# 3-5 Year Strategic Plan

This document includes Narrative Responses to specific questions that grantees of the Community Development Block Grant, HOME Investment Partnership, Housing Opportunities for People with AIDS and Emergency Shelter Grants Programs must respond to in order to be compliant with the Consolidated Planning Regulations.

**NAME OF JURISDICTION: Lafayette, IN & West Lafayette, IN**

**Consolidated Plan Time Period:** July 1, 2010 through June 30, 2015

## GENERAL

### Executive Summary

The Executive Summary is required. The Summary must include the objectives and outcomes identified in the plan and an evaluation of past performance.

3-5 Year Strategic Plan Executive Summary:

The cities of Lafayette and West Lafayette are located within Tippecanoe County, Indiana. Tippecanoe County is primarily a rural community along Interstate 65, northwest of Indianapolis. Both cities are designated by the U.S. Department of Housing and Urban Development (HUD) as entitlement cities. Both cities receive an allocation of the Community Development Block Grant (CDBG) and the HOME Investment Partnership program (HOME) funds each year. The funds will be approximately $2.16 million every year, for a total of $10.8 million over the five years of this Consolidated Plan. This document serves to meet that requirement and outline goals and methods for helping distressed neighborhoods in the cities re-build and meet the housing and social service needs of the community.

Tippecanoe County is also home to four incorporated towns, Battle Ground, Dayton, Clarks Hill and Shadeland. The unincorporated areas in the county, Battle Ground, Lafayette and West Lafayette have formed a consortium to share the allocation of HOME dollars. This grouping of leaders is called the HOME Consortium. The staff at the city of Lafayette is responsible for the implementation and administration of the HOME funds at the behest of the HOME Consortium.

Social service providers, including those who serve the homeless and people living with HIV/AIDS, rely on other sources of funding. There are 23 agencies that receive financial support from the United Way of Greater Lafayette and some of those agencies also apply to the State of Indiana for other resources, many of which also come from the U.S. Department of Housing and Urban Development. However, agencies must submit competitive applications to receive these funds over other agencies throughout the state of Indiana.

Funding resources from HUD are allocated to the cities based on formulas calculating data from the U.S. Census, including the need in the community, the general population numbers, the number of pre-1940's housing stock and other general information.

Funds expected for the 2010 year are:

| Recipient | Source | Eligible Use | 2010 Allocation |
|---|---|---|---|
| City of Lafayette | CDBG | Supply decent housing, expand economic opportunities and provide services for persons earning 80 percent or less of median family income. Eliminate slum and blight. | 2010 Allocation : $702,716 Five year Estimate: $3,510,000 |
| City of West Lafayette | CDBG | | 2010 Allocation : $477,115 Five year Estimate: $2,385,000 |
| HOME Consortium | HOME | Expand the availability of decent, affordable housing for individuals and families earning 80 percent or less of median family income. | 2010 Allocation : $987,208 Five year Estimate: $4,905,000 |

Past performance by the cities is also criteria for the funding. While the funding allocation will not be altered by the past performance of the cities, poor past performance can suspend disbursement until errors are corrected or cause HUD to seek a financial penalty. The cities of Lafayette and West Lafayette have had good previous performance towards five year goals set in the previous Consolidated Plan, completed in 2005. While there is not a cumulative tally of the five-year accomplishments readily available, each year the cities accomplished their one year goals or had projects underway to meet those goals. Examples of one-year goals are:

- Assist elderly homeowners with repairs to their home
- Complete sidewalk repairs and improvements
- Preserve historic homes for affordable homeownership
- Preserve historic commercial buildings with façade improvements
- Assist public facilities with upgrades and renovation
- Demolish unsafe buildings
- Provide tenant based rental assistance
- Provide down payment assistance to homebuyers

The new economic climate has forced the change of goals through this plan; however, the progress made in the previous years also helps the cities decide if new needs or issues should be addressed in the coming years. City Consultants and Research, LLC conducted an extensive assessment of the housing, economic development and social service needs of the community on behalf of the cities of Lafayette and West Lafayette. Simultaneously, the cities evaluated the possible private and public funding sources for each type of need and determined which areas would need additional funding, gap financing or did not need additional funding. The final result is the goals and strategies listed below. The cities of Lafayette, West Lafayette and the HOME Consortium will strive to meet these goals utilizing the strategies listed, over the next five years, 2010-2014.

1. **Stabilize homeownership within Tippecanoe County, particularly within the cities of Lafayette and West Lafayette.**

Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Provide repairs for homeowners who are unable to save for large repairs, targeting households under 80 percent of the area median income. | 75 units |
| Provide emergency repairs for low to moderate income seniors enabling them to stay in their own homes longer. | 500 units |
| Educate prospective homebuyers on the home buying experience, foreclosure prevention and regular home maintenance. | 500 people |
| Provide down payment assistance to help first-time homebuyers achieve homeownership | 100 households |
| Assist with lead-based paint testing and abatement of lead-based paint from homes with small children via home repair. | 20 households |
| Acquisition/rehab existing homes in established Lafayette neighborhoods to sell to low to moderate income families | 25 units |

West Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Provide repairs for homeowners who are unable to save for large repairs, targeting households under 80 percent of the area median income. | 60 units |
| Rehabilitate homes for homeownership within CHDO service areas to balance against increasing student housing and other rental housing. | 9 units |
| Assist with lead-based paint testing and abatement of lead-based paint from homes with small children via home repair. | 6 households |

2. **Encourage responsible rental unit creation and maintenance:**

Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Create and renovate rental housing for low to moderate income seniors | 300 units |
| Provide tenant counseling to educate tenants on rights in foreclosure of homes and legal responsibilities for caring for the home | 200 people |
| Develop rental housing for low and very low income families, infill projects, re-purpose buildings, smart growth | 300 units |

West Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Form a partnership with Purdue University to create additional, stable student housing to meet increasing demand. | Meet Quarterly |
| Provide tenant counseling to educate tenants on rights in foreclosure of homes and legal responsibilities for caring for the home. | Host one meeting annual |

3. **Support the end of homelessness by providing citizens information on the the care of their homeless neighbors and people at-risk of homelessness.**

Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Develop new permanent supportive housing for people who are homeless and have special needs, such as domestic violence victims and chronically homeless, with requirements for agencies to follow CSH Dimensions of Quality | 100 units |
| Coordinate efforts with the Indiana Housing and Community Development Authority and local service providers to increase funding resources to serve those who are homeless and living in temporary or transitional housing. | Find 2 additional funding resources |
| Support case management and other services for people who are homeless or at-risk of becoming homeless, with requirements for agencies to follow harm reduction policies. | 1000 people |
| Provide rent and utility assistance to people at-risk of homelessness | 250 people |

West Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Continue participation in the Homelessness Intervention and Prevention Network (HIPN) monthly meetings to meet this goal. | 60 meetings |

4. **Support the needs of people living with HIV/AIDS and their families.**

Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Support case management and other services for people living with HIV/AIDS | 200 people |
| Form a partnership with local service providers to access funding that will support services and housing for persons living with HIV/AIDS | Find 2 additional funding resources |

West Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Form a partnership with local service providers to access funding that will support services and housing for persons living with HIV/AIDS | Find 2 additional funding resources |

5. **Support social services that meet the basic needs of low income families and households.**

Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Support social service programs that provide case management and other supportive services for low to moderate income households | XX people |

West Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Support social service programs that provide case management and other supportive services for low to moderate income households | XX people |

6. **Improve public infrastructure and public facilities.**

Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Upgrade pocket parks for use by residents in low to moderate income neighborhoods | 3 parks |
| Install/retrofit ramps, sidewalks and curb cuts on public streets to comply with the Americans with Disabilities Act (ADA). | 200 people |
| Install sustainable drainage features to reduce storm water run-off in low to moderate income neighborhoods | 3000 people |
| Support the improvement of public facilities and community centers | 1000 people |

West Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Increase the number of ramps and curb cutouts on public streets to comply with the Americans with Disabilities Act. | 100 people |
| Improve public alleys in low to moderate income neighborhoods. | 200 people |

7. **Encourage economic development activities.**

Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Assist businesses with façade renovations | 3 businesses |
| Encourage the creation of new jobs through the use of an economic development toolbox | 10 jobs |
| Support job training and placement efforts by local service providers | XX people |

West Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Assist businesses with façade renovations | 3 businesses |

8. **Improve administration and coordination between the cities of Lafayette and West Lafayette.**

Both cities will:

| Strategy |
|---|
| Coordinate public meetings to compliment each other's Consolidated Planning efforts and utilize all meetings as a way to provide citizen input to each other's plans |
| Coordinate volunteer efforts to help both communities and reach all low to moderate income census tracts |
| Develop stronger relationships with other HUD entitlement cities to share ideas and expertise. Use this network on a bi-annual basis to improve efforts in the local community. |

## Strategic Plan

Due every three, four, or five years (length of period is at the grantee's discretion) no less than 45 days prior to the start of the grantee's program year start date. HUD does not accept plans between August 15 and November 15.

Mission:

The mission for the city of Lafayette, Community Development Department is to administer programs and oversee funding that supports social services, streets and sidewalks, parks, historic preservation, housing and neighborhood revitalization.

The mission for the city of West Lafayette, Department of Development is to oversee the city's strategic planning; economic and business development, retention and expansion programs, including administering tax abatements for the Economic Development Commission; and 3 TIF districts for the Redevelopment Commission.

## MANAGING THE PROCESS

### Consultation 91.200(b)

1. Identify the lead agency or entity for overseeing the development of the plan and the major public and private agencies responsible for administering programs covered by the consolidated plan.

2. Identify agencies, groups, and organizations that participated in the process. This should reflect consultation requirements regarding the following:

   - **General** §91.100 (a)(1) - Consult with public and private agencies that provide health services, social and fair housing services (including those focusing on services to children, elderly persons, persons with disabilities, persons with HIV/AIDS and their families, homeless persons) during the preparation of the plan.

   - **Homeless strategy** §91.100 (a)(2) **–** Consult with public and private agencies that provide assisted housing, health services, and social services to determine what resources are available to address the needs of any persons that are chronically homeless.

   - **Lead lead-based paint hazards** §91.100 (a)(3) **–** Consult with State or local health and child welfare agencies and examine existing data related to lead-based paint hazards and poisonings.

   - **Adjacent governments** §91.100 (a)(4) -- Notify adjacent governments regarding priority non-housing community development needs.

   - **Metropolitan planning** §91.100 (a)(5) **--** Consult with adjacent units of general local government, including local government agencies with metropolitan-wide planning responsibilities, particularly for problems and solutions that go beyond a single jurisdiction, i.e. transportation, workforce development, economic development, etc.

   - **HOPWA** §91.100 (b) -- Largest city in EMSA consult broadly to develop metropolitan-wide strategy for addressing needs of persons with HIV/AIDS and their families.

   - **Public housing** §91.100 (c) -- Consult with the local public housing agency concerning public housing needs, planned programs, and activities.

The City of Lafayette is the county seat of Tippecanoe County, Indiana. Although a smaller city, it shares a border along the Wabash River with West Lafayette, IN. West Lafayette is home to Purdue University. The two cities have geographically melded together to form one urbanized area in a traditionally rural county. However, both cities maintain separate local governments, with separate Mayors and City Councils.

The Cities of Lafayette and West Lafayette each receive a grant called the Community Development Block Grant from the U.S. Department of Housing and Urban Development. In addition, they share an annual allocation of the Home Investment Partnerships Program from the same federal agency. They work together, as part of a consortium that also includes the incorporated town of Battle Creek and the unincorporated areas of Tippecanoe County. This consortium will revisit its membership within the next five years. Concern for need in some of the areas not served by the consortium has indicated that an addition to the areas served may be important at this time.

For the purpose of each Community Development Block Grant (CDBG), each City will serve as its own lead agency. For the purpose of the Home Investment Partnerships Program (HOME), the City of Lafayette with serve as the lead agency. Each member of the consortium has representation on a Board to make final funding decisions; however, the City of Lafayette is responsible for the administration of the HOME grant itself.

The Cities of Lafayette and West Lafayette worked together for the 2010-2014 Consolidated Planning process. Because these entities work together to form a consortium with other areas of Tippecanoe County and share a border of the Wabash River, it is benefits the two cities to combine resources and benefit from mutual planning. The consultation process is no exception to this partnership. Over a three-week period during March 2010, the cities of Lafayette and West Lafayette consulted with a number of groups. A complete listing of the groups is included in Appendix A.

## Citizen Participation 91.200 (b)

3. Based on the jurisdiction's current citizen participation plan, provide a summary of the citizen participation process used in the development of the consolidated plan. Include a description of actions taken to encourage participation of all its residents, including the following:

    - low- and moderate-income residents where housing and community development funds may be spent;
    - minorities and non-English speaking persons, as well as persons with disabilities;
    - local and regional institutions and other organizations (including businesses, developers, community and faith-based organizations);
    - residents of public and assisted housing developments and recipients of tenant- based assistance;
    - residents of targeted revitalization areas.

4. Provide a description of the process used to allow citizens to review and submit comments on the proposed consolidated plan, including how the plan (or a summary of the plan) was published for review; the dates, times and locations of a public hearing, or hearings; when and how notice was provided to citizens

of the hearing(s); the dates of the 30 day citizen comment period, and if technical assistance was provided to groups developing proposals for funding assistance under the consolidated plan and how this assistance was provided.

5. Provide a summary of citizen comments or views received on the plan and explain any comments not accepted and reasons why these comments were not accepted.

   *Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

The Cities of Lafayette and West Lafayette held their own public input processes to discuss the 2010-2014 Consolidated Plan. Along with introduction to the five-year plan, these methods were used to solicit input on the Analysis of Impediments to Fair Housing update for the 2010 fiscal year and the 2010 Action Plan.

A survey instrument was the primary use of soliciting citizen input outside of the consultation process. City Consultants and Research, LLC, an outside firm, placed a survey on the internet for use by local citizens to offer input on the needs of the community. Links from both the City of Lafayette and City of West Lafayette directed the general public to the website. Staff from both cities sent the link to local stakeholders, such as social service providers and housing developers.

Staff also shared paper copies of the survey with local providers to provide to clientele. This method is the primary way the cities of Lafayette and West Lafayette will reach those served by these grants.

Public meetings, hosted by both cities, provided another avenue for citizen comments on the process. Staff held meetings on the following dates and places:

| City | Date | Time | # of Attendees |
|---|---|---|---|
| Lafayette | February 28, 2010 | 6:30 PM | 25 |
| Lafayette | March 31, 2010 | 6:30 PM | 14 |
| West Lafayette | February 3, 2010 | 6:30 PM | 32 |
| West Lafayette | March 10, 2010 | 6:30 PM | 16 |

Copies of the announcements for the public meetings are included in Appendix B.

The cities of Lafayette and West Lafayette also used a survey instrument, on-line and in paper format for input from the public. The cities of Lafayette and West Lafayette distributed surveys to local service providers and libraries to reach people without access to the internet and to reach people who are served by the grants. 25 people completed the survey on the internet and 52 people returned a paper copy of the survey. Appendix C includes copies of the surveys.

The cities of Lafayette and West Lafayette released a draft copy of this document for public comment on April 10, 2010. Copies were available on each cities' website as well as in the Community Development Department offices.

A summary of comments and responses are listed below (post draft).

# HOUSING AND HOMELESS NEEDS

## Housing Needs 91.205

***If not using the CPMP Tool:** Complete and submit CHAS Table from:*
http://socds.huduser.org/scripts/odbic.exe/chas/index.htm
**If using the CPMP Tool:** *Complete and submit the Needs/Housing Table*

6. In this narrative, describe the estimated housing needs projected for the next five year period for the following categories of persons: extremely low-income, low-income, moderate-income, and middle-income families, renters and owners, elderly persons, persons with disabilities, including persons with HIV/AIDS and their families, single persons, large families, public housing residents, victims of domestic violence, families on the public housing and section 8 tenant-based waiting list, and discuss specific housing problems, including: cost-burden, severe cost- burden, substandard housing, and overcrowding (especially large families) and substandard conditions being experienced by extremely low-income, low-income, moderate-income, and middle-income renters and owners compare to the jurisdiction as a whole The jurisdiction must define the terms "standard condition" and "substandard condition but suitable for rehabilitation."

7. To the extent that any racial or ethnic group has a disproportionately greater need for any income category in comparison to the needs of that category as a whole, the jurisdiction must provide an assessment of that specific need. For this purpose, disproportionately greater need exists when the percentage of persons in a category of need who are members of a particular racial or ethnic group is at least ten percentage points higher than the percentage of persons in the category as a whole.

The cities of Lafayette and West Lafayette completed the housing tables required by the Consolidated Planning Management Process. Information for those tables was only available from the 2000 U.S. Census. With the change in housing market in 2007 and 2008, the needs of the community have changed over the last decade. However, we will address those changes in the housing market analysis section of this document.

*Housing Affordability*

Affordable housing should not be mistaken for low-income housing. Affordable housing is housing that costs less than 30 percent of a household's gross monthly income. Households who spend more than 30 percent of their gross month income towards housing costs are considered to have a cost burden. By evaluating the number of households with cost burden, the cities of Lafayette and West Lafayette may determine if there is a shortage in affordable housing for its population.

For this analysis, the housing information comes via the HUD Comprehensive Housing Affordability Strategy (CHAS) data. The information is broken down by areas that receive federal grants. For Tippecanoe County, the grant areas are defined as the cities of Lafayette, West Lafayette and all areas a part of the HOME Consortium, which includes the two cities.

A disproportionate number of households spend more than 30 percent of their gross monthly income towards housing costs. By spending more than 30 percent of the gross monthly income, the household is considered to have a housing problem or added cost burden by the U.S. Department of Housing and Urban Development (HUD). Figure II-I shows the housing cost burdens for homeowners throughout Lafayette and West Lafayette.

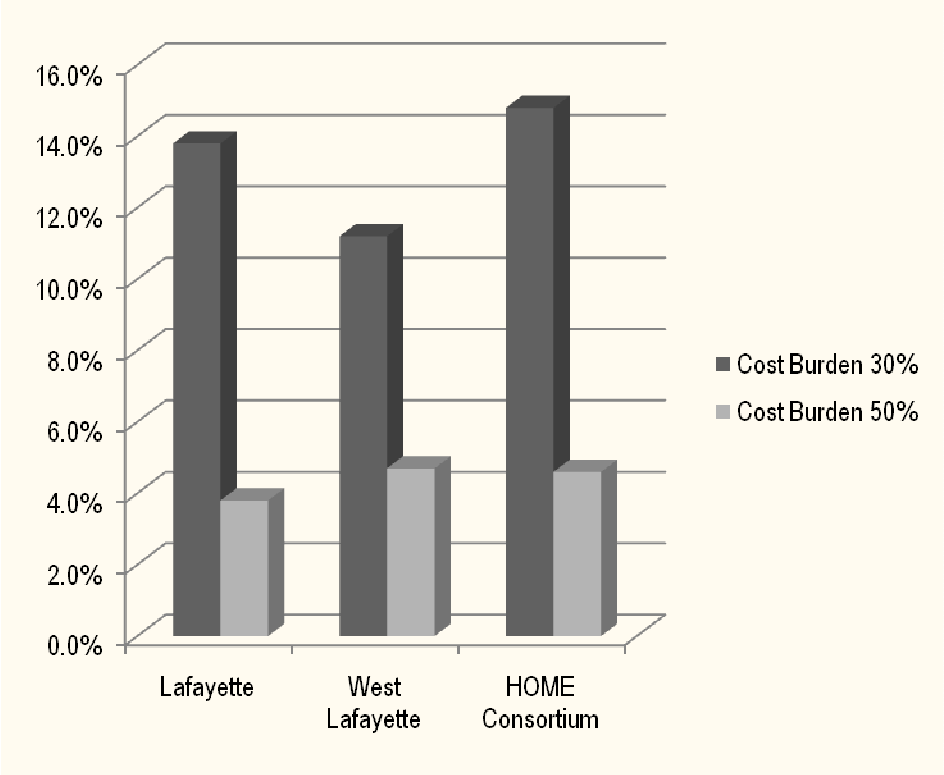



*Figure II-I: Housing Cost Burden for Homeowners by Grant Area. Source: U.S. Department of Housing and Urban Development, CHAS, 2000.*

The HOME Consortium has the largest percentage of homeowners with cost burdens. 14.8 percent of homeowners living within the borders of the HOME Consortium communities spend more than 30 percent of their gross monthly income towards housing. This is over 4,300 homeowner households. Upon consultation with the local housing counseling agency, City Consultants and Research, LLC learned that most homeowners on the edge of foreclosure are spending every dollar they have to keep their home. This leaves very little for ongoing or large maintenance expenditures. This may present itself as a problem throughout these communities as homeowners are unable to keep up with both the cost of mortgage payments, taxes and insurance as well as regular maintenance of their homes.

