



## PROGRAM YEAR 2018 ANNUAL ACTION PLAN

The 2018 Annual Action Plan describes activities which will be undertaken by Lake County for the year beginning September 1, 2018 and ending August 31, 2019 to meet the goals and objectives outlined in the County's five year Consolidated Plan (2018-2022). The County will use funds granted by the U.S. Department of Housing and Urban Development (HUD) under the Community Development Block Grant (CDBG) and Home Investment Partnership Act (HOME) programs.

---

## ANTICIPATED RESOURCES FOR 2018

---

The main source of funding for the goals, programs, and projects discussed in this Consolidated Plan will come from the Community Development Block Grant (CDBG) and the HOME Investment Partnerships Program (HOME).

SOURCE	CDBG	HOME	TOTAL
Annual Allocation	1,498,812	669,416	2,168,228
Expected Program Income	5,000	75,000	80,000
Prior Year Resources	32,028	0	32,038
Total	1,535,840	744,416	2,280,256

### **Community Development Block Grant**

The Community Development Block Grant (CDBG) funds received by the County can be used for a wide range of community development activities directed toward revitalizing neighborhoods, economic development, and improved community facilities and services, provided that the activities primarily benefit low- and moderate-income residents. Some examples of how the County has used CDBG funds in the past include:

- ◆ Housing rehabilitation for income-eligible homeowners,
- ◆ Homeless prevention,
- ◆ Social service programs for youth and seniors,
- ◆ Clearance and demolition of blighted structures, and
- ◆ Public facility and infrastructure improvements.

---

## **ANTICIPATED RESOURCES FOR 2018**

---

### **HOME Investment Partnerships Program (HOME)**

The HOME Investment Partnerships Program (HOME) funds received by the County must be used for affordable housing projects. Beneficiaries of HOME-funded projects must earn less than eighty percent of the area median income. Eligible types of activities include:

- ◆ Rehabilitation of existing affordable housing,
- ◆ Acquisition or development of new affordable housing, and
- ◆ Tenant-based rental assistance.

### **County Revolving Loan Funds**

The Lake County Economic Development Commission maintains a revolving loan account that provides short-term financing to establish or expand industrial and commercial businesses. The goal of the assistance is to create permanent jobs where at least 51% of the jobs are made available to low and moderate income persons.

---

## **ONE YEAR GOALS**

---

### **1. IMPROVE OWNER HOUSING STOCK**

---

The County will use available federal resources to support multiple rehabilitation programs. The County expects to benefit 20 low and moderate income homeowners.

- ◆ County Housing Rehabilitation CDBG: \$266,238.60
  - ◆ Hobart Sanitary Sewer Extension CDBG: \$119,672
- 

### **2. INCREASE HOME OWNERSHIP**

---

The County will use HOME funds to provide down payment and closing cost assistance to fifty (50) income-eligible homebuyers. The County will also subsidize the development of one home in the Riverwalk subdivision and two homes to be developed by Habitat for Humanity.

- ◆ County Homebuyer Assistance Program HOME: \$270,000
  - ◆ Habitat for Humanity Development HOME CHDO: \$100,412
  - ◆ Riverwalk Homes Development HOME: \$100,000
- 

### **3. PROVIDE SPECIAL NEEDS HOUSING**

---

The County will use HOME funds to support the development of assisted housing targeted at veterans and support the operation of IN-PACT, a certified CHDO who focuses on providing housing to special needs populations.

- ◆ IN-PACT CHDO Operations HOME: \$33,470
  - ◆ Veterans Preference Housing HOME \$75,000
- 

### **4. PREVENT HOMELESSNESS**

---

The County will use both HOME and CDBG funds to continue its Homeless Prevention Program. The goal is to assist 100 at-risk households avoid the trauma of homelessness.

