payment assistance and homebuyer education. Home buyers are required to complete a minimum of eight (8) hours of counseling prior to purchasing a home. Classes include information about avoiding predatory lending, repairing credit, financial literacy and home maintenance.

## **AP-85 Other Actions – 91.220(k)**

### **Introduction:**

CDBG funds will be used to provide accessible sidewalks and streets for residents of all abilities. In addition, Homesavers is providing ramps and tub to shower conversions to improve accessibility for Homeowner Rehab Program clients.

### **Actions planned to address obstacles to meeting underserved needs**

Obstacle one to meeting underserved needs within the areas eligible for CDBG funding is an inadequate amount of CDBG funding to address all obstacles. This requires the city to prioritize needs and to collaborate with agencies and departments doing the priority work in order to leverage the funds we do have.

### **Public Service**

This year the city prioritized public service funding for programs that address homelessness and related issues. The homeless providers and CD Director meet weekly to work toward implementation of a new strategic plan, pulling in other agencies as needed to accomplish the plan's goals.

### **Public Facilities**

Parks have been historically underfunded in Muncie for decades. Mayor Ridnour has prioritized park improvements in city parks. CDBG funds will be used to complete the design of a new park located in the McKinley Neighborhood.

Maintaining Streets and Sidewalks in good condition in a city with brutal freeze thaw cycles is expensive and difficult. Street paving and accessibility improvements in low- to moderate- income areas will be performed with any funds not used for acquisition of recovery housing project.

### **Housing**

Housing conditions in many areas are poor due to the age of the housing stock and inability of residents to maintain them due to income constraints. Our Homeowner Rehab Program (HORP) will assist income eligible homeowners with roof/gutter replacement, HVAC replacement and accessibility improvements in conjunction with subrecipients already active in the housing rehab and repair space (Habitat,

Homesavers, ECOrehab.

### **Clearance**

As mentioned above, our housing stock is old and in many cases beyond repair, and running down the values of adjacent properties and neighborhoods. Although ideally every dilapidated house could be rehabbed, that is not possible for a host of reasons. Demolition clears the lot and makes it available to adjacent owners, developers or

### **Affordable Housing**

In a community with a high percentage of residents that are low- to moderate- income renters, and a shortage of affordable rental units that meet HQS, new affordable housing is a great need. Muncie has received 4 LIHTC allocations in the past three years. When complete, there will be an additional 60 apartments and 121 lease-purchase single family, duplex and townhome units in these four new developments. Total development cost for the four developments is ~\$46 million. Many will be on scattered site lots cleared of blighted homes in neighborhoods that have seen little new investment over the years. HOME funds are or will be invested in each of these developments.

### **Actions planned to foster and maintain affordable housing**

See Housing and Affordable Housing sections above.

In addition to the rental housing projects described above, HOME funds support down payment assistance and homeowner development projects carried out by program partners Pathstone, ECOrehab and Habitat for Humanity.

### **Actions planned to reduce lead-based paint hazards**

The Federal regulations regarding lead-based paint hazards and the requirements for housing renovation have been incorporated as part of the City of Muncie's policies and procedures manual. The policies state CDBG and HOME funds may be used to undertake lead-based paint hazard mitigation when required by the housing rehabilitation regulations. This can include inspection, risk assessment, specification writing, abatement, clean up, disposal work and clearance testing. This assistance will be in accordance with 24 CFR 35, et al. (9/15/99). A clearance test is performed after all lead paint work is completed. In addition, each household is provided with a copy of the EPA Manual, "Protect Your

Family from Lead in Your Home.”

A copy of the policies and procedures manual will be provided to the grant recipient/housing provider at the time of contract. Any sub grantee, contractor or housing provider will need to comply with the policies and procedures. Monitoring of the project will ensure compliance.

### **Actions planned to reduce the number of poverty-level families**

The Comprehensive Plan identified cultivating opportunities for upward mobility as a great need in the community. Creating opportunities and tools for economic advancement has the potential to reduce concentrated poverty, strengthen the county’s workforce, and build the capacity of the community to invest in other priorities.

This year we are concentrating our public service funding to agencies serving clients that are homeless, and in need of mental health / addiction services, cultivating upward mobility of the city’s most down and out. In addition, we have developed a plan to spend \$1.8 million HOME ARP funds to address the needs of this population.

The Continuum of Care has been rejuvenated under the leadership of the Muncie Mission and has plans to expand collaboration between service providers and clients to work toward moving families out of poverty.