Renters tend to have a greater cost burden then homeowners. This area is no exception to that tendency. West Lafayette is the area with the greatest number of households who rent and have a cost burden. Local families often find themselves in competition for housing with Purdue students. This competition can drive up the price of housing to levels beyond the affordability of local families who stay in the area year-round. Over 64 percent of the renter households in West Lafayette spend more than 30 percent of their gross monthly income towards housing costs. 43 percent of renter households in West Lafayette spend over half of their gross monthly income towards housing. This is particularly important because West Lafayette has a higher number of minority households living within its borders. Figure II-II shows the cost burden for renter households within Tippecanoe County.

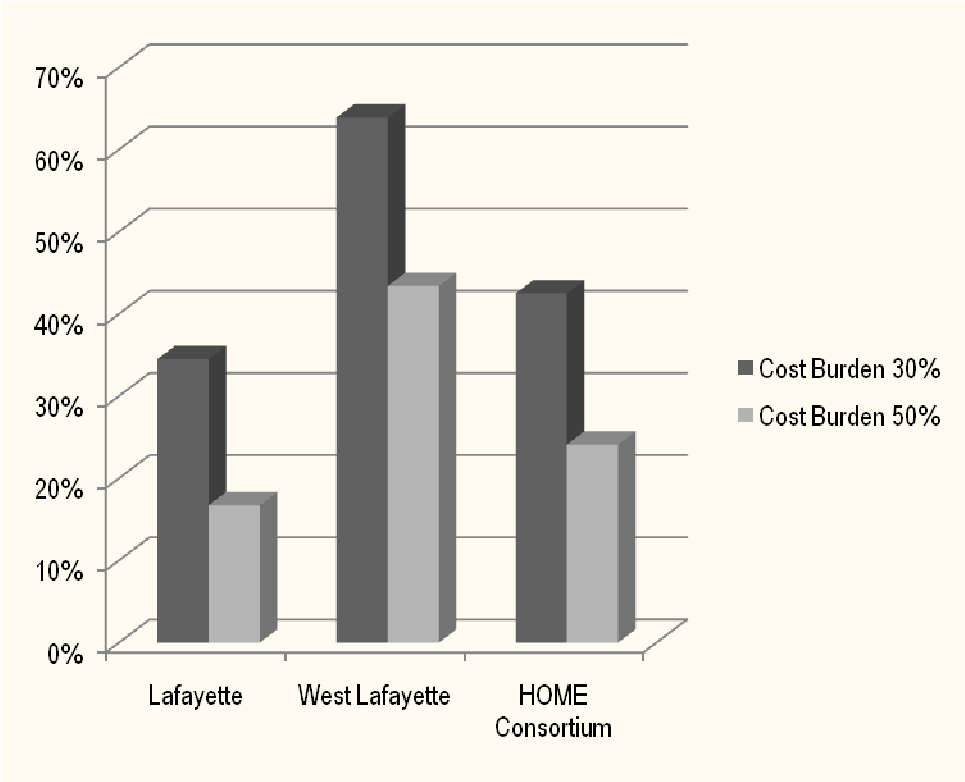



*Figure II-II: Housing Cost Burden for Renter Households by Grant Area. Source: U.S. Department of Housing and Urban Development, CHAS, 2000.*

With West Lafayette showing the greatest cost burden, it is no surprise that they have the least amount of rental units affordable to extremely low-income households. For the purpose of this document, extremely low-income households earn less than 30% of the Median Family Income. On 10.5 percent of all rental units are affordable to households with this low of an annual income.

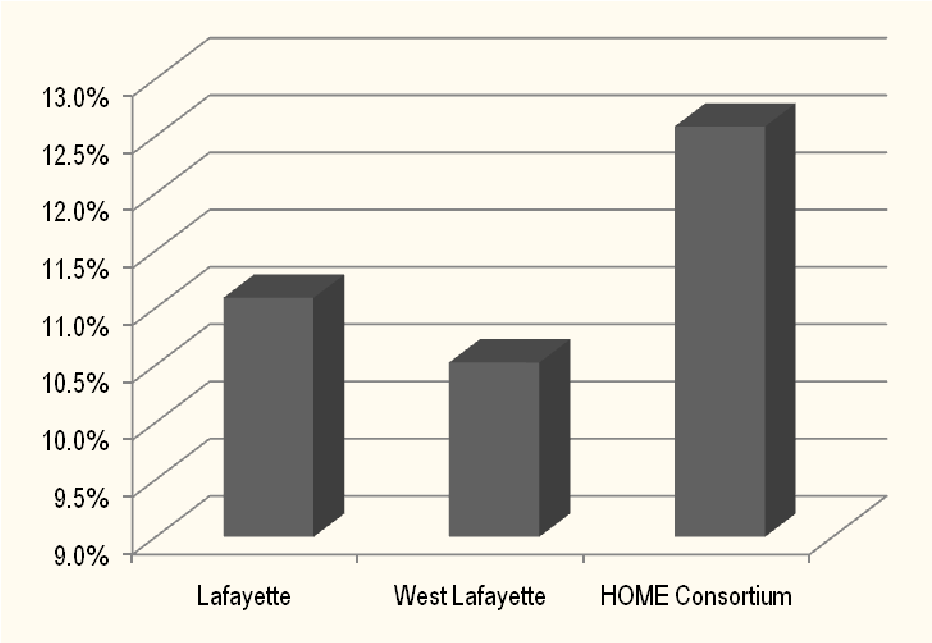



*Figure II-III: Percentage of Affordable Rental Units for Households Earning 0-30% MFI. Source: U.S. Department of Housing and Urban Development, CHAS, 2000.*

This trend continues throughout each income bracket traditionally used by HUD. For households earning 31-50 percent of the Median Family Income, only 17.8 percent of all rental units within West Lafayette are affordable. Whereas, for the households living within the city of

Lafayette or the remaining areas of the Consortium area, 35.5 percent and 32.9 percent of the rental units are affordable, respectively. Figures II-IV and II-V show the continuing trend of affordability mismatch in West Lafayette compared to the other two HUD areas.

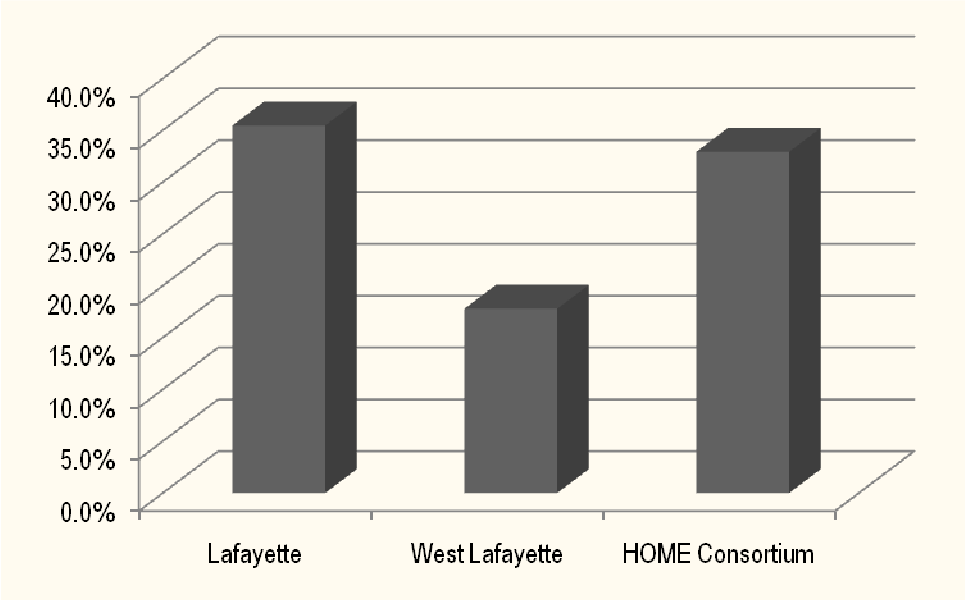



*Figure II-IV: Percentage of Affordable Rental Units for Households Earning 31-50% MFI. Source: U.S. Department of Housing and Urban Development, CHAS, 2000.*

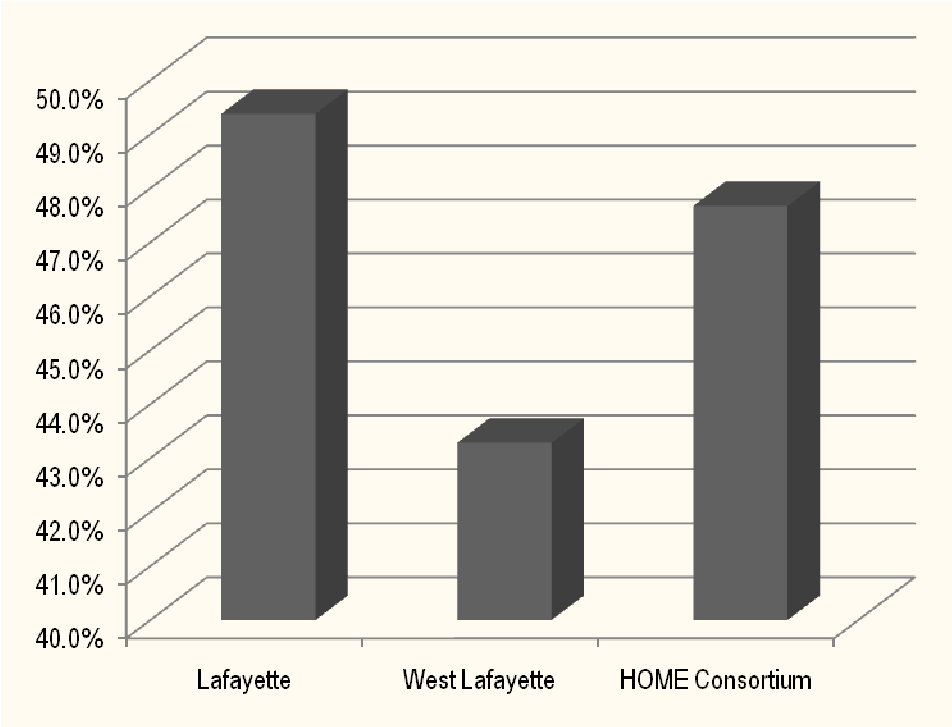



*Figure II-V: Percentage of Affordable Rental Units for Households Earning 51-80% MFI. Source: U.S. Department of Housing and Urban Development, CHAS, 2000.*

The same holds true for home values affordable to households who earn a lower income and want to own their own homes. The majority of the units affordable to households with low or moderate incomes are mostly located within Lafayette and the HOME Consortium areas, excluding West Lafayette. With Tippecanoe County as a rural county, it is not surprising that a large number of homeownership units would available in the unincorporated areas and be

affordable to moderate and upper income households. Traditionally, rural areas are affordable to households at those income levels. Figure II-VI shows the distribution of home values affordable to various income levels.

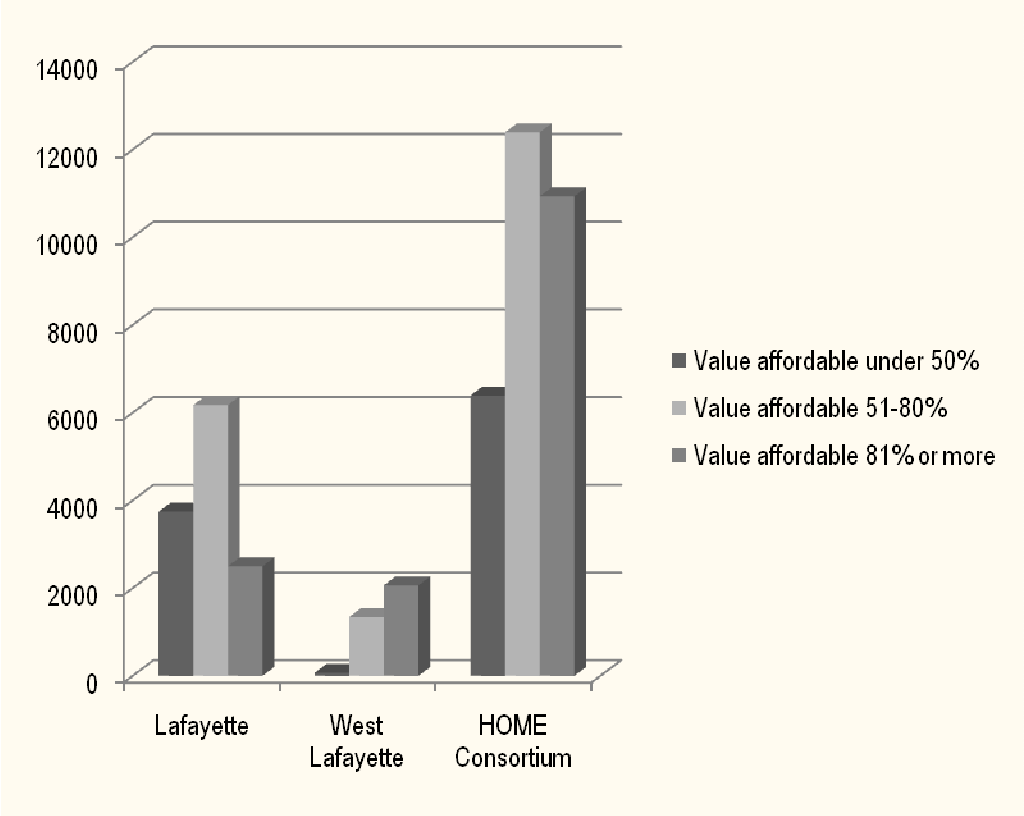



*Figure II-VI: Number of Home Values Affordable to Households as a % of MFI. Source: U.S. Department of Housing and Urban Development, CHAS, 2000.*

*Living Wage*[1]

Indiana is often considered an affordable place to live, compared to costal states such as California, Massachusetts, or New York. Indiana, along with Lafayette and West Lafayette, does have a high number of affordable units, and while this is true, it may be difficult to understand why or how the area also has an affordable housing shortage. As discussed in earlier sections of this housing analysis, a large number of renters with very low income pay more than 30 percent of their gross monthly income towards housing costs. Over the last decade, Tippecanoe County added 13,150 housing units. With a large number of units available, how can a shortage occur? To answer this question, it is important to look at the living wage needed to afford the housing available in the Lafayette Metropolitan Area.

In 2009, the Area Median Income (AMI) for Tippecanoe County and the Lafayette Metropolitan area was $60,500 annually. The U.S. Department of Housing and Urban Development (HUD) establishes affordability at 30% of a household's gross monthly income. So the maximum housing costs a household at 100% AMI is $1,513 per month. Table II-I shows the maximum housing costs for each income level used by HUD.

[1] Housing statistics and living wage information was compiled by the National Low Income Housing Coalition and City Consultants and Research, LLC.

*Table II-I: Maximum Affordable Monthly Housing Costs by Percent Median Family Income for the Lafayette Area. Source: National Low Income Housing Coalition, 2009.*

| Maximum Affordable Monthly Housing Cost by % of Family AMI | |
|---|---|
| 30% | $454 |
| 50% | $756 |
| 80% | $1,210 |
| 100% | $1,513 |

Fair market rents for two-bedroom apartments are the general measure for figuring the living wage for an area. Fair market rents are "the maximum chargeable gross rent in an area for projects participating in the HUD Section 8 program as determined by HUD (Danter Company)." The 2009 fair market rent for a two-bedroom apartment in the Lafayette area was $770 per month. The wage needed to afford a two-bedroom apartment is $30,800 annually. Working only 40 hours per week, the hourly wage needed to reach this income is $14.81.

In 2009, the minimum wage increased to $6.55 per hour. In order to afford a 2-bedroom apartment in the Lafayette Metropolitan area, a person would need to work 90 hours per week. The American Community Survey estimates the median income for a renter in 2009 was $26,718 annually. Even at the higher wage, roughly $10.40 per hour, the renter would need to work 57 hours per week to afford their housing. Even for a one-bedroom apartment, this person would need to work 46 hours per week.

*HMDA Analysis*

Information contained in the following tables comes from the online reports available from the Federal Financial Institutions Examination Council (FFIEC). The FFIEC is responsible for the collection and administration of the Home Mortgage Disclosure Act (HMDA) reporting data that financial institutions are required to submit. The most recent data available comes from the 2008 calendar year.

6,881 home loan applications were filed during this time in the Lafayette MSA. These home loan applications fell into one of the following four categories: (1) Government Guaranteed Home-Purchase, (2) Conventional Home-Purchase, (3) Refinancing, and (4) Home Improvement. By far, refinancing loans and conventional home loans are the two largest percentages of the 2008 complete home loan application pool. Applications for loans to refinance an existing home purchase loan made up slightly over 52.2 percent of all applications and conventional home loans made up nearly 24.8 percent of all applications, totaling 77 percent. The remaining 23 percent of the total home loan applications was comprised of home improvement loan applications (6.5 percent) and government guaranteed loan applications (16.5 percent).

Table II-II illustrates the total number of home loan applications made by loan type. The total applications received are further categorized by final loan status. Only 58 percent of all applications resulted in a loan origination. Nearly 23 percent were denied. The remaining applications were deemed incomplete, not accepted or withdrawn.

*Table II-II: Number of Loans by Type. Source: Home Mortgage Disclosure Act, 2008.*

| | Government Guaranteed Home Purchase | Conventional Home Purchase | Refinance | Home Improvement | Total |
|---|---|---|---|---|---|
| Loans Originated | 767 | 1,307 | 1,722 | 201 | 3,997 |
| Applications Approved, Not Accepted | 55 | 71 | 195 | 21 | 342 |
| Applications Denied | 204 | 157 | 1,014 | 175 | 1,550 |
| Applications Withdrawn | 99 | 154 | 576 | 31 | 860 |
| Applications Determined Incomplete | 17 | 18 | 88 | 9 | 132 |
| Total Loan Applications Received | 1,142 | 1,707 | 3,595 | 437 | 6,881 |

Conventional Home Purchases had the highest rate of loan origination, with 76.6 percent of all applications resulting in a loan. Government Guaranteed Home Purchase Loans had a slightly lower rate of approvals, with 67.7 of all applications resulting with a loan. Both categories had low denial rates, reaching only 17.9 percent.

On the opposite side of the spectrum, Home Improvement loans had the highest denial rate, with a 40 percent rate of denial. The reason for such a high denial rate will be examined further in this document.

Applicants seeking to refinance old loans experienced loan originations and loan denials with 47.9 percent and 28.2 percent rates respectively. Figure II-VII shows the difference in originations versus denials for each loan type.