- ◆ County Homeless Prevention Program CDBG: \$50,511 and HOME: \$23,591
- 

### **5. IMPROVE PUBLIC SERVICES**

---

The County will use CDBG funds to improve public services that primarily assist low and moderate income populations, including the elderly, disabled, and at-risk children.

- ◆ South Lake County Community Bus Service CDBG: \$51,500
- ◆ Children's Treehouse CDBG: \$25,000
- ◆ Mental Health America / Parents as Teachers: \$49,500

---

## ONE YEAR GOALS

---

### 6. IMPROVE PUBLIC FACILITIES AND IMPROVEMENTS

---

The County will use CDBG to subsidize the improvements to infrastructure in participating municipalities. In the current program year, there will be a focus on making accessibility improvements to ensure ADA compliance. The County will also provide funds to the local food bank to make needed improvements.

- ◆ NWI Food Bank CDBG: \$25,000
- ◆ Crown Point Main Street ADA CDBG: \$122,408
- ◆ Dyer Playground ADA CDBG: \$77,720
- ◆ Griffith Playground ADA CDBG: \$78,632
- ◆ Lake Station ADA Curb Cuts CDBG: \$25,000
- ◆ Lowell ADA Walkway CDBG: \$54,920
- ◆ St John ADA Parking Lot and Access CDBG: \$80,456
- ◆ Winfield Park Improvements ADA CDBG: 42,152

---

### 7. ELIMINATE BLIGHT

---

The County and Lake Station will use a portion of the CDBG funds to demolish and clear blighted properties that pose a threat to public health and safety.

- ◆ Countywide Demolition CDBG \$50,000
- ◆ Lake Station Demolition CDBG: \$39,040

---

### 8. PLANNING, ADMINISTRATION, AND CAPACITY BUILDING

---

The County will use available federal funds to comply with the planning, administrative, and reporting requirements associated with the HUD grants. A portion of funds may be granted to non-profit housing developers actively working within the County to cover a portion of their operating costs.

- ◆ Planning and Administration CDBG \$299,762 and HOME: \$66,941
- ◆ Northwest Indiana Community Reinvestment Alliance CDBG \$41,300

---

## **2018 PROJECTS**

---

The projects proposed for the 2018 program year are designed to address the priorities and goals described in the 2018-2022 Consolidated Plan. By mutual agreements between the County and the 16 participating communities in the Urban County program, approximately 50% of the annual CDBG funds are allocated to those cities and towns to be used for locally selected projects that meet a CDBG national goal (almost always primarily benefiting lower income persons). The remaining funds are allocated to several public service projects, homeless prevention and housing rehabilitation.

HOME funds are allocated to affordable housing activities and are not distributed between the municipalities. Fifteen percent (15%) of HOME funds must be used to support affordable housing development projects carried out by Community Housing Development Organizations (CHDOs).

For more detailed information for each proposed project, please refer to Appendix B.

The primary obstacle to addressing underserved needs is reduced and stagnating funding levels for both the CDBG and HOME programs.

## 2018 PROJECTS

ID	Organization	Project/Program	CDBG	HOME
1	Habitat	CHDO Housing Development		\$100,412
2	IN-PACT	CHDO Operations		\$33,470
3	To Be Determined	Riverwalk Housing Development		\$100,000
4	To Be Determined	Veterans Preference Housing		\$75,000
5	Lake County	Homebuyers Assistance		\$270,000
6	Lake County	Home Administration		\$66,941
7	Lake County	Homeless Prevention	\$50,511	\$23,591
8	Lake County	Owner Housing Rehabilitation	\$266,238	
9	Lake County	CDBG Administration	\$299,762	
10	Lake County	Countywide Demolition	\$50,000	
11	Lake County	Food Bank Improvements	\$25,000	
12	Mental Health America	Parents As Teachers	\$49,500	
13	NWIRA	Fair Housing	\$41,300	
14	Children's Treehouse	Training Program	\$25,000	
15	SLCCS	South Lake County Bus	\$51,500	
16	Lake Station	Lake Station Demolition	\$39,040	
17	Hobart	Hobart Sewer Extension	\$119,672	
18	Crown Point	Crown Point Main Street ADA	\$122,408	
19	Dyer	Dyer Playground ADA	\$77,720	
20	Griffith	Griffith Playground ADA	\$78,632	
21	Lake Station	Lake Station ADA Curb Cuts	\$25,000	
22	Lowell	Lowell ADA Walkway	\$54,920	
23	St. John	St John ADA Parking Lot & Access	\$80,456	
24	Winfield	Winfield Park Improvements ADA	\$42,152	
			\$1,498,811	\$669,414