### **Actions planned to develop institutional structure**

Building Better Neighborhoods is a collaboration between Muncie Action Plan (MAP) and Ball State University fostering neighborhood organization and participation in community revitalization and government processes, including capacity-building efforts of the Council of Neighborhoods and strives to create a prosperous and sustainable future after decades of disinvestment, population decline, changing demographics, and inefficient land development in Muncie. The Council of Neighborhoods has been actively engaged monthly in strategies to enhance communication and community in the majority of Muncie's neighborhoods.

Muncie Action Plan is continuing the application and implementation of the \$1 million in Treasury-granted ARP funds that have been granted to neighborhoods. In order to qualify for this funding neighborhood must organize neighbors, register with the secretary of state and have a bank account.

The CD director serves as a member of the MAP and Funders Forum boards. Funder’s Forum is a collaboration of local foundations and other fund-granting agencies.

The local homeless providers as part of the Continuum of Care have developed a strategic plan to guide them for the next several years toward service, facility, public and private funding goals and planning

the for implementation of best practices toward meeting the needs of clients.

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

CD and other City officials are actively working with developers of four previously mentioned LIHTC developments and collaborating with other another developer to keep projects in the LIHTC application pipeline. The CoC and homeless providers are very interested in pursuing additional permanent supportive housing units looking to partner with a developer for the next IHEDA PSH Institute.

Collaboration with Muncie Housing Authority has been strong, as MHA seeks to leverage their funds with a LIHTC project or project-based housing choice vouchers to build a neighborhood that allows renters to apply rent toward ownership at the end of the POA. MHA has 16 ARP emergency vouchers and is working through the Coordinated Entry system managed by the YWCA to get families housed. MHA feels more emergency vouchers may be available from cities that are not using them.

The Continuum of Care is conducting client-specific case management conferences with housing providers and social service agencies in order to obtain better outcomes for individuals and families. In addition there is a plan to cultivate landlords willing to rent to low income clients from a variety of groups.

A Crisis Center to address the needs of folks in mental health (including addiction related) crisis will become a reality this year. This project will be possible due to a collaboration between neighborhoods, the hospital, the city, Ball State and non-profits. The center will be open 24 hours a day.

### **Discussion:**

CD Staff will continue to work with the Muncie Human Rights Commission (HRC). HRC, a city-funded department, will continue to advise clients on fair housing issues focusing mainly on landlord tenant disputes and evictions. CD is donating a portion of its office space to HRC in order for Commission staff to have a dedicated (vs. shared with another department) office space in City Hall.

CD Staff will continue to train on fair housing and will attend one fair housing conference in the program year. CD Staff will be implementing the new Affirmatively Furthering Fair Housing Rule in its programs when the rule is finalized and support systems (website) are in place to assist with decision-making. CD has begun collaboration with Muncie and Delaware County Housing Authorities to on compliance with the new requirements of the new Affirmatively Furthering Fair Housing Rule.

A Fair Housing Seminar was held in conjunction with the Mid Eastern Assoc. of Realtors on May 3rd, with about 25 people attending. CD and MEAR plan to expand on this in PY 2023 by holding three seminars focusing of home buyers, landlords and renters.

## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

#### Introduction:

The city has no program income from any sources.

#### Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(I)(1)

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

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

#### Other CDBG Requirements

|   |        |
|---|--------|
| 1. The amount of urgent need activities   | 0      |
| 2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. | 75.64% |

#### HOME Investment Partnership Program (HOME) Reference 24 CFR 91.220(I)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:
  - The City of Muncie has been declared to be a severe fiscal distress area; therefore; there is no



HOME match required.

- First-time homebuyers are required to contribute a minimum of \$500.00 toward their down payment.
  - The HOME affordable homeownership limits for the area provided by HUD will be used to determine eligibility.
  - The City of Muncie, the jurisdiction, will solicit eligible applicants and proposals for funding for HOME projects through competitive proposals and detailed information can be obtained by contacting the Muncie Community Development (MCD) office.
  - All projects must have limited beneficiaries or give preferences to a segment of the low-income population and provide a description of limitations or preference.
  - Any limitation or preference will not violate nondiscrimination requirements in § 93.350, and the jurisdiction will not limit or give preferences to students. The jurisdiction may permit rental housing owners to limit tenants or give a preference in accordance with 24 CFR 92.253(d) only if such limitation or preference is described in the action plan.
  - Projects will not limit beneficiaries or give preference to all employees of the City of Muncie.
  - HOME subrecipients and CHDOs to use the CD HOME resale and recapture provisions requirements.
2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