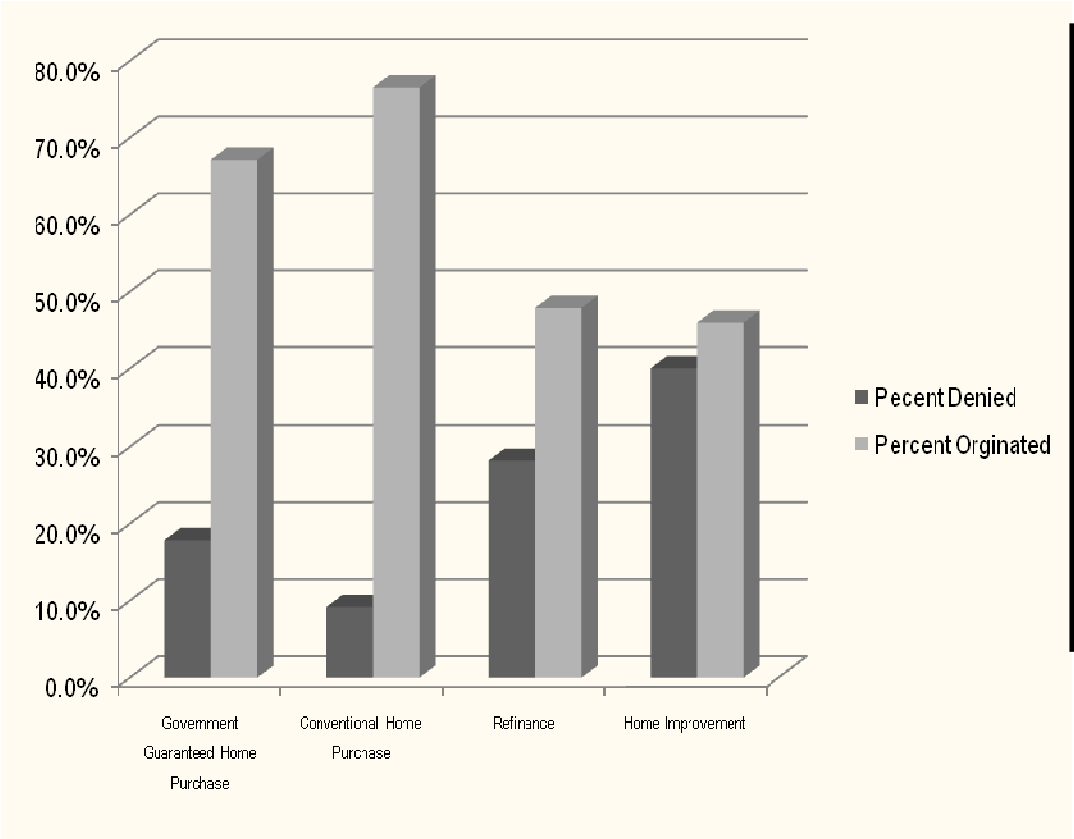



*Figure II-VII: Percent of Loan Origination and Denials for Loan Applications by Type. Source: Home Mortgage Disclosure Act, 2008.*

-Government Guaranteed Home – Purchase loans-

In 2008, Government Guaranteed Home-Purchase (government guaranteed) loan applications made up 5 percent of the total home loan applications in the Lafayette Metropolitan Statistical Area (MSA). A government guaranteed loan is available through, and secured by, the federal government of the United States. Government guaranteed loans are offered by three different agencies, the Federal Housing Administration (FHA), the Veterans Association (VA) and the United States Department of Agriculture (USDA).

The FHA loan is characterized by a fixed rate mortgage accessible to first-time and low-to-moderate income buyers. It is easier for these buyers to qualify for the FHA loan because it requires a smaller down payment (usually around 3.5 percent) and the interest rate is typically lower than those available from a Conventional Home-Purchase loan. Government guaranteed loans are only available to purchase homes that will be owner occupied.

The VA offers government guaranteed mortgages to individuals with a history of active military service or those individuals who have survived the death of a spouse that was an active service member. If an individual applicant meets the criteria and can prove the ability to make monthly payments, a VA home mortgage can be obtained with little or no down payment.

The USDA administers the Rural Development Guaranteed Housing loan program that provides mortgages for low-to-moderate income individuals wanting to purchase a home in an area that is designated a Rural Development area by the USDA. Applicants with a less-than-perfect credit history are able to qualify for this loan when they may not be able to qualify for a

conventional loan because the USDA guaranteed loans do not require a down payment or mortgage insurance.

1,142 applications were made for government guaranteed loans and 212 were denied. Denials are based on an applicant's rating in one of the following nine evaluation areas:

- debt to income ratio;
- employment history;
- credit history;
- collateral;
- cash accounts;
- quality of information given in application;
- completeness of application;
- mortgage insurance availability; or
- "other."

Table II-III shows the total number of applicants for government guaranteed loans in the Lafayette MSA for the year 2008, categorized by race and ethnicity. A problem with credit history is cited as the most common reason for denial in this loan type. 40.1 percent of the total application denials were denied for this reason. The second highest reason for denial in this loan type is cited as a problem with the applicant's debt to income ratio. 20.3 percent of the total application denials were denied for this reason.

The third most common reason for denial in this loan type is cited as collateral. 11.8 percent, of the total denials made were denied for this reason. 7.5 percent of the applicants were denied for "other" reasons. HMDA does not give a specific definition for this category; however, industry expert, Darin Sewell, a seasoned Wisconsin mortgage broker, believes that the reason for the high denial rates attributed to the other category is the current drop in real estate values across the country and the resulting discrepancy between what the buyers and sellers agree to as the price for and what the bank is willing to loan on a property. This denial is likely to take place during the underwriting phase of the loan process.

*Table II-III: Number of Government Guaranteed Loans Denied by Race and Ethnicity. Source: Home Mortgage Disclosure Act, 2008.*

| | Debt to Income Ratio | Employment History | Credit History | Collateral | Insufficient Cash | Unverifiable Information | Credit Application Incomplete | Mortgage Insurance Denied | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| ***Race*** | | | | | | | | | | |
| American Indian or Alaska Native | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Asian | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Black or African American | 1 | 0 | 3 | 0 | 0 | 1 | 2 | 0 | 0 | 7 |
| Native Hawaiian or Other Pacific Islander | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| White | 38 | 9 | 75 | 24 | 14 | 4 | 10 | 1 | 13 | 188 |
| Two or More Minority Races | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Joint (White/Minority Race) | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 1 | 3 |
| Race Not Available | 4 | 1 | 5 | 1 | 0 | 0 | 0 | 0 | 2 | 13 |
| ***Total by Race*** | ***43*** | ***10*** | ***85*** | ***25*** | ***15*** | ***5*** | ***12*** | ***1*** | ***16*** | ***212*** |
| ***Ethnicity*** | | | | | | | | | | |
| Hispanic or Latino | 3 | 0 | 2 | 1 | 0 | 1 | 1 | 0 | 1 | 9 |
| Not Hispanic or Latino | 37 | 9 | 79 | 24 | 15 | 4 | 11 | 1 | 13 | 193 |
| Joint (Hispanic or Latino/Not Hispanic or Latino) | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Ethnicity not available | 2 | 1 | 4 | 0 | 0 | 0 | 0 | 0 | 2 | 9 |
| ***Total by Ethnicity*** | ***43*** | ***10*** | ***85*** | ***25*** | ***15*** | ***5*** | ***12*** | ***1*** | ***16*** | ***212*** |
| Percent of Total | 20.3% | 4.7% | 40.1% | 11.8% | 7.1% | 2.4% | 5.7% | 0.5% | 7.5% | 100.0% |

Examining the data by race, White applicants comprised 90.6 percent of all applicants for government guaranteed financing, but only accounted for 87.5 percent of the total applicants denied. African American applicants comprised 2.4 percent of all applicants for government guaranteed financing, but accounted for 4.2 percent of all applicants denied financing. A higher proportion of African American applicants were denied government guaranteed financing than the total make-up of the applications by 1.8 percent. Conversely White applicants made up a lesser proportion of total applicants denied at a rate of 3.1 percent less. The remaining 6.9 percent of applicants who classified themselves other than white were denied a rate of 8.3 percent. All minority races account for less than the total applicant pool, but were denied at a higher rate.

Applicants that classified themselves as Hispanic made up 5.4 percent of the total government guaranteed applications denied. Out of the 1,324 applications filed, Hispanic applicants account for 4.3 percent of applicants. This also shows a disproportionate amount of Hispanics were denied government guaranteed financing. Both Hispanics and Minority race applications are denied government guaranteed financing at a rate than the portion of their race or ethnicity in the total applicant pool.

The data available through the Federal Financial Institutions Examination Council (FFIEC) online reports also allows for applications to be tracked by an applicant's income. Applicants with the lower incomes experienced a higher denial rate than applicants with higher incomes. Credit history continues to be the number one reason for a denial despite income levels. This data suggests that education on the importance of credit may change the numbers at the income level. Table II-IV shows the reasons for denial by income.

(The remainder of this page has been left blank intentionally.)

*Table II-IV: Number of Government Guaranteed Loans Denied by Income. Source: Home Mortgage Disclosure Act, 2008.*

| | Debt to Income Ratio | Employment History | Credit History | Collateral | Insufficient Cash | Unverifiable Information | Credit Application Incomplete | Mortgage Insurance Denied | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| Less Than 50% of MSA Median | 11 | 4 | 13 | 3 | 4 | 0 | 1 | 0 | 3 | 39 |
| 50 – 79% of MSA Median | 15 | 3 | 43 | 11 | 8 | 4 | 6 | 1 | 3 | 94 |
| 80 – 99% of MSA Median | 6 | 1 | 8 | 1 | 1 | 0 | 0 | 0 | 3 | 20 |
| 100 – 199% of MSA Median | 2 | 0 | 8 | 3 | 1 | 0 | 2 | 0 | 3 | 19 |
| 120% or More of MSA Median | 9 | 2 | 12 | 7 | 1 | 1 | 3 | 0 | 4 | 39 |
| Income Not Available | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Total | 43 | 10 | 85 | 25 | 15 | 5 | 12 | 1 | 16 | 212 |

-Conventional Home-Purchase Loans-

1,707 applications for Conventional Home-Purchase (conventional) loans were submitted in 2008. This makes up 24.8 percent of the total home loan applications. Conventional loans to purchase housing are made by private financial institutions. The terms to qualify for these loans will vary based on the individual underwriting at each institution. Furthermore, the down payment amount and interest rates will vary based on the way an applicant scores on their application. 193, or 11.3 percent, of applicants were denied conventional financing to purchase a home.

The most common reason for a denied conventional loan application cited by the HMDA data tables is credit history. 43, or 22.3 percent, of the total denials for this loan type were made for this reason. The second most common reason for a conventional loan application denial was a problem with the applicant's collateral. 39, or 20.2 percent, of the total denials for this loan type were made for this reason. There is only two percentage points difference between the top two reasons for loan denials in the conventional market.

While not as common as in the government guaranteed loan category denials, too much debt, as determined by the applicant's debt to income ratio, is still a fairly common reason that an applicant was denied for a conventional loan. In 2008, 14 percent of the denials in the Indianapolis MSA for this loan type were made for this reason.

Table II-V shows the reasons for denials in the conventional loan market by race and ethnicity.

(The remainder of this page has been left blank intentionally.)

*Table II-I: Number of Conventional Home Purchase Loans Denied by Race and Ethnicity. Source: Home Mortgage Disclosure Act, 2008.*

| | Debt to Income Ratio | Employment History | Credit History | Collateral | Insufficient Cash | Unverifiable Information | Credit Application Incomplete | Mortgage Insurance Denied | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| ***Race*** | | | | | | | | | | |
| American Indian or Alaska Native | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 2 |
| Asian | 2 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 1 | 5 |
| Black or African American | 4 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 2 | 7 |
| Native Hawaiian or Other Pacific Islander | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| White | 21 | 5 | 39 | 35 | 11 | 8 | 17 | 4 | 27 | 167 |
| Two or More Minority Races | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Joint (White/Minority Race) | 0 | 0 | 3 | 1 | 0 | 2 | 0 | 0 | 0 | 6 |
| Race Not Available | 0 | 0 | 1 | 1 | 0 | 1 | 1 | 0 | 2 | 6 |
| ***Ethnicity*** | | | | | | | | | | |
| Hispanic or Latino | 0 | 0 | 3 | 0 | 1 | 2 | 0 | 0 | 3 | 9 |
| Not Hispanic or Latino | 27 | 5 | 40 | 37 | 10 | 12 | 16 | 4 | 28 | 179 |
| Joint (Hispanic or Latino/Not Hispanic or Latino) | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 0 | 0 | 2 |
| Ethnicity not available | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 0 | 1 | 3 |
| ***Total*** | ***27*** | ***5*** | ***43*** | ***39*** | ***11*** | ***14*** | ***18*** | ***4*** | ***32*** | ***193*** |

When examining this information by race, a similar trend of the government guaranteed loans occurs in the conventional market. Whites make up 87.1 percent of the total conventional loan applications while only making up 85.9 percent of the total denials. African Americans make up 1.3 of the total applications for conventional loans while making up 3.9 percent of the denials. Asians were the only minority to make up a greater percentage of the applicants (2.8 percent) than of the total denials (1.5 percent). 3.4 percent of the applicants denied conventional loan applications made were Hispanic. Hispanic applicants comprised 2.4 percent of the total applicants for conventional home financing. While the percentages differences between the percentage of applicants and the percentage of denials are small, it is important to note that racial minorities and Hispanics experience denial rates higher than of their white counterparts.

Credit history and other are the top reasons for denial of conventional loans. However, credit history is the number one reason for loan application denials for low to moderate income applicants, or those earning 80 percent or less of the area median income. For those applicants earning more than 80 percent of the area median family income, collateral is the number one reason they are denied a conventional loan. Table II-VI shows the reason for loan denials at each income level.

(The remainder of this page has been left blank intentionally.)

*Table II-VI: Number of Conventional Home Purchase Loans Denied by Income. Source: Home Mortgage Disclosure Act, 2008.*

| | Debt to Income Ratio | Employment History | Credit History | Collateral | Insufficient Cash | Unverifiable Information | Credit Application Incomplete | Mortgage Insurance Denied | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| Less Than 50% of MSA Median | 5 | 2 | 8 | 5 | 3 | 2 | 4 | 1 | 2 | 32 |
| 50 – 79% of MSA Median | 9 | 0 | 16 | 6 | 5 | 10 | 4 | 0 | 9 | 59 |
| 80 – 99% of MSA Median | 1 | 1 | 3 | 4 | 0 | 0 | 1 | 0 | 4 | 14 |
| 100 – 199% of MSA Median | 5 | 0 | 5 | 6 | 2 | 0 | 0 | 1 | 5 | 24 |
| 120% or More of MSA Median | 7 | 2 | 8 | 18 | 1 | 2 | 9 | 2 | 11 | 60 |
| Income Not Available | 0 | 0 | 3 | 0 | 0 | 0 | 0 | 0 | 1 | 4 |
| Total | 27 | 5 | 43 | 39 | 11 | 14 | 18 | 4 | 32 | 193 |

- Home Loan Refinancing –

Homeowners looking to refinance their existing mortgages submitted the largest percentage of 2008 total home loan applications in the county. With 3,595 total applications, Home Loan Refinancing (refinancing) applications accounted for over 52 percent of the total home loan applications. Of the total applicants, 84.5 percent were White, 1.7 percent were African American, and 2.4 percent was an individual that classified themselves as one of the other minority races. Race information was not available for 13.2 percent of the total applicants.

851, or 23.6 percent, were denied based on a poor application score in one of the basic nine evaluation areas. The top two reasons for denial were credit history and collateral. Out of the 24.2 percent of applicants denied a loan due to a perceived problem with their credit history, 70 percent were White, 2.4 percent were African American and 1.9 percent was one of the other racial minorities. Surprisingly, the percentage of applicants and percentage of denials were even in this category of home loan. With than less 1 percent difference between the make-up of the applicants and denials, the rate for denial is even among all races.

This situation is different for Hispanic applicants. In 2008, those applicants that classified themselves as Hispanic made up 4.7 percent of the total refinancing applications denied. Out of the 3,595 applications filed, Hispanics account for 3.4 percent of applicants.

Credit history and collateral are the top reasons for denial of home refinance loans, but the breakdown by income is the opposite of the conventional loan market. Collateral is the number one reason for loan application denials for all income applicants. This can be due to lower property values and discrepancies between what the buyer and the mortgage lender assesses a property. However, there is no definite answer for this reason used as such a high frequency. Credit history is another reason citied often for denial of the home refinance loan, but not to the extent of collateral.

Tables II-VII and II-VIII show the reason for loan denials by race, ethnicity and income level.

*Table II-VII: Number of Refinance Loans Denied by Race and Ethnicity. Source: Home Mortgage Disclosure Act, 2008.*

| | Debt to Income Ratio | Employment History | Credit History | Collateral | Insufficient Cash | Unverifiable Information | Credit Application Incomplete | Mortgage Insurance Denied | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| ***Race*** | | | | | | | | | | |
| American Indian or Alaska Native | 1 | 0 | 1 | 0 | 0 | 0 | 1 | 0 | 0 | 3 |
| Asian | 4 | 0 | 0 | 3 | 1 | 0 | 0 | 0 | 1 | 9 |
| Black or African American | 6 | 1 | 5 | 2 | 0 | 1 | 1 | 0 | 2 | 18 |
| Native Hawaiian or Other Pacific Islander | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| White | 125 | 3 | 165 | 226 | 15 | 19 | 47 | 7 | 73 | 680 |
| Two or More Minority Races | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Joint (White/Minority Race) | 1 | 0 | 3 | 2 | 0 | 0 | 0 | 0 | 0 | 6 |
| Race Not Available | 29 | 0 | 31 | 38 | 8 | 3 | 6 | 1 | 18 | 134 |
| ***Ethnicity*** | | | | | | | | | | |
| Hispanic or Latino | 11 | 0 | 15 | 9 | 2 | 3 | 4 | 0 | 7 | 51 |
| Not Hispanic or Latino | 126 | 4 | 155 | 218 | 13 | 17 | 45 | 7 | 68 | 653 |
| Joint (Hispanic or Latino/Not Hispanic or Latino) | 0 | 0 | 2 | 4 | 1 | 0 | 0 | 0 | 1 | 8 |
| Ethnicity not available | 29 | 0 | 34 | 40 | 8 | 3 | 6 | 1 | 18 | 139 |
| ***Total*** | ***166*** | ***4*** | ***206*** | ***271*** | ***24*** | ***23*** | ***55*** | ***8*** | ***94*** | ***851*** |

*Table II-VIII: Number of Refinance Loans Denied by Income.*
*Source: Home Mortgage Disclosure Act, 2008.*

| | Debt to Income Ratio | Employment History | Credit History | Collateral | Insufficient Cash | Unverifiable Information | Credit Application Incomplete | Mortgage Insurance Denied | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| ***Income*** | | | | | | | | | | |
| Less Than 50% of MSA Median | 38 | 1 | 19 | 25 | 3 | 2 | 3 | 0 | 9 | 100 |
| 50 – 79% of MSA Median | 51 | 0 | 48 | 56 | 5 | 3 | 14 | 1 | 17 | 195 |
| 80 – 99% of MSA Median | 15 | 0 | 32 | 38 | 8 | 6 | 10 | 1 | 15 | 125 |
| 100 – 199% of MSA Median | 17 | 1 | 37 | 39 | 3 | 3 | 6 | 2 | 15 | 123 |
| 120% or More of MSA Median | 42 | 1 | 59 | 109 | 0 | 8 | 19 | 4 | 32 | 274 |
| Income Not Available | 3 | 1 | 11 | 4 | 5 | 1 | 3 | 0 | 6 | 34 |
| Total | 166 | 4 | 206 | 271 | 24 | 23 | 55 | 8 | 94 | 851 |

- Home Improvement Loans –

Home Improvement loan applications accounted for 6.3 percent of the total loan applications. Of the total applicants, 86 percent were White, 1.4 were African American, and 2.9 percent was an individual that classified themselves as one of the other minority races. Race information was not available for 9.8 percent of the total applicants. Of the 592 total applications made for home improvement loans in 2008, 250, or 42.2 percent, were denied based on a poor application score in one of the basic nine evaluation areas. As discussed in the general HMDA analysis section, this category of loan financing experienced the highest denial rate out of all four loan types.

Credit history (59.6 percent) and debt to income ratio (33.7 percent) account for the largest amount of denials. Out of the applicants denied a loan due to a perceived problem with their credit history, 82 percent were White, 3.4 percent were African American and the remaining denials (14.6 percent) were from applicants with no racial information available. Out of the applicants denied a loan for debt to income ration, 81.5 were White, 3 percent were racial minorities and 15.5 percent were applicants with no racial information. In both cases, racial minorities experience a higher rate of denial than the proportion of applicants in the total applicant pool.

Applicants that classified themselves as Hispanic made up 5 percent of the total home loan applications denied. Out of the 592 applications filed, Hispanic or Latino applicants account for 2.4 percent of applicants. This also shows a disparity in the rate of loan denial.

When examining the data by income level, credit history is the number one reason for denial. For all incomes reporting, credit history accounts for the denial for at least 46 percent of the applicants. This includes those at the higher income brackets that are considered market rate buyers. Tables II-IX, II-X and II-XI delineate the reasons for denial on the basis of race, ethnicity and income.