---

## GEOGRAPHIC DISTRIBUTION

---

The County does not "target" any specific areas in the Urban County. As noted elsewhere, the County has agreements with the 16 participating cities and towns to provide roughly 50% of the annual CDBG grant to these communities to carry out CDBG eligible projects and activities. These communities may submit any CDBG eligible activity that meets a national goal for inclusion in the Annual Action Plan. Due to funding reductions over the past years, which reduced the level of local fund distribution, the County has moved to providing funds to half of the participating communities each year. This provides for larger local allocations, and permits larger, more significant, local projects. Most of the cities and towns undertake public improvements primarily benefitting lower income areas or households.

The remaining CDBG funds go for administration, public services, housing and, occasionally, a County public improvements project or demolition. HOME funds and CDBG funds for housing, are allocated to the entire Urban County.

The geographic distribution of 2018 CDBG funds will be as follows:

<b>Geography</b>	<b>Amount</b>	<b>Percent</b>
Crown Point	\$122,408	8%
Dyer	\$77,720	5%
Griffith	\$78,632	5%
Hobart	\$119,672	8%
Lake Station	\$64,040	4%
Lowell	\$54,920	4%
St. John	\$80,456	5%
Winfield	\$42,152	3%
South Lake County	\$51,500	3%
Not Specific to an area	\$807,311	54%



---

## **AFFORDABLE HOUSING PROGRAMS AND GOALS**

---

### **Affordable Housing Development**

Habitat for Humanity: 2 Homebuyer Units (New or Rehabbed)

Riverwalk Development: 1 New Homebuyer Unit

Veteran’s Housing: 1 New Supportive Housing Unit

### **Homebuyer Assistance**

County Homebuyer Assistance Program: 50 Homebuyers

### **Homeless Prevention (TBRA)**

County Homeless Prevention Program: 100 At-Risk Households

### **Owner Housing Rehabilitation\***

County CDBG Housing Rehabilitation: 20 Housing Units

*\*For the purposes of this section of the plan, the CDBG-funded Housing Rehabilitation goals are not included.*

---

<b>Population Served</b>	<b>Goal</b>	<b>Type of Program</b>	<b>Goal</b>
Homeless	100	Rental Assistance	100
Non-Homeless	53	Production	4
Special Needs	1	Rehabilitation	0
		Acquisition	50
<b>Total</b>	<b>154</b>	<b>Total</b>	<b>154</b>

---

---

## **PUBLIC HOUSING**

---

As part of the Consolidated Planning process, the County is required to describe the actions it plans to take during the Action Plan year to address the needs of public housing and actions to encourage public housing residents to become more involved in management and participate in homeownership. As the County does not have any public housing developments, this section is not applicable.

Northwest Indiana Community Action (NWICA) operates the Section 8 Housing Voucher program within the County on behalf of Indiana Housing and Community Development Authority (IHCDA). For information regarding Section 8, please contact NWICA.

---

## **HOMELESS AND SPECIAL NEEDS**

---

The County is part of the Balance of State Continuum of Care (CoC) and has adopted the CoC strategies and priorities for the sections of this plan pertaining to homelessness. The CoC is an integrated community-based system, which identifies needs and resources, establishes, and maintains a seamless delivery of housing and supportive services for the homeless and enhances and creates opportunities to ensure that the people served will achieve personal stability, self-sufficiency, better housing, and an enhanced quality of life.