The City of Muncie’s primary method of enforcing HOME affordability requirements is recapture of the HOME funds provided. If recapture cannot be used, resale provisions will be applied. The guidelines for resale or recapture of HOME funds, when used for homebuyer activities include the following:

- If the homebuyer fails to live in the unit for the period of affordability or otherwise breaches the Home agreement, the full amount of the loan must be recaptured.
- If the homebuyer sells the unit during the required period of affordability, the amount of the HOME investment to be recaptured may be reduced on a prorated basis based on the length of time that the homebuyer has resided in the unit.
- Proration is based on the number of months the homebuyer has occupied the unit. The recapture funds will be used for other eligible HOME activities.
- Net Sales Proceeds – if a sale or foreclosure occurs and if the sales proceeds are insufficient to cover the full required repayment amount, a lesser repayment amount will be made from Net Sales Proceeds. “Net Sales Proceeds” are defined as the amount remaining after repayment of the first mortgage loan balance, the payment of the documented closing costs at sale and the documented down payment and closing costs at the original. Porches paid directly by the homebuyer from his/her own funds.
- No Net Sales Proceeds – If after completion of a sale or foreclosure and the distribution of the sales proceeds the amount of Net Sales Proceeds is insufficient to cover any of the required recapture

amounts; there were no net proceeds. The City will maintain data to verify that no proceeds were distributed to the homebuyer or the City.

Document outlining resale and recapture for the City of Muncie is located in AD25 Grantee's Unique Appendices.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

HOME-assisted housing must meet the affordability requirements for not less than the applicable period beginning after project completion which is determined based on the following investment amounts:

- Under \$15,000 = 5 year minimum affordability period
- \$15,000 - \$40,000 = 10 year minimum affordability period
- Over \$40,000 = 15 year minimum affordability period
- New Construction = 20 year minimum affordability period.

To insure compliance with affordability guidelines, annual monitoring of properties funded with HOME funds is conducted by the HOME Program Coordinator. At project completion a lien is filed against the property for the amount of HOME investment and for the duration of the affordability period. Annual inspections of the properties are conducted by the Construction Specialist and verification of proof of insurance and payment of property taxes are verified. Failure to meet affordability terms results in repayment due immediately and the line to secure payment may be foreclosed.

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

No HOME funds will be used to refinance any existing debt on multifamily housing rehabilitations.

Developers typically use various combinations of Low-Income Housing Tax Credits, Historic Tax Credits, Indiana Housing and Community Development Authority Trust Funds, Indiana Housing and Community Development Authority Development Funds and private funds. HOME-funded Down-Payment Assistance (DPA) home ownership education will be administered by PathStone with PY2021 HOME funds in order to meet projected goals. Grants are forgiven as long as HOME guidelines are met during the period of affordability. Home-funded Homebuyer Rehabilitation activities will be provided to CHDOs with the understanding that all net sale proceeds from the sale of units are considered CHDO proceeds and may be retained by the CHDO to be invested in an

additional HOME unit.

In accordance with the HOME Investment Partnerships Program, 24 CFR Part 92 (Section 92.254 of the Final Rule), the City of Muncie has established recapture guidelines that apply only to projects in which HOME funds assist with the purchase of a property as the principal residence of the eligible homebuyer. This assistance will only be provided in a manner which permits recapture of a percentage of those funds if, at any time during the period of affordability, the assisted property is no longer the principal residence of the buyer. The HOME amount subject to recapture is based on the amount of HOME assistance that enabled the homeowner to buy the dwelling unit. This includes any HOME assistance that reduced the purchase price from the fair market value to an affordable price but excludes the amount between the cost of producing the unit and the market value (development subsidy).

The City has adopted the method for calculating the amount of HOME funds to be recaptured by the amount subject to recapture, which is further reduced in proportion to the length of time the homebuyer has occupied the home relative to the term of the HOME assistance (period of affordability). This method also allows that if net proceeds are not sufficient to recapture the full amount of the HOME investment plus recover the amount of the homeowner's investment in the property, the City will share the net proceeds with the homeowner. The net proceeds amount is determined by: sales price minus loan repayment of the mortgage(s) for the purchase of the house (other than HOME funds), owner investment, and closing costs. HOME funds to be recaptured will not exceed the adjusted HOME investment subject to recapture.

In order to provide consistent guidelines for CHDOs (Community Housing Development Organizations) and to better understand the existing non-profit housing development environment in Muncie, a CHDO Manual was developed as a guide for how to do business with the Muncie Community Development Office.