*Table II-IX: Number of Home Improvement Loans Denied by Race. Source: Home Mortgage Disclosure Act, 2008.*

| | Debt to Income Ratio | Employment History | Credit History | Collateral | Insufficient Cash | Unverifiable Information | Credit Application Incomplete | Mortgage Insurance Denied | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| ***Race*** | | | | | | | | | | |
| American Indian or Alaska Native | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Asian | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 1 |
| Black or African American | 1 | 0 | 4 | 0 | 0 | 0 | 1 | 0 | 0 | 6 |
| Native Hawaiian or Other Pacific Islander | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| White | 53 | 0 | 95 | 31 | 0 | 4 | 1 | 2 | 15 | 201 |
| Two or More Minority Races | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 | 2 |
| Joint (White/Minority Race) | 0 | 0 | 2 | 1 | 0 | 0 | 0 | 0 | 0 | 3 |
| Race Not Available | 10 | 0 | 14 | 8 | 0 | 1 | 1 | 0 | 2 | 36 |
| ***Total*** | ***65*** | ***0*** | ***115*** | ***42*** | ***0*** | ***5*** | ***3*** | ***2*** | ***18*** | ***250*** |

*Table II-X: Number of Home Improvement Loans Denied by Ethnicity. Source: Home Mortgage Disclosure Act, 2008.*

| | Debt to Income Ratio | Employment History | Credit History | Collateral | Insufficient Cash | Unverifiable Information | Credit Application Incomplete | Mortgage Insurance Denied | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| Hispanic or Latino | 5 | 0 | 7 | 1 | 0 | 0 | 1 | 0 | 2 | 16 |
| Not Hispanic or Latino | 50 | 0 | 89 | 33 | 0 | 4 | 1 | 2 | 14 | 193 |
| Joint (Hispanic or Latino/Not Hispanic or Latino) | 1 | 0 | 2 | 1 | 0 | 0 | 0 | 0 | 1 | 5 |
| Ethnicity not available | 9 | 0 | 17 | 7 | 0 | 1 | 1 | 0 | 1 | 36 |

*Table II-XI: Number of Home Improvement Loans Denied by Income. Source: Home Mortgage Disclosure Act, 2008.*

| | Debt to Income Ratio | Employment History | Credit History | Collateral | Insufficient Cash | Unverifiable Information | Credit Application Incomplete | Mortgage Insurance Denied | Other | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| Less Than 50% of MSA Median | 11 | 0 | 12 | 3 | 0 | 3 | 0 | 0 | 2 | 31 |
| 50 – 79% of MSA Median | 23 | 0 | 33 | 8 | 0 | 0 | 2 | 0 | 2 | 68 |
| 80 – 99% of MSA Median | 18 | 0 | 20 | 9 | 0 | 1 | 0 | 1 | 4 | 53 |
| 100 – 199% of MSA Median | 5 | 0 | 18 | 4 | 0 | 0 | 0 | 0 | 3 | 30 |
| 120% or More of MSA Median | 8 | 0 | 28 | 18 | 0 | 1 | 1 | 1 | 7 | 64 |
| Income Not Available | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |
| Total | 65 | 0 | 115 | 42 | 0 | 5 | 3 | 2 | 18 | 250 |

Despite racial minorities making up a small percentage of denials, they also make up a small percentage of the applicants. Throughout all four types of loans, racial minorities experienced higher denial rates than their white counter parts. Particularly, African Americans and residents identifying themselves as two more minority races experienced higher denial rates. Hispanics also experienced higher rates of denial for all four types of application. Table II-XII shows the percent denied by race and ethnicity.

*Table II-XII: Percent Applicant Denial by Race and Ethnicity.*
*Source: Home Mortgage Disclosure Act, 2008.*

| | Applications Received | Applications Denied | Percent Denied |
|---|---|---|---|
| ***Race*** | | | |
| American Indian or Alaska Native | 19 | 12 | 63.2% |
| Asian | 116 | 21 | 18.1% |
| Black or African American | 121 | 49 | 40.5% |
| Native Hawaiian or Other Pacific Islander | 8 | 2 | 25.0% |
| White | 7143 | 2233 | 31.3% |
| Two or More Minority Races | 3 | 2 | 66.7% |
| Joint (White/Minority Race) | 79 | 23 | 29.1% |
| Race Not Available | 794 | 256 | 32.2% |
| ***Total by Race*** | ***8283*** | ***2598*** | |
| ***Ethnicity*** | | | |
| Hispanic or Latino | 270 | 113 | 41.9% |
| Not Hispanic or Latino | 7152 | 2198 | 30.7% |
| Joint (Hispanic or Latino/Not Hispanic or Latino) | 67 | 28 | 41.8% |
| Ethnicity not available | 800 | 259 | 32.4% |
| ***Total by Ethnicity*** | ***8289*** | ***2598*** | |

## Homeless Needs 91.205 (c)

*Refer to the Homeless Needs Table 1A or the CPMP Tool's Needs.xls workbook

8. Homeless Needs— The jurisdiction must provide a concise summary of the nature and extent of homelessness in the jurisdiction, (including rural homelessness and chronic homelessness where applicable), addressing separately the need for facilities and services for homeless persons and homeless families with children, both sheltered and unsheltered, and homeless subpopulations, in accordance with Table 1A. The summary must include the characteristics and needs of low-income individuals and children, (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered.

9. Describe, to the extent information is available, the nature and extent of homelessness by racial and ethnic group. A quantitative analysis is not required. If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates.

The Indiana Housing and Community Development Authority (IHCDA) conducted a count of the homeless population on January 29, 2009. IHCDA completed the count for the entire state of Indiana, utilizing local service providers and volunteers within local regions. Tippecanoe County, including the cities of Lafayette and West Lafayette, is part of Region 4 for the state of Indiana. This count is conducted annually; however the results from the count in 2010 are not ready for analysis.

IHCDA utilized the U.S. Department for Housing and Urban Development's (HUD) definition for homelessness to conduct the count. HUD considers a person to be homeless if he or she meets one of two different classifications: 1) resides in a place not meant for human habitation, such as a car, park, sidewalk, abandoned building, or on the street; or 2) resides in an emergency shelter or transitional housing for homeless persons who originally came from the streets or emergency shelters. According to IHCDA, on the night of the count in 2009, 193 people were homeless in Tippecanoe County.

Many of the images and stigmas that come with homelessness are the opposite of the demographic make-up of the homeless population in Indianapolis. 22 percent of the homeless population is employed. Families with children accounted for 23.6 percent of the households experiencing homelessness. Individuals in the family households numbered 54, accounting for 27.9 percent of all individuals experiencing homelessness. Children under the age of 18 accounted for 21.8 percent of all individuals experiencing homelessness.

White residents accounted for the largest percentage of the homeless population, making up 73.6 percent of the homeless population. Table II-XIII shows the racial/ethnicity make-up of the homeless population.

(The remainder of this page has been left blank intentionally.)

*Table II-XIII: Racial/Ethnicity Demographics of the Tippecanoe County Homeless Population, Indiana Housing and Community Development Authority, Jan, 29, 2009.*

| Race/Ethnicity | Percent of Homeless Population |
|---|---|
| African American/Black | 22.4% |
| Caucasian/White | 73.6% |
| Hispanic | 4% |
| Asian | 0% |
| Other | 1.7% |
| Unknown | 2.3% |

Overall, the majority of the homeless population has found shelter at either an emergency shelter or in transitional housing shelter. Transitional housing is often considered the step between living an emergency shelter and locating permanent housing.

*Table II-XIV: Final Homeless Count, Indiana Housing and Community Development Authority, Jan, 29, 2009. (HUD Table 1A)*

| Homeless Population | Sheltered | | Un-sheltered | Total |
|---|---|---|---|---|
| | Emergency | Transitional | | |
| Homeless Individuals | 101 | 30 | 8 | 193 |
| Homeless Families with Children | 31 | 9 | 1 | 41 |
| Persons in Homeless with Children Families | 39 | 12 | 3 | 54 |
| Total | 14 | 42 | 11 | 193 |

As part of the homeless count in January 2009, IHCDA surveyed the homeless service providers to find the number of people and each subpopulation of the homeless population. This enables the service providers, the state of Indiana, and the cities of Lafayette and West Lafayette to determine the social service and housing needs of the homeless population. Each of these subpopulations will need a specific type of social service to help them move from homelessness and into permanent housing.

Chronically homeless individuals make up the largest subpopulation and are traditionally the individuals living in unsheltered situations. Chronically homeless individuals make up 18.3 percent of the total various subpopulations and 19.6 percent of the total homeless population. Chronically homeless individuals also have multiple barriers to overcome homelessness. Often they have substance abuse issues, mental illness and unemployment, all making it overwhelming to the individual to put together the pieces of assistance they need to find and stay in permanent housing.

*Table II-XV: Homeless Subpopulation Count, Indiana Housing and Community Development Authority, January 29, 2009. (Table 1A)*

| Homeless Subpopulations | Sheltered | Un-sheltered |
|---|---|---|
| Chronically Homeless | 35 | 3 |
| Severely Mentally Ill | 32 | 0 |
| Chronic Substance Abuse | 63 | 0 |
| Veterans | 19 | 0 |
| Persons with HIV/AIDS | 2 | 0 |
| Victims of Domestic Violence | 53 | 0 |
| Youth (Under 18 years of age) | 0 | 0 |

According to the 2009 Housing Inventory Chart for Tippecanoe County, provided by the Indiana Housing and Community Development Authority, the greatest unmet need is permanent supportive housing. Permanent supportive housing provides services in conjunction with affordable rental housing. The stay and services are not limited by time. This type of housing offers a lot of supportive services to help a household become self sufficient and in a permanent place to stay. The need is base on an estimate that assumes all families who are currently in emergency shelter will eventually need permanent supportive housing.

*Table II-XVI: Estimated Unmet Needs Chart, Source: Indiana Housing and Community Development Authority and City Consultants and Research, LLC, March 2010.*

| All Year-Round Beds/Units | | | | Seasonal Beds | Overflow Beds |
|---|---|---|---|---|---|
| Family Beds | Family Units | Individual Beds | Total Year-Round Beds | Total Seasonal Beds | Overflow Beds |
| Emergency Shelters | | | | | |
| 12 | 4 | 52 | 64 | 0 | 0 |
| Transitional Housing | | | | | |
| 0 | 0 | 22 | 22 | 0 | |
| Permanent Supportive Housing | | | | | |
| 39 | 13 | 28 | 67 | 0 | |
| Safe Havens | | | | | |
| 0 | 0 | 0 | 0 | 0 | |

For households that currently have housing, they may be at-risk of homelessness. As discussed in the housing needs section of this document, over 14 percent of homeowners in the entire HOME Consortium area spend more than 30 percent of their gross monthly income towards housing costs and over 43 percent of renters in that

same area spend more than 30 percent of their gross monthly income towards housing. Households with the lowest income, 0-30 percent of the area median income, have the greatest cost burden. For an example, these households earn less than $20,450 per year for a family of four. HUD divides the households by type, elderly households, small related households (1-3 people), large related households (4+ people) and all other households.

In the case of homeowners and renters, large related households are at the greatest risk of homelessness because they have the greatest cost burden. A cost burden is considered spending more than 30 percent of a household's gross monthly income towards housing. As Table II-XVII shows, 83.6 percent of large related households who own their own home pay more than half of their gross income towards housing costs. Small related households follow up with 77 percent spending more than 30 percent of their gross monthly income towards housing costs. 67 percent of Elderly and 64 percent of all other households spend more than 30 percent of their gross monthly income towards housing costs.

*Table II-XVII: Homeowner Households Earning Less than 30% MFI with a Cost Burden, U.S. Department of Housing and Urban Development, CHAS, 2000.*

| | 30% Cost Burden | 50% Cost Burden | Total Households |
|---|---|---|---|
| Elderly | 256 | 148 | 378 |
| Small Related | 199 | 170 | 257 |
| Large Related | 71 | 71 | 85 |
| All Others | 122 | 110 | 189 |

The picture for renter households is similar to that of homeowner households. Table II-XVIII shows that 76.3 percent of large related households spend more than 30 percent of their gross monthly income towards housing. Non-related households have a greater percentage of cost burden, with 83.3 percent of households in unaffordable housing. This may because the demand for student housing in West Lafayette may be pushing the price of housing higher for unrelated households living in and around the Purdue University campus. 71 percent of small related households and 45 percent of elderly households spend more than 30 percent of their gross monthly income towards housing costs.

*Table II-XVIII: Renter Households Earning Less than 30% MFI with a Cost Burden, U.S. Department of Housing and Urban Development, CHAS, 2000.*

| | 30% Cost Burden | 50% Cost Burden | Total Households |
|---|---|---|---|
| Elderly | 222 | 187 | 489 |
| Small Related | 939 | 736 | 1308 |
| Large Related | 145 | 93 | 190 |
| All Others | 3818 | 3359 | 4583 |

## Non-homeless Special Needs 91.205 (d) including HOPWA

*Please also refer to the Non-homeless Special Needs Tables 1A & 1B or, in the CPMP Tool, the Needs.xls workbook.

10. Estimate, to the extent practicable, the number of persons in various subpopulations that are not homeless but may require housing or supportive services, including the elderly, frail elderly, persons with disabilities (mental, physical, developmental, persons with HIV/AIDS and their families), persons with alcohol or other drug addiction, victims of domestic violence, public housing residents, and any other categories the jurisdiction may specify and describe their supportive housing needs. The jurisdiction can use the Non-Homeless Special Needs Table (Table 1B or Needs.xls in CPMP Tool) of their Consolidated Plan to help identify these needs.
    *Note: HOPWA recipients must identify the size and characteristics of the population with HIV/AIDS and their families that will be served in the metropolitan area.

The Indiana Department of Health estimates there are 131 people living with HIV/AIDS in Tippecanoe County. 105 of those individuals are male and 26 are female.

*Table II-XIX: Race/Ethnicity of People living with HIV/AIDS in Tippecanoe County, Indiana State Department of Health, March 2010.*

| Race/Ethnicity | Number |
|---|---|
| White | 96 |
| African American/Black | 20 |
| Hispanic | 14 |
| Multi-Race | <5 |
| Asian | <5 |

The Center for Mental Health, Inc. and its branch office, Aspire, serve the clients living with HIV in Tippecanoe County, as well as other surrounding counties. Just in Tippecanoe County, Aspire serves 80 active clients. It is estimated that 50 percent of

these clients live within the cities of Lafayette and West Lafayette. Based on information from the state of Indiana, 2008 HIV/AIDS Epidemiologic Data, about 50 percent of persons living HIV/AIDS have nearly lost their housing due to an eviction or had a utility threaten to shut off. Based on that information, the HOPWA needs chart for this document, included in Appendix F, reflects that need for Tippecanoe County.

The 2008 American Community Survey did not give data on the number of people living with a disability; however, this document will show the disabled population as listed in the 2000 Census. With the large amount of information available on the U.S. Census Bureau website, historical information at the city level was not readily available. Based on the population distribution of persons living with a disability, shown Table II-XX, a housing provider can determine the need for accessible housing for Tippecanoe County residents.

*Table II-XX: Number of Persons Living in Group Quarters. Source: U.S. Census, 2000.*

| | 2000 Population with a Disability | Percent of 2000 Population with a Disability |
|---|---|---|
| Lafayette | 9,862 | 17.4% |
| West Lafayette | 2,663 | 9.2% |
| Tippecanoe County | 20,073 | 13.4% |

Persons with disabilities may be living in institutionalized care or in group homes. Table II-XXI shows the number of the Tippecanoe County population living in institutional quarters. The correctional facility is located outside the city limits for both Lafayette and West Lafayette. The population of those cities primarily lives in nursing homes or college dormitories. As the area is home to Purdue University, the results in Table II-XXI are expected.

*Table II-XXI: Number of Persons Living with a Disability County and City. Source: U.S. Census, 2000.*

| | Total # Living in Institutionalized Group Quarters | # Living in Nursing Homes | # Living in Correctional Institutions | # Living in Non-Institutionalized Quarters, such as College Dormitories |
|---|---|---|---|---|
| Lafayette | 524 | 505 | 0 | 185 |
| West Lafayette | 215 | 215 | 0 | 4,923 |
| Tippecanoe County | 1,629 | 1,141 | 362 | 13,497 |

## Lead-based Paint 91.205 (e)

11. Estimate the number of housing units* that contain lead-based paint hazards, as defined in section 1004 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, and are occupied by extremely low-income, low-income, and moderate-income families.

**If using the CPMP Tool**, *this number can be provided on the Housing Needs Table in the Needs.xls file.*

The Tippecanoe County Health Department (TCHD) serves as the primary lead based paint detection outlet for the cities of Lafayette and West Lafayette, as well as the entire county. TCHD is unable to estimate the number of homes remaining in Tippecanoe with any level of lead based paint hazard. Tippecanoe County is home 37,809 housing units built before 1980. Lead paint was banned in 1978, although it was not used frequently in residential buildings after the 1960's. 10,451 housing units in Tippecanoe County were built prior to 1940. Based on the number of the pre-1940 housing units, at an estimated $8,500 per housing unit to remove the lead based paint hazards, the total needed is approximately $88,833,500.

# HOUSING MARKET ANALYSIS

## Housing Market Analysis 91.210

*Refer to the Housing Market Analysis Table in the Needs.xls workbook*

12. Based on information available to the jurisdiction, describe the significant characteristics of the housing market in terms of supply, demand, condition, and the cost of housing; the housing stock available to serve persons with disabilities; and to serve persons with HIV/AIDS and their families.

13. Provide an estimate; to the extent information is available, of the number of vacant or abandoned buildings and whether units in these buildings are suitable for rehabilitation.

*Household Size and Characteristics*

The total number of households in Tippecanoe County increased by 9,608 between the 1990 and 2000 U.S. Census counts. By the year 2008, the American Community Survey estimates the number of households increased by 5,976. This represents an increase of 34 percent over the eighteen-year time period.

The following charts and graphs represent the most current data available about households in Tippecanoe. Household size and characteristics can be tracked through information collected in the American Community Survey (ACS). The most recent ACS data available is from 2008. However, information is only available through the ACS at

the county and place level, typically larger urbanized cities and townships. The unincorporated areas of Tippecanoe County and the town of Battle Ground do not have information or data as recent as 2008.

*Table II-XXII: Households by County and City. Source: U.S. Census, 1990, 2000 and the American Community Survey, 2008.*

| | # Households 1990 | # Households 2000 | Percent Change in Households 1990 - 2000 | 2008 ACS Households | Percent Change in Households 2000 – 2008 |
|---|---|---|---|---|---|
| Tippecanoe County | 45,618 | 55,226 | 21.0% | 61,202 | 10.8% |
| Lafayette | 18,074 | 24,060 | 33.1% | 27,145 | 12.8% |
| West Lafayette | 9,153 | 10,462 | 14.3% | 11,308 | 6.3% |

The number of households has increased the most rapidly in the city of Lafayette. The city of West Lafayette grew at a much slower pace, compared to the city of Lafayette and Tippecanoe County. The combined areas of both cities increase grew at a slower pace than the entire county, with an increase of households of only 9.3 percent between 2000 and 2008. This is behind the 10.8 percent growth estimated for the entire county.

Figure II-VIII shows the growth in household numbers for both cities and the county. All three areas experienced steady increases and growth in the number of households over the past eight years. One can assume that numbers from the 2010 U.S. Census count will show similar growth patterns.

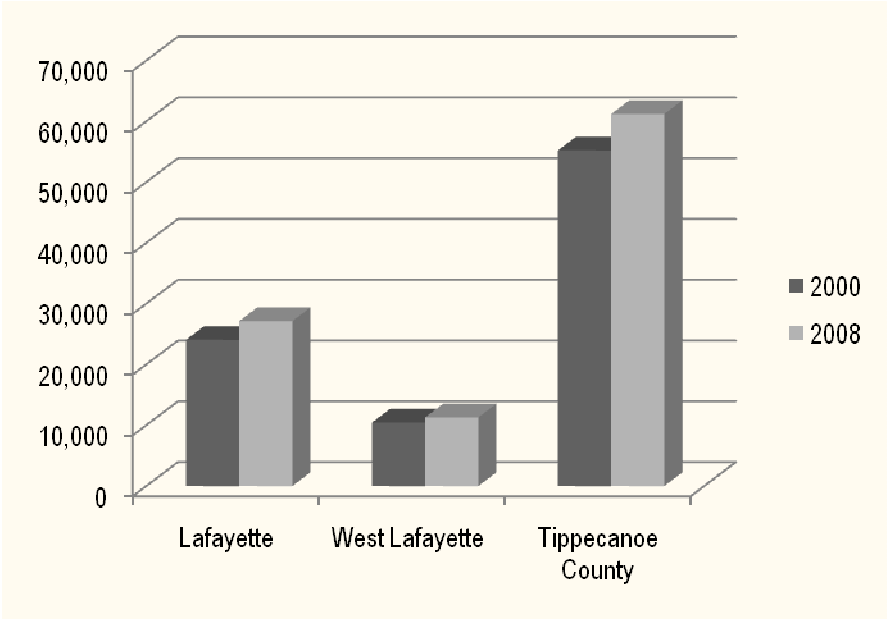



*Figure II-VIII: Percent Household Change by County and City. Source: U.S. Census, 2000 and the American Community Survey, 2008.*

Household size is an important aspect of a community's demographic when considering housing needs. When redevelopment or new development takes place in a neighborhood, it is important to know what size of apartment or home is most likely to satisfy the needs of future community residents. The challenge encountered during urban redevelopment is the accurate estimation of household sizes to be planned for in redeveloped residential areas. Households found in redeveloped communities are unlikely to have the same size and makeup as those that occupied the site prior to redevelopment. It is difficult to predict how this demographic will change because pre-redevelopment statistics will reflect the vacancies, inefficient land use, and financial losses that existed prior to the redevelopment project.