The actions described below include those that will be undertaken by the County and also efforts undertaken by the CoC with support from the County.

---

### **OUTREACH AND ASSESSMENT**

---

A comprehensive referral network exists through the homeless service providers within Lake County. Most homeless households are referred from other agencies, including churches, school administrators, food pantries, hospitals and health care agencies, government offices, and other non-profit agencies.

The Continuum of Care conducts additional outreach through public events. The County, in partnership with the CoC, will participate in the annual homeless count to reach out to homeless persons that are outside of the shelter system. The information gathered through the homeless count will help the County better assess methods to bring those outside of the shelter system into the continuum of services.

---

**SHELTER NEEDS**

---

While the current homeless strategies focus on the prevention and quick placement of homeless households into permanent housing, there will always be a need for emergency and transitional housing to provide temporary accommodations for persons forced into sleeping in places not meant for human habitation.

In the upcoming plan year, the County will continue to participate in the planning efforts of the CoC. The CoC supports a number of emergency and transitional housing facilities. These facilities can provide up to 240 emergency beds and 131 transitional housing beds.

---

**TRANSITION TO PERMANENT HOUSING**

---

In the upcoming plan year, the County will continue to participate in the planning efforts of the CoC. The end goal and outcome of the Continuum is to stabilize households who have experienced homelessness in permanent housing situations. Rapid Re-housing has proven to be an effective tool in moving households from the shelter environment into permanent housing situations.

Some clientele will only be able maintain housing where wrap-around services such as medical care, career and mental health counseling are included. The County will continue to support the development of additional permanent supportive housing (PSH) units, such

as the Veterans Village, Village of Hope, South Shore Commons, and Kirby Manor.

---

**PREVENTION**

---

In the upcoming plan year, the County will financially support its Homeless Prevention Program. The program is expected to serve and estimated 100 households at risk of homelessness.

The County will also to continue to participate in the planning efforts of the CoC. The CoC supports a number of prevention programs, as well as most of the Township offices. The County will outreach to the Township offices over the program year to better coordinate the use of resources.

---

## **OTHER ACTIONS**

---

As part of the Consolidated Planning process, the County must describe the other actions it plans to take during the program year to address obstacles to meeting underserved needs, foster and maintain affordable housing, evaluate and reduce lead-based paint hazards, reduce the number of poverty-level families, develop institutional structure, and enhance coordination between public and private housing and social service agencies.

---

### **OBSTACLES TO MEETING UNDERSERVED NEEDS**

---

Vacant and abandoned properties have a blighting effect on neighborhoods and prevents neighborhood revitalization. Many of the properties that linger on the County Tax Sale ledgers are vacant and abandoned.

---

### **REDUCE LEAD-BASED PAINT HAZARDS**

---

The County must comply with the Federal lead based paint regulations in carrying out its CDBG/HOME activities. This especially impacts it's housing rehabilitation and home-buyer activities. At this time the County contracts with licensed firms to provide for Lead Risk Assessment and Lead Clearance Assessment when such are required.

---

### **FOSTER AND MAINTAIN AFFORDABLE HOUSING**

---

The HUD Section 8 Program provides a variety of financial assistance to developers and owners of rental properties to provide affordable housing opportunities. The units developed under this program are not administered by the County. The developers and property managers of assisted properties have contractual agreements directly with HUD. In exchange for mortgage assistance, the rental properties pledge to make a certain number of units affordable for contract period. In addition, Low Income Housing Tax Credit (LIHTC) units have been placed in service within the County.

Once the affordability period for these developments are over, the project owner has no obligation to maintain the units as affordable and can rent the units at the market rate which would result in a loss of housing affordability within the County. The County will monitor the situation of each assisted property and work with owners interested in extending the affordability of the properties.