The average household size in the Tippecanoe County townships has remained steady over the years between 2000 and 2008, as shown Table II-XXIII. Each area had a slight decrease in the household size over the eight-year period. In general, average household size has decreased across the country since the 1970s. Many industry predictions contend the decline will continue in the years to come.

*Table II-XXIII: Household Size by County and City. Source: U.S. Census, 1990, 2000 and the American Community Survey, 2008.*

| | Average Household Size 2000 | Average Household Size 2008 |
|---|---|---|
| Lafayette | 2.31 | 2.24 |
| West Lafayette | 2.26 | 2.21 |
| Tippecanoe County | 2.42 | 2.39 |

The households headed by a female in Tippecanoe County have increased in all but one of the seven reporting townships according the sample data available from the 2000 Census and the 2008 American Community Survey (ACS). The total number of female head of households increased significantly in each of the three areas, Tippecanoe County, Lafayette and West Lafayette.

*Table II-XXIV: Number of Female Head of Households by Township. Source: U.S. Census, 2000 and American Community Survey, 2006.*

| | # Female Head of Householdes 2000 | # Female Head of Householders 2008 |
|---|---|---|
| Lafayette | 2,458 | 7,138 |
| West Lafayette | 457 | 823 |
| Tippecanoe | 4,603 | 11,366 |

From 2000 – 2008, Lafayette experienced the largest increase in households headed by females. This demographic grew by 190 percent. The population of female householders in West Lafayette grew by 80 percent. County-wide, this demographic has grown by 147 percent over the past eight years. This indicates a need to provide housing and services that cater to female headed households, particularly within the city of Lafayette, as this population increases.

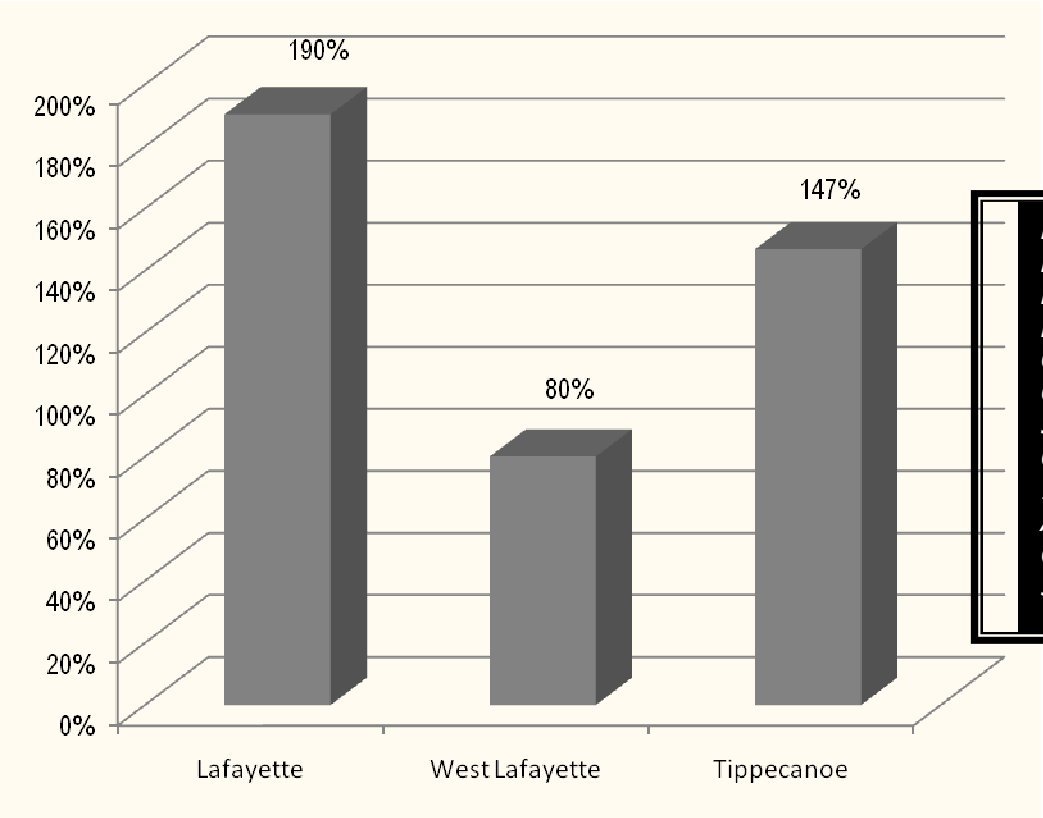



*Figure II-IX: Percent Female Head of Household Change by County and City. Source: U.S. Census, 2000, 1990 and the American Community Survey, 2006.*

*Housing Development*

Lafayette, being the largest city in Tippecanoe County, has the most housing units located within its borders. Table II-XXV shows the number of units by city and the balance of the county. The portions of Tippecanoe County not incorporated as part of Lafayette or West Lafayette have the highest vacancy rate for the housing units. With a 13.8 percent vacancy rate, housing vacancy far exceeds the 9 percent and 6 percent of Lafayette and West Lafayette, respectively.

*Table II-XXV: Number of Housing Units by City and County, American Community Survey, 2008.*

| | Lafayette | West Lafayette | Balance of County |
|---|---|---|---|
| Occupied | 27,145 | 11,308 | 22,749 |
| Vacant | 2,914 | 814 | 3,653 |
| Total | 30,059 | 12,122 | 26,402 |

While the home foreclosure crisis caught attention nation-wide in 2008 and 2009, the momentum of housing development slowed in Tippecanoe County much earlier, around 2003 and 2004. Figure II-X shows the drop in permits for new construction of homes

starting in 2004 for single family homes and in 2003 for homes accommodating 2 or more families.

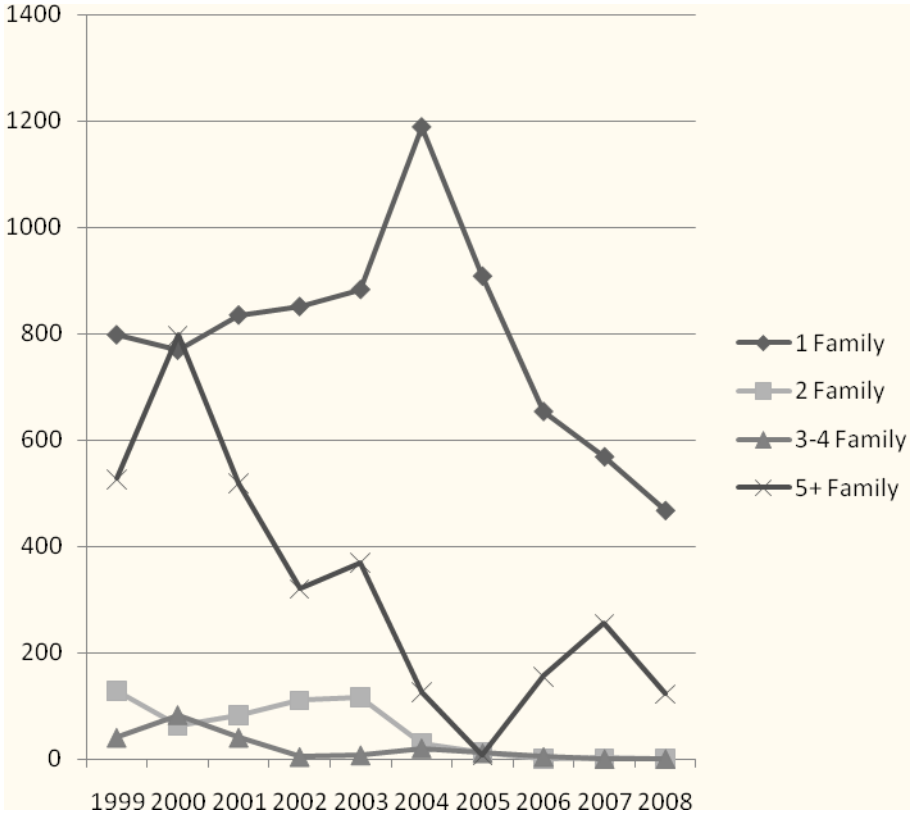



*Figure II-X: Net Gain Residential Units in Tippecanoe County 1999-2008. Source: Indiana Business Research Center, 2010.*

*Vacancy Rates*

The United States Postal Service tracks vacancy rates on a quarterly basis. The residential vacancy rate for Tippecanoe County in the third quarter of 2009 was 4.09 percent. The city of Lafayette has the highest vacancy rate in Tippecanoe County. 5.69 percent of the residential units are vacant in Lafayette. Some areas of Lafayette have a vacancy rate as high as 11 percent. These areas are part of the Neighborhood Revitalization Strategy Area, and will be discussed later in the Consolidated Plan.

The city of West Lafayette has much lower vacancy rates than that Tippecanoe County. Only 1.34 percent of the residential units are vacant. This is due to the fact that housing is in high demand surrounding the Purdue University Campus. Housing within walking distance of the campus is at a premium and reduces the chances of vacancy.

Table II-XXVI shows the vacancy rate for each city as well as the balance of Tippecanoe County.

*Table II-XXVI: Residential Vacancy Rates, Source: Policy Map.com and the U.S. Postal Service, Third Quarter, 2009.*

| | |
|---|---|
| Lafayette | 5.69 |
| West Lafayette | 1.34 |
| Balance of County | 2.69 |

The area vacancy rate overall is much lower than the entire state of Indiana. The American Community Survey estimates the overall vacancy rate for the state of Indiana in 2008 was 7.8 percent. Lafayette and West Lafayette have demonstrated reserve in its housing market and expansion, building to meet demand while not over-supplying the market with housing.

*Housing Tenure*

West Lafayette also has the highest renter occupancy rate of all the areas, with 67.3 percent of all housing occupied by renters. This far exceeds Tippecanoe County's average of 43.2 percent and the average for the entire state of Indiana, which is 26.3 percent. This proves that rental housing in West Lafayette has a high demand due to the large student population. Lafayette also has a high rental occupancy rate of 47.2 percent. Figure II-XI shows the areas with highest rental rates with the darkest shading. The high rental rate areas not only surround Purdue University in Lafayette, but also include portions of Lafayette, across the river from the university.

*Figure II-XI: Percentage of Rental Units. Source: Policy Map.com and the 2000 U.S. Census, 2010.*

Just the opposite of rental housing, homeownership rates in Lafayette and Tippecanoe County exceed that of West Lafayette. According to the American Community Survey of

2008, Tippecanoe County has a homeownership rate of 56.8 percent and Lafayette has a homeownership rate of 52.8 percent. West Lafayette lags behind with a homeownership rate of 32.7 percent.

*Housing Value*

The demand for housing in West Lafayette is reflected in the higher housing value. During a consultation with a local Community Housing Development Organization, the interviewee stated that the high price for housing often made it difficult to develop and provide affordable housing without the assistance of subsidy dollars. The median value of housing in West Lafayette is 31.2 percent greater than that of the entire county and 64.1 percent greater than the median value of a home in Lafayette, the city just to the east.

Table II-XXVII shows the percent of homes in each range of value, as well as the median value of an owner occupied home in each of the three areas, as estimated by the American Community Survey of 2008.

*Table II-XXVII: Owner Occupied Housing Value. Source: American Community Survey, 2008.*

| | Lafayette | West Lafayette | Tippecanoe County |
|---|---|---|---|
| Less than $50,000 | 4.7% | 2.8% | 5.1% |
| $50,000-$99,000 | 41.7% | 8.3% | 25.0% |
| $100,000-$149,999 | 36.1% | 26.8% | 31.5% |
| $150,000-$199,999 | 9.6% | 28.1% | 17.7% |
| $200,000-$299,999 | 5.3% | 24.0% | 12.9% |
| $300,000-$499,999 | 2.3% | 8.8% | 6.0% |
| $500,000-$999,999 | 3.0% | 1.3% | 1.6% |
| $1,000,000 or more | 0.0% | 0.0% | 2.0% |
| Median Value | $103,900 | $170,600 | $130,000 |

The cities of Lafayette and West Lafayette can determine the value of rental housing by the median gross rent paid by renters. The situation for payment for rent is also the same as the value of owner occupied housing. The rent paid in West Lafayette far exceeds that of its neighbors. The median rent paid in West Lafayette exceeds that paid in Tippecanoe County by 6.3 percent and Lafayette by 13.8 percent. Table II-XXVIII shows the gross rent paid by area.

*Table II-XXVIII: Owner Occupied Housing Value. Source: American Community Survey, 2008.*

| | Lafayette | West Lafayette | Tippecanoe County |
|---|---|---|---|
| Less than $200 | 1.9% | 0.5% | 1.2% |
| $200 to $299 | 2.6% | 0.9% | 1.7% |
| $300 to $499 | 15.3% | 5.5% | 10.7% |
| $500 to $749 | 45.9% | 44.5% | 45.0% |
| $750 to $999 | 24.6% | 22.2% | 23.5% |
| $1,000 to $1,499 | 8.2% | 21.6% | 14.9% |
| $1,500 or more | 1.5% | 4.8% | 3.1% |
| Median Rent | $649 | $739 | $695 |

The need to preserve affordable rental housing and homeownership is the greatest in West Lafayette. However, because of less expensive housing in Lafayette, migration from West Lafayette to Lafayette may occur, increasing the demand for housing. Because of their close proximity to each other, both cities should work to balance affordable housing with the increasing demand for housing by people associated with Purdue University.

## Public and Assisted Housing 91.210 (b)

14. In cooperation with the public housing agency or agencies located within its boundaries, describe the needs of public housing, including
    - the number of public housing units in the jurisdiction,
    - the physical condition of such units,
    - the restoration and revitalization needs of public housing projects within the jurisdiction,
    - the number of families on public housing and tenant-based waiting lists and
    - results from the Section 504 needs assessment of public housing projects located within its boundaries (i.e. assessment of needs of tenants and applicants on waiting list for accessible units as required by 24 CFR 8.25).

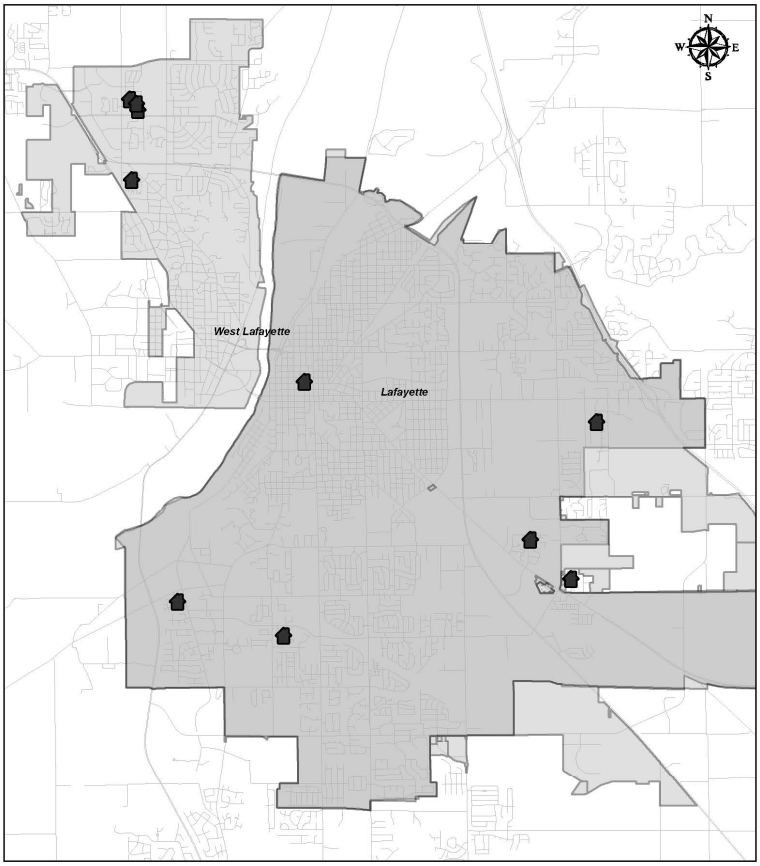
*The jurisdiction can use the optional Priority Public Housing Needs Table of the Consolidated Plan to identify priority public housing needs to assist in this process.*

15. Describe the number and targeting (income level and type of household served) of units currently assisted by local, state, or federally funded programs, and an assessment of whether any such units are expected to be lost from the assisted housing inventory for any reason, (i.e. expiration of Section 8 contracts).

The Lafayette Housing Agency is the public housing agency serving Tippecanoe County. The Lafayette Housing Agency (LHA) has one primary program to assist low-income families with rental housing, the Section 8 Voucher Housing Choice program (Section 8).

Section 8 tenants rent from private property owners and applicable rental assistance is provided by LHA through its Housing Choice Voucher (HCV) program. The rental properties may be apartments, town homes, detached single family homes, duplexes or mobile homes. Section 8 Program participants are issued vouchers guaranteeing the property owner that Section 8 will pay a certain portion of the tenant's rent. The amount paid will differ from tenant to tenant depending on family size and income. The program participant and owner execute a lease, just as the property owner would do with any other renter who does not receive assistance. However, Section 8 also executes a contract with the owner specifying the amount Section 8 will pay toward the rent. In order to apply for this program, applicants must prove they live, work or go to school within Tippecanoe County.

Figure II-XII indicates the apartments accepting Section 8 tenants. The list of addresses for this map was located on a website for the U.S. Housing and Urban Development. Private landlords also may accept Section 8 tenants. Households seeking affordable housing may utilize a new program on the Internet called Indianahousingnow.org to locate housing that meets their specific needs. This AI discusses this new program in detail in the Compliance Section of this document.




Map Prepared by
The City of Lafayette, March 2010

Data Sources: U.S. Census Bureau, 2000 Data
Tippecanoe County GIS

**Tippecanoe County**

Project Based Subsidized Housing

Corporation_Limits

*Figure II-XII: Apartments Accepting Section 8 Vouchers. Source: U.S. Department of Housing and Urban Development, 2010 and City of Lafayette.*

The Lafayette Housing Agency (LHA) tracks race and disability of the households and families receiving Section 8 assistance. 1,230 households receive a voucher each year. The open waiting list currently has 1017 households

The number of people the Section 8 Housing Choice program serves reflects the composition of the community. White households account for the majority of users of the program and households on the waiting list for the program. However, African Americans account for a larger portion of this program and wait list than they do in the general population. 22 percent of the individuals who are using the Section 8 Housing Choice voucher program are African American while only accounting for 2.5 percent of the general population. African Americans also account for 26 percent of the individuals on the wait list. A larger portion of this minority group is requesting housing assistance than White or Asian households.

*Table II-XXIX: Racial Examination of Section 8 Housing Choice Voucher program. Source: Lafayette Housing Agency, March, 2010.*

| | Section 8 Vouchers | Wait List |
|---|---|---|
| White | 2117 | 733 |
| African American | 605 | 272 |
| Asian | 3 | 1 |
| Hawaiian/Pacific Islander | 5 | 2 |
| Native American/Alaskan | 19 | 7 |
| Total | 2749 | 1015 |

The same trend affecting African Americans is true for individuals classifying themselves as Hawaiian/Pacific Islander and/or Native American/Alaskan. Together, these racial groups make up less than one-third of one percent, yet they make up nearly one percent of the people using and requesting these vouchers. Table III-XIII shows the break-down of individuals by racial group.

The families using Section 8 vouchers are able to choose a location that best suits their needs. Figure III-XV shows the difference between families using Section 8 Housing Choice Vouchers and Individuals. The difference between the two categories is slight, at only 4 percent.

## Homeless Inventory 91.210 (c)

16. The jurisdiction shall provide a concise summary of the existing facilities and services (including a brief inventory) that assist homeless persons and families with children and subpopulations identified in Table 1A or in the CPMP Tool Needs Table. These include outreach and assessment, emergency shelters and services, transitional housing, permanent supportive housing, access to permanent housing, and activities to prevent low-income individuals and families with children (especially extremely low-income) from becoming homeless. This inventory of facilities should include (to the extent it is available to the jurisdiction) an estimate of the percentage or number of beds and supportive services programs that are serving people that are chronically homeless.

    *The jurisdiction can use the optional Continuum of Care Housing Activity Chart and Service Activity Chart to meet this requirement.*

As part of the *Point In Time Count*, the Indiana Housing and Community Development Authority conducts an annual inventory of all the shelters and housing programs that work with homeless individuals across the state of Indiana. There are four types of shelter for homeless individuals, emergency shelter, transitional housing, permanent supportive housing and safe havens.

An emergency shelter is what may be considered a traditional shelter, that provides a

roof and warm place for individuals and families that have no other place to go. A typical stay in a shelter is not longer than two (2) months.

Transitional housing is a type of supportive housing used to help the homeless after moving from a homeless shelter and before moving into permanent housing. This type of housing offers a lot of supportive services to help a household become self sufficient and locate a permanent place to stay. The additional services help a household re-establish themselves before sending them out on their own to get housing. A household's maximum stay in transitional housing is two (2) years.

Permanent Supportive Housing helps households who need additional help and services. Often the individuals living in permanent supportive housing have a disability, substance abuse problem or have been chronically homeless. These households will receive on-going assistance based upon their needs as long as they reside in the housing units. Permanent Supportive Housing does not have a time limit for a household.

Safe Haven housing helps homeless individuals with specific need, such as mental illness, move into interim or permanent supportive housing. The Safe Haven allows individuals to come and go as they are comfortable and allows them to gradually adjust to the level of assistance and interaction with the service provider. Traditional programs do not allow for individuals to leave and re-enter a program as easily. Safe Havens offer lfew restrictions and have adapted to serve individuals with multiple barriers which cause homelessness. These people are often difficult to serve through traditional resources. Currently, no Safe Havens exist within Tippecanoe County.

Table IV-VII is a complete listing of all of these organizations, program and population served in Tippecanoe County, mostly located with the city of Lafayette. Some programs are listed twice, indicating a different subpopulation of the homeless community is served by the same program. However, the number of beds is only counted once.

*Table II-XXX: Housing Inventory for Homeless Individuals,*
*Source: Indiana Housing and Community Development Authority.*

| Emergency Shelter | Program Name | Number of Beds (Individual and Family) |
|---|---|---|
| Lafayette Urban Ministry | LUM Shelter | 46 |
| Salvation Army Lafayette | SAFES | 9 |
| YWCA Lafayette | YWCA Domestic Violence Intervention & Prevention Program | 24 |

| Transitional Housing | Program Name | Number of Beds (Individual and Family) |
|---|---|---|
| Lafayette Transitional Housing Center, Inc. | Lafayette Transitional Housing Singles Program | 22 |
| Lafayette Transitional Housing Center, Inc. | LTHC Family Program | 54 |

| Permanent Housing | Program Name | Number of Beds (Individual) |
|---|---|---|
| Mental Health America Tippecanoe County Inc. | MHATC – Supportive Housing | 8 |
| Indiana S+C III | City of Lafayette | 20 |

## Special Need Facilities and Services 91.210 (d)

17. Describe, to the extent information is available, the facilities and services that assist persons who are not homeless but require supportive housing, and programs for ensuring persons returning from mental and physical health institutions receive appropriate supportive housing.

The United Way of Greater Lafayette and Tippecanoe County conducted a needs survey for the area in 2006. The survey and assessment encompassed all areas of service, addressing both the need for services and the barriers to services. The United Way sought input from three different groups:, the individuals and households receiving the services, stakeholders and service provider agencies. City Consultants and Research, LLC utilized this needs assessment to incorporate into the 2010-2014 Consolidated Plan.

Through the consultations, the primary need for is to provide basic services to help the unemployed. According to the labor relations unit of the United Way, while the area's overall unemployment numbers appear low because of the proximity to Purdue University, some areas such as Building Trades are experiencing 30 to 40 percent unemployment or underemployment. Some of the basic needs prioritized by the results food stamps, food pantry, rent payments, utility payments, basic health care and help finding other employment.

The survey from 2006 reflects similar needs even though the assessment was done prior to the beginning of the current recession, approximately the second quarter of 2008. Using a ranking system, with one meaning no need or nor priority and five with the highest need and priority, health services ranks as the top need for services in the community. Riggs Community Health Center serves approximately 10,000 people each year, but is not able to help everyone in need. Needs for items such as expensive medications and tests for diagnosis are often not met due to lack of financial resources.

Based on the assessment, Table II-XXXI shows the top service priorities.

*Table II-XXXI: Top Social Service Needs, Source: United Way of Greater Lafayette and Tippecanoe County, 2006.*

| Service Type | Rank |
|---|---|
| Child Care | 4.50 |
| Health Services | 4.16 |
| General Social Services | 4.00 |
| Services for Domestic Violence Victims | 3.95 |
| Youth Services | 3.75 |
| Employment Training | 3.75 |
| Rental Housing Subsidies | 3.75 |
| Transportation Services | 3.63 |
| Senior Services | 3.32 |
| 1 = lowest priority/no need; 5 highest priority/need | |

When surveyed about the barriers to providing services, social service agencies stated that funding, staff and wages to pay qualified staff were the most significant barriers. 44 percent of the respondents said that lack of facilities or facility space was a barrier to providing their services to the community.

The Community Development Needs table of this document, in Appendix F shows the complete needs of the community by type of public facility and social service utilizing the ranking system of the United Way Community Needs Assessment.

## Barriers to Affordable Housing 91.210 (e)

18. Explain whether the cost of housing or the incentives to develop, maintain, or improve affordable housing are affected by public policies, particularly those of the local jurisdiction. Such policies include tax policy affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on residential investment.

While barriers to affordable housing can come from anywhere, the U.S. Department of Housing and Urban Development (HUD) recognizes a few universal barriers. Local and state regulations on zoning and building are the most recognized barriers to affordable housing. With increased regulation comes an increased cost to build housing that meets all regulations.

The Analysis of Impediments to Fair Housing evaluated regulations as to zoning and planning regulations and their impact on housing. The cities have minimum parking space requirements for housing development. This requirement could increase the cost

of housing development for multi-family housing. It is important to note that the zoning requirements are usually intended to address the large student population and minimize on-street parking surrounding housing developments. Neither the city of Lafayette nor the city of West Lafayette have any other types of zoning the impose limits on housing, such as limits on vinyl siding or appearance of housing and its design.

The cities' overall lack of regulation keeps the price of building housing down. Because builders have few regulations to follow with regard to zoning, they can keep prices at a level more affordable to low and moderate income households. However, the demand for housing by households and individuals associated with Purdue University increases the value of owner occupied housing and gross rent paid by tenants. With the potential profit available to market to those households, the supply of housing developments for households at with low to moderate incomes is reduced.

While there may not be any regulatory barriers, the institutional structure currently used to develop affordable housing may face organizational and other non-regulatory barriers to affordable housing development. Traditional redevelopment has been lead by small non-profit community development organizations at the grass roots level. The cities of Lafayette and West Lafayette are also limited in the staff capacity to implement housing development programs on top of their current administrative and programmatic duties.

# STRATEGIC PLAN

The strategic plan must describe how the jurisdiction plans to provide new or improved availability, affordability, and sustainability of decent housing, a suitable living environment, and economic opportunity, principally for extremely low-, low-income, and moderate-income residents.

## General Priority Needs Analysis and Strategies 91.215 (a)

19. In this narrative, describe the reasons for setting priorities for allocating investment among different activities and needs, as identified in tables* prescribed by HUD. 92.215(a)(1)

    ***If not using the CPMP Tool:** Complete and submit Table 1A Homeless and Special Needs Population; Table 1B Special Needs (Non-Homeless) Populations; Table 2A Priority Housing Needs/Investment Plan Table; and Table 2B Priority Community Development Needs.*

    ****If using the CPMP Tool:** Complete and submit the Needs Table file: Needs.xls*

20. Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed.

21. If applicable, identify the census tracts for Neighborhood Revitalization Strategy Areas and/or any local targeted areas.

22. Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a)(1)) and the basis for assigning the priority (including the relative priority, where required) given to each category of priority needs (91.215(a)(2)).

23. If appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to Neighborhood Revitalization Strategy Areas and/or any local targeted areas.

24. Identify any obstacles to meeting underserved needs.

The cities of Lafayette and West Lafayette are located within Tippecanoe County, Indiana. Tippecanoe County is primarily a rural community along Interstate 65, northwest of Indianapolis. Both cities are designated by the U.S. Department of Housing and Urban Development (HUD) as entitlement cities. Both cities receive an allocation of the Community Development Block Grant (CDBG) and the HOME Investment Partnership program (HOME) funds each year. The funds will be approximately $2.16 million every year, for a total of $10.8 million over the five years of this Consolidated Plan.

Tippecanoe County is also home to four incorporated towns, Battle Ground, Dayton, Clarks Hill and Shadeland. The unincorporated areas in the county, Battle Ground, Lafayette and West Lafayette have formed a consortium to share the allocation of HOME dollars. This grouping of leaders is called the HOME Consortium. The staff at the city of Lafayette is responsible for the implementation and administration of the HOME funds at the behest of the HOME Consortium.

According to the 2000 Census, Tippecanoe County was home to 148,955 individuals. The 2006-2008 American Community Survey (ACS) reported that the county's estimated population was 161,927. Population estimates courtesy of the Indiana Business Research Center (IBRC) place the 2008 population for Tippecanoe County at 164,237. Assuming the estimate for 2008 is accurate, the population growth in Tippecanoe County between 2000 and 2007 is at 10 percent.

The city of Lafayette is the county seat for Tippecanoe County and is the largest incorporated area and home to the largest portion of the county's population. An estimated 64,049 people call Lafayette home.

*Table III-I: Estimated Population by CDBG City and County. Source: U.S. Census and STATS Indiana.*

| | 1990 | 2000 | 2008 Est. | Change from 1990-2008 |
|---|---|---|---|---|
| Lafayette | 43,764 | 60,525 | 64,049 | 46.4% |
| West Lafayette | 25,907 | 28,778 | 30,847 | 19.1% |
| Tippecanoe County | 130,598 | 148,955 | 164,237 | 25.8% |

The city of West Lafayette is home to Purdue University and is located on the west side of Lafayette, with a river separating the two cities geographically. Approximately 30,847 people call West Lafayette home, not including students. Table III-I shows the population growth of Tippecanoe County and the cities since 1990.

The city of Lafayette and West Lafayette have a number of low to moderate income census tracts located within their borders. A low to moderate income census tract is defined as a census tract with 51 percent or more of the population earning incomes below 80 percent of the median family income. Priorities for activities that benefit a whole neighborhood, such as infrastructure improvement and park facility upgrades are reserved for these areas of low to moderate income. Figure III-I shows the area of low to moderate census tracts.

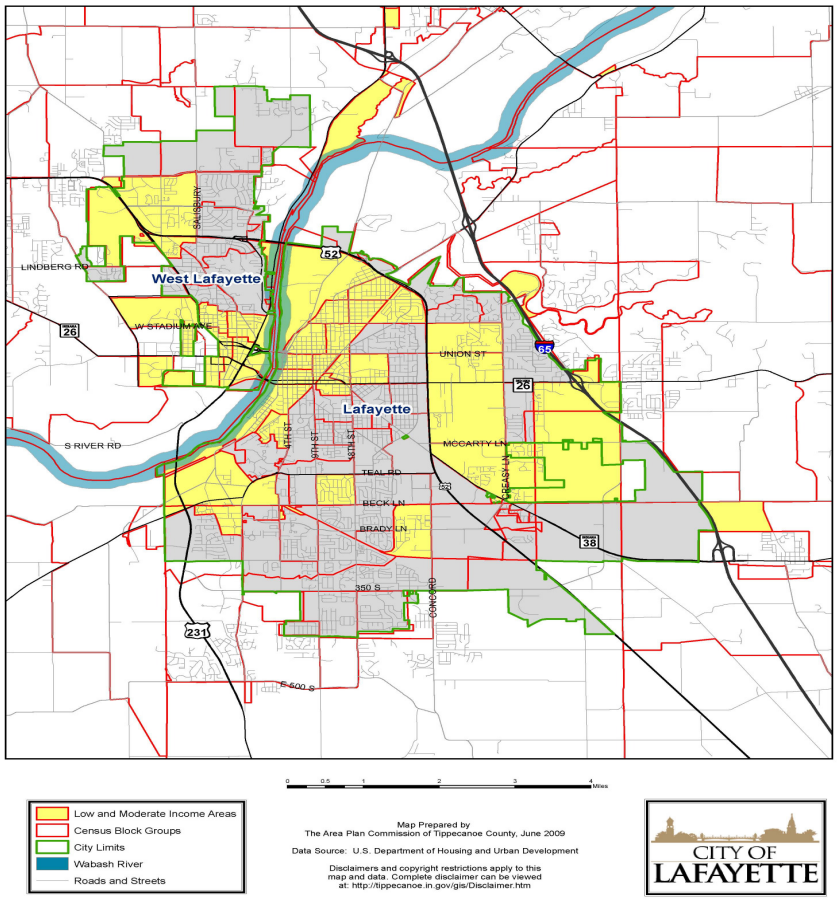



*Figure III-I: Concentration of Low to Moderate Income Census Tracts. Source: The Area Planning Commission of Tippecanoe County, 2009.*

From the 2000 Census and the available estimates for 2006 and 2007, the basic racial makeup of Tippecanoe County is 89% White, 3% African American, 5% Asian and 4% other racial minorities, which is comprised of the typical racial/ethnic categories found in the Census. These categories include: (1) American Indian and Alaska Native, (2) Native Hawaiian and Other Pacific Islander, and (3) Other. The U.S. Census Bureau estimates that the percentage of White residents in Tippecanoe County has remained the same since 2000, and also suggests that there will be a slight increase in the percentage of

African American residents and decrease of Asian residents during the same period. However, upon consultation with community stakeholders, the estimates published by the U.S. Census do not match what appears to be happening within the population.

The 2010 Analysis of Impediments reviewed the concentration of minorities within Tippecanoe County. Regardless of race or ethnicity, the relevant statistical impact of minorities is soley within the borders of the cities of Lafayette and West Lafayette. Because these minorities represent such a small portion of the population and do not make up a concentration in the community any larger than 5 percent, the cities of Lafayette and West Lafayette must target these minorities to inform them of the available beneficial programming.

Funding for programs will be directed to programs and projects that meet the following criteria:

- Meet a goal of the 2010-2014 Consolidated Plan
- Demonstrate a significance of need
- Serve an eligible area within Tippecanoe County or the cities of Lafayette and West Lafayette, depending on the grant used
- Project or program is eligible under HUD rules
- Create a visual impact in the neighborhood, particularly if an infrastructure project
- Benefits persons at-risk of homelessness or who are homeless
- Benefits a special needs population
- Serves a low to moderate income census tract

Activities and projects that meet all the above criteria receive the highest priority, reducing the amount of funding spent on programs or projects that meet only few or none of the above criteria.

The city of Lafayette will continue to target an area called the Neighborhood Revitalization Strategy Area. This area encompasses portions of downtown and the neighborhoods that surround downtown Lafayette. The area has a higher rate of low to moderate income households. A map of the area is located in Appendix E. The efforts and strategies for revitalizing this target area will be discussed later in this document.

One of the most difficult tasks the cities of Lafayette and West Lafayette have is finding enough adequate funding to meet the underserved needs. Both cities strive to support as many programs as possible; however, by doing so the limited funds they currently receive do not support the demand for services. Funding may be adequate enough to provide the direct services to the client, but it may not cover the administrative expenses that come with providing the services to the client.

Another obstacle for some of the housing developers in the area is securing enough funding to meet the match requirements of the HOME program. The HOME program requires that the developer match 25 cents for every dollar awarded. This is an obstacle for some of the local non-profit housing developers as they only able to complete smaller scale projects every year, rather than leveraging large projects as are often found in larger cities.

## Specific Objectives 91.215 (a) (4)

25. Summarize priorities and specific objectives the jurisdiction intends to initiate and/or complete in accordance with the tables* prescribed by HUD. Outcomes must be categorized as providing either new or improved availability/accessibility, affordability, or sustainability of decent housing, a suitable living environment, and economic opportunity.
**Goals and objectives to be carried out during the strategic plan period are indicated by placing a check in the following boxes.**

| ☒ | **Objective Category Decent Housing**<br>Which includes: | ☒ | **Objective Category: Expanded Economic Opportunities**<br>Which includes: | ☒ | **Objective Category: Expanded Economic Opportunities**<br>Which includes: |
|---|---|---|---|---|---|
| ☒ | assisting homeless persons obtain affordable housing | ☐ | improving the safety and livability of neighborhoods | ☐ | job creation and retention |
| ☒ | assisting persons at risk of becoming homeless | ☒ | eliminating blighting influences and the deterioration of property and facilities | ☒ | establishment, stabilization and expansion of small business (including micro-businesses) |
| ☒ | retaining the affordable housing stock | ☒ | increasing the access to quality public and private facilities | ☒ | the provision of public services concerned with employment |
| ☐ | increasing the availability of affordable permanent housing in standard condition to low-income and moderate-income families, particularly to members of disadvantaged minorities without discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability | ☐ | reducing the isolation of income groups within areas through spatial deconcentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods | ☐ | the provision of jobs to low-income persons living in areas affected by those programs and activities under programs covered by the plan |
| ☐ | increasing the supply of supportive housing which includes structural features and services to enable persons with special needs (including persons with HIV/ADOS) to live in dignity and independence | ☒ | restoring and preserving properties of special historic, architectural, or aesthetic value | ☐ | availability of mortgage financing for low income persons at reasonable rates using non-discriminatory lending practices |
| ☒ | providing affordable housing that is accessible to job opportunities | ☐ | conserving energy resources and use of renewable energy sources | ☐ | access to capital and credit for development activities that promote the long-term economic social viability of the community |

***Identify Specific Objectives and Proposed Outcomes by completing Table 1C or 2C – Summary of Specific Objectives***

## HOUSING

### Priority Housing Needs 91.215 (b)

26. Describe the relationship between the allocation priorities and the extent of need given to each category specified in the Housing Needs Table (Table 2A or Needs.xls). These categories correspond with special tabulations of U.S. census data provided by HUD for the preparation of the Consolidated Plan.

27. Provide an analysis of how the characteristics of the housing market and the severity of housing problems and needs of each category of residents provided the basis for determining the relative priority of each priority housing need category, particularly among extremely low-income, low-income, and moderate-income households.
    Note: Family and income types may be grouped in the case of closely related categories of residents where the analysis would apply to more than one family or income type.

28. Identify any obstacles to meeting underserved needs.

The Housing Needs Table analyzes the needs by size and income level for every type of household. Priority has been given to the areas with the largest need. The biggest housing needs in the cities of Lafayette and West Lafayette have remained the same over the past five years, despite efforts during the previous five-year Consolidated Plan. Low income and extremely low income renters face the largest cost burden and have the most difficult time finding affordable housing. These income brackets are described as households living at 31 to 50 percent of the median family income and below 30 percent of the median family income, respectively.

Large families are those with the greatest need of affordable housing, both rental housing and owner occupied housing. Figures II-I and II-II show the percent of renters and owners with housing problems by income and size of household. A housing problem is defined as a cost burden by the household or living in substandard housing, typically without functioning kitchen or bathroom facilities.

The cities of Lafayette and West Lafayette prioritize the needs of these families and households as a high needs and will fund programs to address their needs. Because of the location of Purdue University, rental housing is readily available. Creation of new rental units will only be supported if it targets very low income and extremely low income households. Projects creating units large enough to house large families, as defined as 4 people or more, will be given priority.

In addition, the HOME Consortium, via the city of Lafayette, will provide tenant based rental assistance, helping these renters pay for housing that exceed their ability to pay. As with the Housing Choice Voucher program, tenant based rental assistance will help

households pay the rent after the household contributes 30 percent of their gross monthly income towards rent.