---

## OTHER ACTIONS

---

### REDUCE POVERTY-LEVEL FAMILIES

Actions to reduce the number of poverty level families will continue in the FY 2018 program year as it has in the past years. LCCEDD administers a low interest economic development loan fund and oversees TIF districts as a means of job creation. While the County promotes these programs it must wait for projects to apply for assistance.

The County's efforts to alleviate poverty include several activities which provide a means for self-sufficiency as well as creation of a safety net for the most at risk families. The larger goals for the County will be to alleviate poverty at all levels. In this effort the County will support:

- ◆ Fund activities that promote self-reliance by encouraging education and training.
- ◆ Establish opportunities for new development, redevelopment and job creation.
- ◆ Support provision of services (i.e. day-care) which promote training, education and encourage employment.
- ◆ Ensure affirmative participation and hiring of the residents in development and construction activities.
- ◆ Expand availability of the affordable housing.
- ◆ Provide direct assistance to individuals at risk and with severe needs.

### DEVELOP INSTITUTIONAL STRUCTURE AND ENHANCE COORDINATION

The County has two organizations certified as Community Housing Development Organizations (CHDOs). To foster greater capacity of these and other non-profit housing developers, the County is offering operating support and technical assistance. In 2018, the County will provide IN-PACT with CHDO operating funds.

The County is also partnering with Community Investment Fund of Indiana (CIFI) and Northwest Indiana Community Action (NWICA) to increase the capacity of community development lending within the area. CIFI is a Community Development Financial Institution (CDFI) and is NWICA is currently seeking the CDFI designation.

The County will continue to play an active role in the Lake County Affordable Housing Taskforce and the local Continuum of Care to maintain high levels of coordination with local community development and affordable housing stakeholders.

---

## **OTHER ACTIONS**

---

### **FAIR HOUSING ISSUES**

---

Key fair housing issues facing the Lake County urban county entitlement area jurisdiction are:

1. community opposition leading to limited housing choice for people in protected classes,
2. housing choice for older adults and people with disabilities,
3. access to transportation choice connecting housing to areas of opportunity, and
4. land use policies that limit available, affordable housing resulting in regional patterns of segregation and limited housing choices for people in protected classes.

With the exception of perhaps transportation access, the consensus is that there is not discriminatory intent behind the disparate impacts facing people in protected classes in the jurisdiction. Indeed, within the jurisdiction there are even rather limited disparate impacts regarding housing opportunity, but on the larger county-wide and regional scale there are disparate impacts.

---

### **CONTRIBUTING FACTORS**

---

1. land use and zoning laws (and practices),
2. source of income discrimination, and
3. lack of access to opportunity due to high housing costs.

---

### **FAIR HOUSING GOALS**

---

1. Increase education opportunities for elected and appointed officials, real estate professionals, residential investors/landlords, and the general public about fair housing.
2. Increase awareness and implementation of universal design principles in housing construction and renovation.
3. Work county-wide and regionally to improve transportation choices and connection between areas of opportunity and housing.
4. Increase opportunities for mixed income housing options through policy changes in programs and land use policy.

---

## **BARRIERS TO AFFORDABLE HOUSING**

---

### **IDENTIFIED BARRIERS**

HUD defines regulatory barriers as public processes and requirements that significantly impede the development of affordable housing without commensurate health or safety benefits. These barriers can raise development costs in some communities by as much as 35 percent. General opposition to affordable housing, often called “Not In My Back Yard” or NIMBY, was the underlying motive that lay behind many of these regulatory barriers to intentionally limit growth in general and affordable housing in particular.

In the 2017 fair housing study conducted by the County, a number of public policy barriers were identified as barriers to affordable housing that may also serve as impediments to fair housing choice. These include, zoning requirements for large lots and large homes, and public sentiment against multi-family housing and affordable housing in general complicates the availability of affordable housing in some of the communities and increase racial and economic disparities across the communities in the county. A limited supply of rental housing outside the entitlement cities (Gary, East Chicago, and Hammond) further reduces housing choice for people who are unable to secure a mortgage or disinterested in home ownership.