The difficulty with serving these categories of households is finding the balance between the amount of subsidy required to make the project viable in the long term and the desire to create as many units as possible to address the need. As previously stated, these households have remained a high priority over the last five years and continue to be the populations in greatest need of affordable housing. The demand for affordable housing for these households has not decreased. The cities of Lafayette and West Lafayette strive to meet this demand; on the other hand, limited funds and high demand for student housing push the cost of development. Higher subsidies allow builders and developers to lower the cost of the rent or sale of the units and/or increase the maintenance budget and decrease the long-term debt service but are often difficult to provide in light of limited HOME budgets each year.

The foreclosure crisis continues to hit the cities of Lafayette and West Lafayette, as well as Tippecanoe County. While the increase in foreclosures began in 2005 for this area, it continues as people lose their employment and income. The most basic need of people entering foreclosure is assistance with identifying other employment that pays a living wage. In addition to creation of housing, the cities of Lafayette and West Lafayette will look for new ways to attract business and new jobs that will pay living wages and enable households to remain in their homes which were once affordable.

## Specific Objectives/Affordable Housing 91.215 (b)

Note: Specific affordable housing objectives must specify the number of extremely low-income, low-income, and moderate-income households to whom the jurisdiction will provide affordable housing as defined in 24 CFR 92.252 for rental housing and 24 CFR 92.254 for homeownership. (24 CFR 91.215(b)(2)

29. Identify each specific housing objective by number (DH-1, DH-2, DH-2), proposed accomplishments and outcomes the jurisdiction hopes to achieve in quantitative terms over a specified time period, or in other measurable terms as identified and defined by the jurisdiction.

    *Complete and submit Table 1C Summary of Specific Objectives or, if using the CPMP Tool, the Summaries.xls file.*

30. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the strategic plan.

31. Indicate how the characteristics of the housing market will influence the use of funds made available for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units.

32. If the jurisdiction intends to use HOME funds for tenant-based rental assistance, specify local market conditions that led to the choice of that option.

The cities of Lafayette and West Lafayette, as well as the HOME Consortium will strive to meet two primary housing goals. Each city, because of different funding resources they are administratively responsible for, will utilize different strategies to reach these goals. The first goal relates to homeownership and the second goal addresses rental housing needs.

1. *Stabilize homeownership within Tippecanoe County, particularly within the cities of Lafayette and West Lafayette.*

Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Provide repairs for homeowners who were unable to save for large repairs, targeting households under 80 percent of the area median income. | 75 units |
| Provide emergency repairs for low to moderate income seniors enabling them to stay in their own homes longer. | 500 units |
| Educate prospective homebuyers on the home buying experience, foreclosure prevention and regular home maintenance. | 500 people |
| Provide down payment assistance to help first-time homebuyers achieve homeownership | 100 households |
| Assist with lead-based paint testing and abatement of lead-based paint from homes with small children via home repair. | 20 households |
| Acquisition/rehab existing homes in established Lafayette neighborhoods to sell to low to moderate income families | 25 units |

West Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Provide repairs for homeowners who were unable to save for large repairs, targeting households under 80 percent of the area median income. | 60 units |
| Rehabilitate homes for homeownership within CHDO service areas to balance against increasing student housing and other rental housing. | 9 units |
| Assist with lead-based paint testing and abatement of lead-based paint from homes with small children via home repair. | 6 households |

2. *Encourage responsible rental unit creation and maintenance:*

Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Create and renovate rental housing for low to moderate income seniors | 300 units |
| Provide tenant counseling on rights in foreclosure of homes and legal responsibilities for caring for the home | 200 people |
| Develop rental housing for low and very low income families, infill projects, re-purpose buildings, smart growth | 300 units |

West Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Form a partnership with Purdue University to create additional, stable student housing to meet increasing demand. | Meet Quarterly |
| Provide tenant counseling on rights in foreclosure of homes and legal responsibilities for caring for the home. | Host one meeting annual |

Federal dollars must play a large part in the implementation of these goals. Primarily the Community Development Block Grant and the HOME Investment Partnerships Program will fund the above strategies. Over the next five years, those funds will total an estimated 10.8 million dollars. Low Income Housing Tax Credits through the state of Indiana will also help the development of rental housing, particularly for the extremely low income households.

Private resources will also play a large role in the development of housing throughout Tippecanoe County. A network made up of non-profit service organizations and community development housing organizations within the county, benefit from private dollars to pay for operating costs and create/renovate housing in conjunction with the federal dollars.

*Neighborhood Stabilization Program*

As part of the Housing and Economic Recovery Act of 2008, the city of Lafayette has received an additional $7.77 million from the U.S. Department of Housing and Urban Development (HUD) and the Indiana Housing and Community Development Authority to stabilize areas hit by high foreclosures and declining property values. These dollars are in addition to the annual entitlement dollars and have been given as a one-time grant to impact struggling neighborhoods.

The area to be served by the NSP grant is the Glen Acres neighborhood. Glen Acres is bordered on the west by Sagamore Parkway; the north by Greenbush Street; the east by Creasy Lane and the south by Union Street. Glen Acres is primarily a single-family residential neighborhood. Contained within the neighborhood was the Bridgeway Apartments. The focus of the grant is the demolition of Bridgeway to be replaced by a

new development combining apartments and single family homes. The new development is known as Chatham Square. In addition to the Chatham Square development, NSP funds will be used for other activities in the Glen Acres Neighborhood. A breakdown of the anticipated uses of the allocated funds includes:

- ***Administration - $370,200***
  This activity will provide funds to pay for expenses related to administering the NSP grant.
- ***Redevelopment/New Construction - $5,720,000***
  This activity will involve the demolition of the Bridgeway Apartments and the development of Chatham Square. Chatham Square will include 89 income-targeted rental units and up to 10 new single family homes.

- ***Purchase and rehabilitate homes and residential properties that are abandoned or foreclosed upon in order to rehabilitate and sell such properties. - $1,000,000***
  This activity will involve the purchase of approximately eight (8) homes. The houses will be renovated and then sold to income-qualified homebuyers who intend to occupy the property as a primary residence.

- ***Demolish blighted structures - $210,000***
  This activity will involve the purchase and demolition of approximately six (6) homes. Homes identified as blighted, unsafe and beyond repair will be targeted.

- ***Funding Mechanisms - $474,000***
  This activity will provide funds for income-qualified buyers for use as down payment assistance or closing costs in the purchase of the rehabilitated single-family homes or the newly constructed homes at Chatham Square.

The Redevelopment Department with the city of Lafayette is charged with the implementation of the Neighborhood Stabilization Program projects.

## Public Housing Strategy 91.215 (c)

33. Describe the public housing agency's strategy to serve the needs of extremely low-income, low-income, and moderate-income families residing in the jurisdiction served by the public housing agency (including families on the public housing and section 8 tenant-based waiting list).

34. Describe the public housing agency’s strategy for addressing the revitalization and restoration needs of public housing projects within the jurisdiction and improving the management and operation of such public housing.

35. Describe the public housing agency’s strategy for improving the living environment of extremely low-income, low-income, and moderate families residing in public housing.

36. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake to encourage public housing residents to become more involved in management and participate in homeownership. (NAHA Sec. 105 (b)(11) and (91.215 (k))

37. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, the jurisdiction shall describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation. (NAHA Sec. 105 (g))

The Lafayette Housing Authority serves Tippecanoe County. It does not have any public housing developments of its own and only administers programs related to the Section 8 Housing Choice Voucher program. The mission of the Lafayette Housing Authority is to:

- Provide affordable housing opportunities
- To stimulate the development of and increase the availability of affordable housing
- To ensure safe and decent housing for program participants
- To promote self-sufficiency and independence
- To be fiscally responsible
- To perform these charges without discrimination and with respect to the people it serves

The Lafayette Housing Authority will continue four main programs to benefit low to moderate income clients. Three of these programs are executed through the use of Section 8 Housing Choice Vouchers. One program is supported by the HOME Consortium and the city of Lafayette.

Section 8 vouchers, from the U.S. Department of Housing and Urban Development (HUD) allow households to access housing that would not be affordable to them. The household pays 30 percent of their gross monthly income and the voucher pays the remainder of the rent owed to the landlord. 1,231 people benefit from this program and 1,017 people are waiting for a voucher. Lafayette estimates that a household will have to wait 13-18 months to receive a voucher. Since the Lafayette Housing Authority is only allotted an annual amount, a household must “graduate” to self-sufficiency and/or move to another location to free up a voucher for someone on the waiting list.

Given that people must move to self-sufficiency, the Lafayette Housing Authority offers two programs with the use of the Housing Choice Vouchers. The Section 8 Homeownership program assists households who are working towards self-sufficiency, or have established good credit and have taken a home buyer education class to use their voucher towards homeownership. The rules are the same as the traditional Housing Choice Voucher program; however, the voucher is used to help pay monthly mortgage payments instead of rent.

Section 8 Housing Choice Vouchers are also used in conjunction with the Life Skills Voucher program. Recipients of the Housing Choice Vouchers also receive life skills training and case management services with the Area Four Community Action Program Agency. The social workers guide the clients on a clear path to self-sufficiency, helping them learn basic skills such as house cleaning, budgeting and tenant/landlord relations

to name a few. A small number of clients receive assistance through this program in hopes of moving the household to self-sufficiency from the Section 8 Housing Choice Voucher/Life Skills program.

Tenant Based Rental Assistance works in the same manner as the basic Section 8 Housing Choice voucher program. Funding for this program is provided by the HOME funds awarded by the HOME Consortium and administered by the city of Lafayette. These funds help close the gap on the waiting list, by providing assistance for one year before a Section 8 Housing Choice Voucher becomes available for the household. This enables approximately 10 households to come off the waiting list early and receive assistance.

The Lafayette Housing Authority does not have a troubled status.

## HOMELESS

### Priority Homeless Needs

*Refer to the Homeless Needs Table 1A or the CPMP Tool's Needs.xls workbook

38. Describe the jurisdiction's choice of priority needs and allocation priorities, based on reliable data meeting HUD standards and reflecting the required consultation with homeless assistance providers, homeless persons, and other concerned citizens regarding the needs of homeless families with children and individuals.

39. Provide an analysis of how the needs of each category of residents (listed in question #38) provided the basis for determining the relative priority of each priority homeless need category.

40. Provide a brief narrative addressing gaps in services and housing for the sheltered and unsheltered chronic homeless.
    A community should give a high priority to chronically homeless persons, where the jurisdiction identifies sheltered and unsheltered chronic homeless persons in its Homeless Needs Table - Homeless Populations and Subpopulations.

### Homeless Strategy 91.215 (d)

Homelessness

41. Describe the jurisdiction's strategy for developing a system to address homelessness and the priority needs of homeless persons and families (including the subpopulations identified in the needs section). The jurisdiction's strategy must consider the housing and supportive services needed in each stage of the process which includes preventing homelessness, outreach/assessment, emergency shelters and services, transitional housing, and helping homeless persons (especially any persons that are chronically homeless) make the transition to permanent housing and independent living.

42. Describe the jurisdiction's strategy for helping extremely low- and low-income individuals and families who are at imminent risk of becoming homeless.

Chronic Homelessness

43. Describe the jurisdiction's strategy for eliminating chronic homelessness. This should include the strategy for helping homeless persons make the transition to permanent housing and independent living. This strategy should, to the maximum extent feasible, be coordinated with the strategy

presented in Exhibit 1 of the Continuum of Care (CoC) application and any other strategy or plan to eliminate chronic homelessness.

44. Describe the efforts to increase coordination between housing providers, health, and service agencies in addressing the needs of persons that are chronically homeless.(91.215(l))

## Homelessness Prevention

45. Describe the jurisdiction's strategy to help prevent homelessness for individuals and families with children who are at imminent risk of becoming homeless.

## Institutional Structure

46. Briefly describe the institutional structure, including private industry, non-profit organizations, and public institutions, through which the jurisdiction will carry out its homelessness strategy.

## Discharge Coordination Policy

47. Every jurisdiction receiving McKinney-Vento Homeless Assistance Act Emergency Shelter Grant (ESG), Supportive Housing, Shelter Plus Care, or Section 8 SRO Program funds must develop and implement a Discharge Coordination Policy, to the maximum extent practicable. Such a policy should include "policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons." The jurisdiction should describe its planned activities to implement a cohesive, community-wide Discharge Coordination Policy, and how the community will move toward such a policy.

To address homelessness, the cities of Lafayette and West Lafayette, as well as Tippecanoe County must use a two prong approach. The first method is to address homelessness at the local level. The second method is to participate in homelessness prevention at the state level and participate in the Balance of State Continuum of Care. Through the state of Indiana, the area can assess the homeless problem with a "housing first" approach and access federal resources directed specifically to homelessness.

In 2009, the state of Indiana, Indiana Housing and Community Development Authority (IHCDA) reorganized its Inter-Agency Council into the "Indiana Planning Council on the Homeless." The Council was established as an overall planning body for initiatives aimed at ending homeless in Indiana, and is committed to using a comprehensive approach to develop, operate, and improve Indiana's continuum of homelessness solutions. The Council operates from a "housing first" philosophy and embraces the proven efficacy of a permanent supportive housing model.

The Council intends to engage a broad range of systems and expertise within the housing field. The Council and its subcommittees will include members from both the public and private sector, IHCDA's sister state agencies, homelessness service providers, the academic realm, and homelessness advocacy organizations- along with formerly homeless representatives. The activity of the Council will be driven by its four action-oriented sub-committees, focused respectively on 'Data Collection and Evaluation,' 'Quality and Performance,' 'Housing and Program Continuum Development,' and 'Funding and Strategies.' The value of the Council will lie in the anticipated exchange and collaboration amongst these four subcommittees as they progress on coordinated work plans. The committees meet quarterly as the full "Planning Council" to share information, updates, and discussion.

The Data Collection and Evaluation Committee will serve as a strategic advisory board for all data-gathering efforts of IHCDA as they relate to homelessness services. This will include direct oversight of the Homeless Management Information System (HMIS), involvement with the Point in Time (PIT) Count, and general performance and program evaluation, such as review of user feedback, development and implementation of uniform data standards across the Continua of Care, funding renewals, and strategic improvements in data usage across systems.

The Quality and Performance Committee will be involved with performance monitoring, establishing and implementing best practices, and ensuring that training and project design are developed around adopted standards of quality. This committee will specifically work to implement the Corporation on Supportive Housing's (CSH) Dimensions of Quality for housing and program development.

The Housing and Program Continuum Development Committee will work on inventory, needs assessment, pipeline development, and improvement strategies for Indiana's continuum of homelessness solutions. This includes both housing units and related programs and services, ranging from prevention to temporary housing to permanent housing. This committee will strategically manage the development and evolution of this continuum, collaborating with the Indiana Permanent Supportive Housing Initiative and Institute, the Transformation Work Group, the Corporation on Supportive Housing, and numerous other stakeholders and leaders in Indiana's efforts to end homelessness.

The Funding and Strategies Committee will oversee the strategic planning involved with securing funding for projects aimed at ending homelessness in Indiana. This includes the McKinney Vento State Grant Application process. The committee will also work on other funding applications, educate local organizers on effective funding requests, and seek out new solutions and resources for project financing, development, and approval.

The Coordinating Committee of the Indiana Planning Council on the Homeless will work with each committee to establish goals and objectives. The Coordinating Committee will also assist the committees with their communication and public relations efforts in order to influence policy development and implementation. The Coordinating Committee will also provide vision, leadership, and support.

At the local level, the cities of Lafayette and West Lafayette participate on the Homelessness Intervention and Prevention Network (HIPN) that include service providers, non-profit housing developers, private foundations and the Lafayette Housing

Authority. 21 people, representing various local organizations, meet on monthly basis to coordinate efforts of each of the agencies and grantors as well as address new needs of the homeless population. Some of the initiatives the HIPN are working towards include:

- Developing a contingency plan to meet the needs of all homeless individuals during the winter months.
- Easing restrictions on some shelters or ensuring emergency shelters and homeless providers meet the needs of all homeless sub-populations
- Advocating on bhealf individuals that sleep on sofas or share residences with friends that need homelessness services but may not meet the federal definition of homelessness
- Connecting individuals utilizing services to other services that may be of assistance
- Coordinating efforts to ensure an entire Continuum of Care, from the streets to permanent housing, is in place
- Follow the "housing first" plan of the state-wide continuum of care to provide permanent housing, including permanent supportive housing for the homeless for the chronically homeless
- Seek alternative sources to support the agencies that serve the homeless population in the area

Because of the size of the community and its rural roots, Tippecanoe County is a very close-knit community. Neighbors and family help each other in every way possible. This includes families and neighbors that are at-risk of homelessness or who have lost their home and temporarily stay at the home of a friend or family member. Consultation interviews revealed that if these members of the community were counted as homeless, the number of homeless individuals might be double or triple the current count.

Programs in the area such as food pantries, health services, night shelters, child care subsidies and other social services could help these individuals on the brink of homelessness or recently evicted from their homes.

## Specific Objectives/Homeless (91.215)

48. Identify specific objectives that the jurisdiction intends to initiate and/or complete in accordance with the tables* prescribed by HUD, and how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the strategic plan. For each specific objective, identify proposed accomplishments and outcomes the jurisdiction hopes to achieve in quantitative terms over a specified time period (one, two, three or more years) or in other measurable terms as defined by the jurisdiction.
    *Complete and submit Table 1C Summary of Specific Objectives or, if using the CPMP Tool, the Summaries.xls worksheets.*

The cities of Lafayette and West Lafayette will utilize CDBG public service dollars to fund social services. Also, through the Homelessness Intervention and Prevention Network, the cities will support applications to the state of Indiana for Emergency Shelter Grant dollars and Continuum of Care dollars, alternative grants from the U.S. Department of Housing and Urban Development. Public dollars, matched by funding from the United Way of Greater Lafayette and other private resources will help achieve the following strategies to end homelessness.

1. *Support the end of homelessness through the care of homeless neighbors and people at-risk of homelessness.*

Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Develop new permanent supportive housing for people who are homeless and have special needs, such as domestic violence victims and chronically homeless, with requirements for agencies to follow CSH Dimensions of Quality | 100 units |
| Coordinate efforts with the Indiana Housing and Community Development Authority and local service providers to increase funding resources to serve those who are homeless and living in temporary or transitional housing. | Find 2 additional funding resources |
| Support case management and other services for people who are homeless or at-risk of becoming homeless, with requirements for agencies to follow harm reduction policies. | 1000 people |
| Provide rent and utility assistance to people at-risk of homelessness | 250 people |

West Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Continue participation in the Homelessness Intervention and Prevention Network (HIPN) monthly meetings to meet this goal. | 60 meetings |

## NON-HOMELESS SPECIAL NEEDS

*Refer to Table 1B Non-Homeless Special Needs or the CPMP Tool's Needs.xls workbook

### Priority Non-Homeless Needs 91.215 (e)

49. Identify the priority housing and supportive service needs of persons who are not homeless but may or may not require supportive housing, i.e., elderly, frail elderly, persons with disabilities (mental, physical, developmental, persons with HIV/AIDS and their families), persons with alcohol or other drug addiction by using the Non-homeless Special Needs Table.

50. Describe the basis for assigning the priority given to each category of priority needs.

51. Identify any obstacles to meeting underserved needs.

52. To the extent information is available, describe the facilities and services that assist persons who are not homeless but require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing.

53. If the jurisdiction plans to use HOME or other tenant based rental assistance to assist one or more of these subpopulations, it must justify the need for such assistance in the plan.

The needs assessment by the United Way of Greater Lafayette emphasized the need to help the elderly with housing and with social services. Finding subsidized housing for the elderly ranked as a top need in the community. Basic social services for the elderly ranked as the second most important need and transportation services for the elderly was ranked at the bottom of the assessment.

However, upon consultation with the Center at Jenks Rest, the top need is transportation with the senior center unable to meet the continued demand of its clients throughout the entire county. The expense for providing transportation to residents in the rural areas has exceeded their ability to help seniors get to health care, grocery stores and other needed errands.

The needs chart in Appendix F shows the needs of the elderly as the biggest need in the Lafayette/West Lafayette area. Needs for persons living with HIV/AIDS and public housing residents are second and third, respectively. This Consolidated Plan will discuss the needs of the HIV/AIDS population in further detail. For public housing residents, the need for basic self-sufficiency skills is a top priority. As detailed in the public housing section of this document, the Lafayette Housing Agency is working to connect Section 8 Housing Choice Voucher clients with social services and case management to gain life skills.