### **STRATEGY TO ADDRESS BARRIERS**

1. Increase education opportunities for elected and appointed officials, real estate professionals, residential investors/landlords, and the general public about fair housing.
2. Increase awareness and implementation of universal design principles in housing construction and renovation.
3. Work county-wide and regionally to improve transportation choices and connection between areas of opportunity and housing.
4. Increase opportunities for mixed income housing options through policy changes in programs and land use policy

---

## CDBG SPECIFIC REQUIREMENTS

---

<b>Overall Benefit</b>	
Estimated Amount for Activities that will meet the Urgent Need National Objective	\$0
Estimated Percentage for Activities that will meet a Low-Moderate Income National Objective	90%
Low-Moderate Income Overall Benefit Certification Years	2016
	2017
	2018

<b>Expected Program Income</b>	
1. Program income not yet budgeted	\$0
2. Proceeds from section 108 loan guarantees	\$0
3. Surplus funds from urban renewal settlements	\$0
4. Grant funds returned to the line of credit	\$0
5. Income from float-funded activities	\$0
Total	\$0

*This section addresses the requirements of 24 CFR 91.220(l)(1)*



---

## **HOME SPECIFIC REQUIREMENTS**

---

---

### **FORMS OF INVESTMENT**

---

The County will not employ other forms of investment beyond those identified in Section 92.205:

- ◆ grants,
- ◆ deferred payment loans,
- ◆ interest-bearing loans or advances,
- ◆ non-interest-bearing loans or advances,
- ◆ equity investments, and
- ◆ interest subsidies

---

### **RESALE/RECAPTURE GUIDELINES**

---

The County follows the recapture method when HOME funds are used for the homebuyer assistance activity. The amount recaptured may not exceed the net proceeds, if any. The net proceed is the sales price of the dwelling unit minus any superior loan repayment (other than HOME funds) and closing costs. The County will always seek to recapture HOME funds before any distribution to the homeowner. Once HOME funds are recaptured, any remaining funds may be distributed to the homeowner. Thus, HOME investment is divided by HOME investment plus the homebuyers investment. The result is multiplied by the net proceeds. The HOME investment is recaptured in full, if possible. The full HOME loan amount remains in place for the full term of the HOME required mortgage term. All assistance to homebuyers is in the form of direct homebuyer subsidy. None are in the form of development subsidy.

The term of the HOME mortgage will be based on the level of HOME financing provided as part of the assistance in acquiring a dwelling unit. Assistance under \$15,000, five years; under \$40,000, ten years, over \$40,000, fifteen years; new construction, 20 years. Projects undertaken with HOME funds must require at least \$1001.00 in assistance to be eligible for participation.

---

## **HOME SPECIFIC REQUIREMENTS**

---

### **MULTIFAMILY REFINANCING**

---

The County will not refinance existing debt for multifamily housing projects.

---

### **HOMEOWNERSHIP LIMITS**

---

The County will utilize the affordable homeownership limits provided by HUD to carry out any homebuyer or owner-occupied rehabilitation programs.

---

### **ELIGIBLE APPLICANTS FOR HOME-FUNDED ACTIVITIES**

---

#### **Homebuyer Assistance**

Participation is limited to households at or below 80% of the area median income. Persons interested in applying for the Homebuyer Assistance Program can contact the Lake County Community Economic Development Department at 219-755-3225. Applications are available at:

2293 N. Main Street, Room A-311  
Crown Point, IN 46307

#### **Homeless Prevention (TBRA)**

Participation is limited to households at or below 50% of the area median income. Priority will be given to households at risk of homelessness. For more information, contact the Lake County Community Economic Development Department at 219-755-3225.

#### **Housing Development and CHDO Set-Aside**

Developers interested in using HOME funds for housing development can call Tim Brown, Director of the Lake County Community Economic Development Department, at 219-755-3225.