The Lafayette Housing Authority has an extensive waiting list for Section 8 Housing Choice Vouchers. The use of Tenant Based Rental Assistance helps alleviate the wait for residents by providing 12 months of assistance while waiting the 13 to 18 months for a voucher.

## Specific Special Needs Objectives 91.215 (e)

54. Identify each specific objective developed to address a priority need by number and contain proposed accomplishments and outcomes the jurisdiction expects to achieve in quantitative terms through related activities over a specified time period (i.e. one, two, three or more years), or in other measurable terms as identified and defined by the jurisdiction.

    *The jurisdiction may satisfy this requirement by using Table 1C or, if using the CPMP Tool, the Projects.xls worksheets*

55. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the strategic plan.

HOME and CDBG public service funds will be utilized to fund basic social services and housing services for these populations. The United Way of Greater Lafayette also funds 23 local agencies that assist these populations. As indicated by the needs chart, the need for services and housing exceeds the current ability of the community to meet the demand. The cities of Lafayette and West Lafayette, as well as the United Way of Greater Lafayette, will coordinate efforts as part of the Homelessness Intervention and Prevention Network to find alternative resources to meet the continued demand.

The following are goals and strategies the cities of Lafayette and West Lafayette will undertake to address the special needs populations in the community. Projects that fulfill other goals, but benefit a special needs population will be given priority over other projects serving the general population.

1. **Stabilize homeownership within Tippecanoe County, particularly within the cities of Lafayette and West Lafayette.**

   Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Provide repairs for homeowners who are unable to save for large repairs, targeting households under 80 percent of the area median income. | 75 units |
| Provide emergency repairs for low to moderate income seniors enabling them to stay in their own homes longer. | 500 units |

West Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Provide repairs for homeowners who are unable to save for large repairs, targeting households under 80 percent of the area median income. | 60 units |

2. **Support social services that meet the basic needs of low income families and households.**

Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Support social service programs that provide case management and other supportive services for low to moderate income households | XX people |

West Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Support social service programs that provide case management and other supportive services for low to moderate income households | XX people |

# COMMUNITY DEVELOPMENT

## Priority Community Development Needs 91.215 (f)

*Refers to Table 2B or to the Community Development Table in the Needs.xls workbook

1. Identify the jurisdiction's priority non-housing community development needs eligible for assistance by CDBG eligibility category specified in the Community Development Needs Table* – i.e., public facilities, public improvements, public services and economic development.

2. Describe the basis for assigning the priority given to each category of priority needs provided on Table 2B or the Community Development Table in the CPMP Tool's Needs.xls worksheet.

3. Identify any obstacles to meeting underserved needs.

*Economic Status and Income Distribution*

The economic slowdown at the current time affects the city of Lafayette, West Lafayette and Tippecanoe County. While the county is mostly rural, it is home to Purdue University. While many other businesses also call the area home, Purdue University provides stability in employment for the area, including the retail and professional services that support the university. In addition to Purdue University, the area is home to a large variety of employers. The following is a list of some of the major employers in the area.

- Sagamore Villages Estates Corp, West Lafayette
- Subaru of Indiana Automotive, Lafayette
- Caterpillar, Inc., Lafayette
- Greater Lafayette Health Svc, Lafayette
- Fairfield Manufacturing Co, Inc, Lafayette
- St. Elizabeth Medical Center, Lafayette
- Alcoa Lafayette, Lafayette
- Eli Lilly & Co, Lafayette

While the economy has slowed in the area, the percent of people unemployed in December 2009 is still lower than the state average of 9.9 percent. The unemployment rate for the metropolitan area of Lafayette in December 2009 was 8.6 percent. This is a decrease from the high unemployment rate in July 2009 of 10.8 percent. According to a consultation with the United Way of Greater Lafayette this appearance of a lower unemployment rate can be deceiving. In some fields, such as building and construction trades, the unemployment rate is still very high, as much as 30 or 40 percent of the people in those trades are unemployed or underemployed.

Because Lafayette and West Lafayette are geographic neighbors, their economies are symbiotic. Current information under the U.S. Bureau of Labor Statistics includes the city of West Lafayette in the metropolitan area of Lafayette. Additionally, with the economic recession of the latter part of the decade, this document will utilize the 2008 American Community Survey (ACS) and the U.S. Bureau of Labor Statistics for more accurate information. While the 2008 ACS is based on estimates and a population sampling, it provides a more accurate picture of the area when breaking down information by city and county.

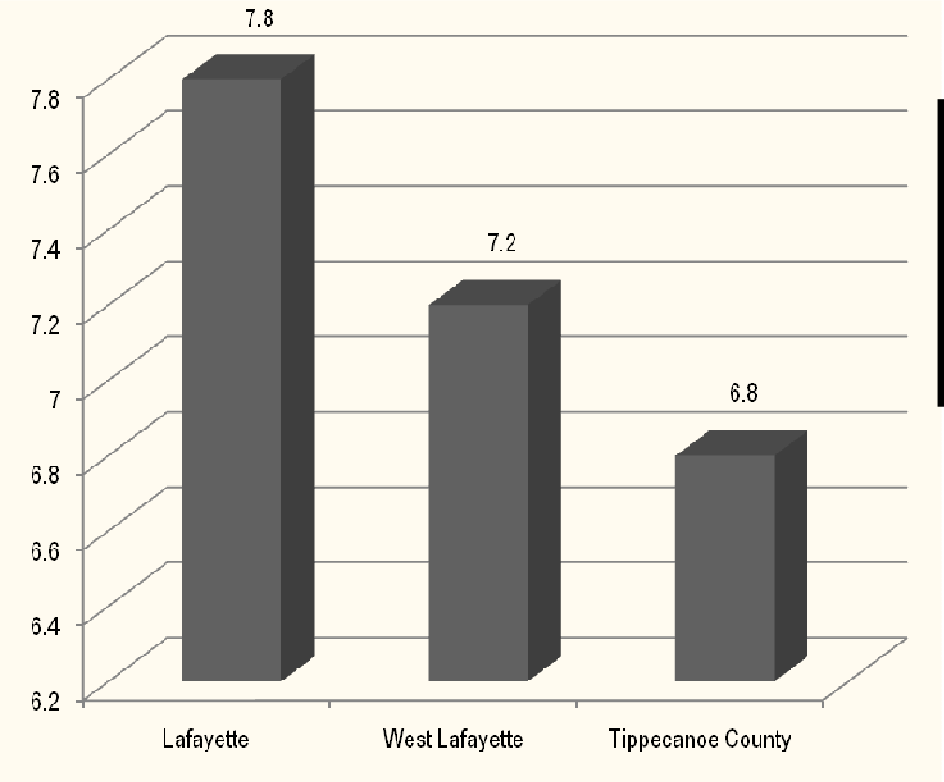



*Figure II-XII: Percent of Unemployment by County and City. Source: American Community Survey, 2008.*

In 2008, the cities of Lafayette and West Lafayette and Tippecanoe County had lower unemployment rates than in December 2009. However, those rates increased over 2008, through 2009 and have steadily declined to the numbers they are now. Table II-IX shows the income earned by township.

*Table II-IX: Income by City and County. Source: American Community Survey, 2008.*

| | Lafayette | West Lafayette | Tippecanoe county |
|---|---|---|---|
| 2008 Per Capita Income | $21,737 | $19,380 | $22,261 |
| 2008 Median Family Income | $44,348 | $82,202 | $58,781 |
| 2008 Median Household Income | $37,342 | $24,958 | $43,190 |

In West Lafayette, the differences between per capita income, Median Family Income and Median Household Income range as much as $62,822 annually. We can assume that the student population, as individuals and as households, brings the number per capita and by household down from the high income of $82,202 per year. Lafayette and Tippecanoe have similar differences among the three groups; however, the range is reduced.

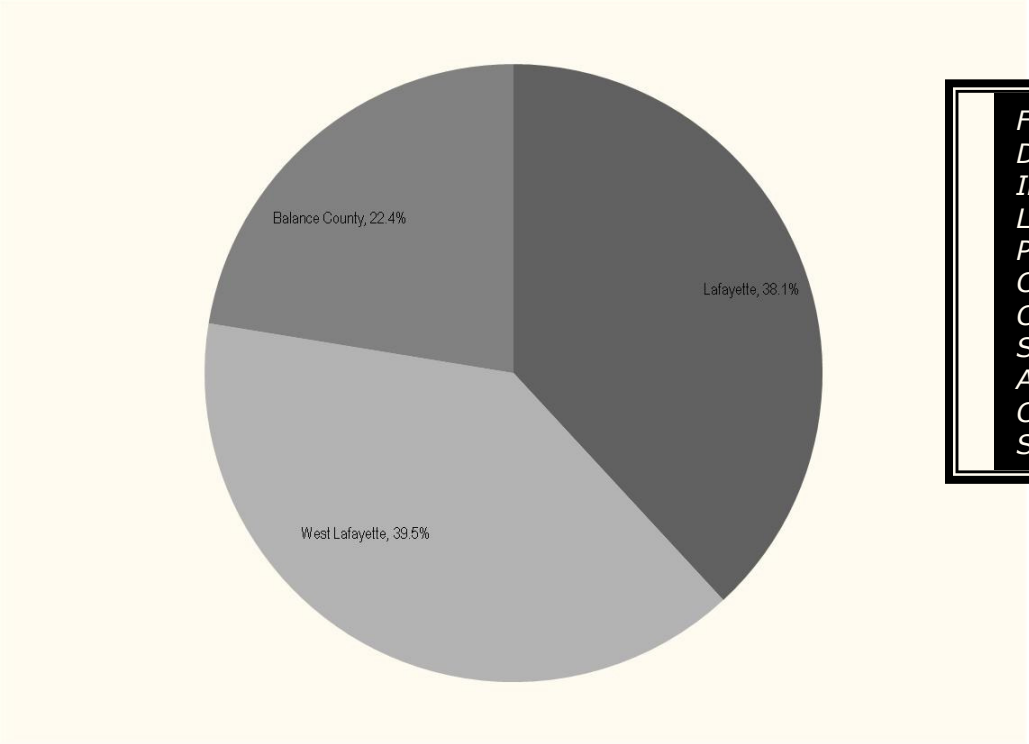



*Figure II-XIII: Distribution of Individuals Living in Poverty by City and County. Source: American Community Survey, 2008.*

The majority of people living in poverty (39.5 percent) live in West Lafayette. Lafayette follows with a close second of 38.1 percent of the population living below the poverty line. A total of 29,398 people in Tippecanoe County live in poverty.

The distribution of people living in poverty is shown in the Table II-X. Children under the age of 18 years make up 20 percent of the population living in poverty. Families with children make up 10 percent of the total population living below the poverty line. Most of these families live in Lafayette.

*Table II-X: Poverty by Age Group and by City and County. Source: American Community Survey, 2008.*

| | Lafayette | West Lafayette | Balance Tippecanoe County |
|---|---|---|---|
| Children Under 18 | 3,920 | 214 | 2,676 |
| Adults 18 to 64 | 3,821 | 11,041 | 9,831 |
| Seniors (65+) | 404 | 102 | 272 |
| Families | 2,288 | 460 | 1,636 |
| Families with Children | 2,073 | 183 | 1326 |

The American Community Survey from 2008 also includes economic information on the number of people receiving government assistance. This assistance includes, Supplemental Security Income, Food Stamps, Social Security or other cash assistance. Other cash assistance can include unemployment checks or Temporary Assistance for Needy Families (TANF). The majority of people receiving this type of assistance live within the city of Lafayette. 61 percent of the population receiving government assistance lives in Lafayette. The balance of the Tippecanoe County, or areas outside the cities of Lafayette and West Lafayette, are home to 28 percent of population receiving government assistance.

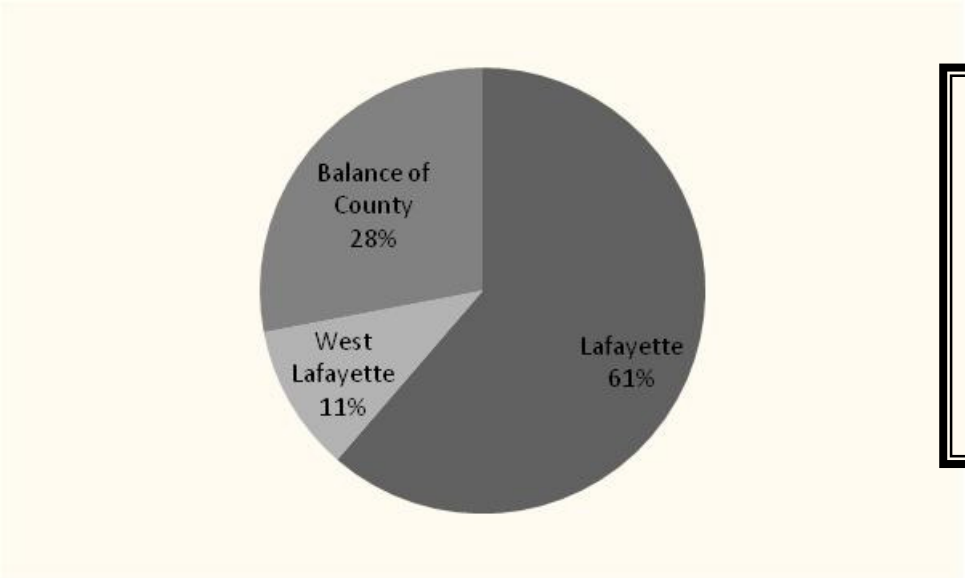



*Figure II-XIV: Distribution of Individuals Receiving Government Assistance Income. Source: American Community Survey, 2008.*

For those employed in the Lafayette Metropolitan Area, the community has a large number of professions/occupations available for individuals to choose from. According to the U.S. Bureau of Labor Statistics, the Lafayette Metropolitan area had a total of 83,840 occupations with an average wage of $37,650 annually. Table II-XI lists the general categories of occupations and the mean annual wage for each category. Management occupations fared the best with a mean annual wage of $94,140, while food preparation and serving related occupations fared the worst with a mean annual wage of $18,340.

*Table II-XI: Number of People Employed and Average Annual Wage by Occupation for the Lafayette Metropolitan Area. Source: U.S. Bureau of Labor Statistics, 2008.*

| Occupation Type/Category | # Employed | Mean Annual Wage |
|---|---|---|
| Architectural and Engineering Occupations | 1,360 | $59,880 |
| Arts, Design, Entertainment, Sports and Media Occupations | 1,030 | $37,240 |
| Building and Grounds Cleaning and Maintenance Occupations | 2,960 | $21,990 |
| Business and Financial Operation Occupations | 1,940 | $54,510 |
| Community and Social Service Occupations | 860 | $39,810 |
| Computer and Mathematical Science Occupations | 1,400 | $55,070 |
| Construction and Extraction Occupations | 3,210 | $40,470 |
| Education, Training and Library Occupations | 9,400 | $51,200 |
| Farming, Fishing and Forestry Occupations | 210 | $30,270 |
| Food Preparation and Serving Related Occupations | 8,240 | $18,340 |
| Healthcare Practitioner and Technical Occupations | 3,960 | $63,530 |
| Healthcare Support Occupations | 1,910 | $24,390 |
| Installation, Maintenance and Repair Occupations | 3,870 | $38,230 |
| Legal Occupations | 240 | $72,720 |
| Life, Physical and Social Science Occupations | 1,040 | $48,230 |
| Management Occupations | 2,830 | $94,140 |
| Office and Administrative Support Occupations | 12,130 | $29,450 |
| Personal Care and Service Occupations | 1,880 | $19,260 |
| Production Occupations | 11,390 | $35,300 |
| Protective Service Occupations | 1,070 | $36,430 |
| Sales and Related Occupations | 7,790 | $28,780 |
| Transportation and Material Moving Occupations | 5,120 | $28,670 |

Despite these numbers being the most recent, the U.S. Bureau of Labor Statistics included portions of Benton and Carol Counties as part of the Lafayette Metropolitan Area in their wage survey. Table II-XII shows the number of households by income for the 2008 year for just the cities of Lafayette and West Lafayette,

*Table II-XI: Household Income by City, Source: American Community Survey, 2008.*

| Income Range | Lafayette | West Lafayette |
|---|---|---|
| Under $10,000 | 2,348 | 2,745 |
| $10,000 to $14,999 | 1,926 | 1,144 |
| $15,000 to $24,000 | 4,451 | 1,770 |
| $25,000 to $34,999 | 3,773 | 949 |
| $35,000 to $49,999 | 4,752 | 961 |
| $50,000 to $74,999 | 4,932 | 972 |
| $75,000 to $99,999 | 2,660 | 1,152 |
| Above $100,000 | 2,303 | 1,615 |

The median income for a household during 2008 in Lafayette was $37,342 and the median income for a household during that same period in West Lafayette was $24,958. Given that the median income for Lafayette is higher, it is important to remember that the higher amount of poverty still is located within the city limits of Lafayette, as discussed earlier in this section.

*Parks and Recreation*

The parks and recreation departments of both the city of Lafayette and West Lafayette provide a valued service to the community, preserving green space in an urban setting, providing recreational activities for residents of all ages and increase healthy lifestyles in the community through its activities and education.

The city of Lafayette has 700 acres of parkland in its system. The Parks Department is home to major metropolitan parks, such as Columbia Park, a municipal golf course, a zoo, community and riverfront parks and greenways/trails. The Parks Department also operates a recreational/health center, aquatic centers and hosts special events to benefit the community, such as annual Columbian Car Show. The staff has designed programs for all ages, young and old. The programs include exercise and nutrition programs, sports leagues, dance classes and swimming lessons.

The city of West Lafayette encompasses more than 450 acres of recreational areas, picnic grounds, nature trails and accessible playgrounds. The 13 park properties include Celery Bog Nature Area (195 acres and Lilly Nature Center), Happy Hollow Park (81 acres), Cumberland Park (62 acres), Tapawingo Park (20 acres and Riverside Skating Center), Morton Community Center and the Municipal Pool. The Recreation Department offers a wide range of community activities and classes year-round at the Morton Center and at local schools. Each Labor Day weekend the Parks Department, along with the city, host the Global Fest, a community-wide celebration of the community's diversity.

*Public Transportation*

The federal government mandates regional efforts in transportation planning. Traffic patterns and types of transportation have an effect on an entire region, and generally ignore political or demographic boundaries. The Tippecanoe County Area Planning Commission is responsible for the development, implementation and promotion of comprehensive transportation system of various alternatives for residents in Lafayette, West Lafayette, Tippecanoe County, Battle Ground and Clark Hill.

The Area Planning Commission provides the following types of transportation plans:

- Long Range Plan – A 20-year plan for transportation projects for local and state investment. The current plan runs through 2030.
- Transportation Improvement Plan – A five-year plan from 2010-2014 that outlines the transportation projects for the next five years. Projects include infrastructure improvement for streets, sidewalks and resurfacing.

- Coordinated Human Services Transit Plan - This plan identifies ways public and private transit providers can fill some of the unmet transportation needs of the elderly, disabled and those with low income.
- Tippecanoe County Thoroughfare Plan – Part of the Comprehensive plan, it includes minimum design standards for roads, sidewalks and other modes of transportation.

The Area Planning Commission is also working on adopting an area Bike and Pedestrian Plan. Because this area is home to Purdue University, the need to work with pedestrians around the university is a high priority for not only West Lafayette and Lafayette, but the county as a whole.

*Infrastructure*

The city of West Lafayette does not currently have a unified capital improvement plan that combines the departmental budgets into an easy-to-use format. As a result, it is sometimes difficult for the City to communicate its initiatives to the public, the years when plans are to be implemented, and the coordination among departments. The city of West Lafayette is working towards developing a unified plan that all the departments can use and relay to the public in a manner which is clear.

The city of Lafayette's Street Department has the primary responsibility for maintaining the local streets, alleys and sidewalks. The Street Department works together with the Sanitation Department, Water Works and Water Pollution Control to maintain all infrastructures in the community. A development plan was not readily available at the time of this document's publication.

## Specific Community Development Objectives

4. Identify specific long-term and short-term community development objectives (including economic development activities that create jobs), developed in accordance with the statutory goals described in section 24 CFR 91.1 and the primary objective of the CDBG program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low- and moderate-income persons.

   ***Complete and submit Table 2C Summary of Specific Objectives or, if using the CPMP Tool, the Summaries.xls worksheets.***

   NOTE: Each specific objective developed to address a priority need, must be identified by number and contain proposed accomplishments, the time period (i.e., one, two, three, or more years), and annual program year numeric goals the jurisdiction hopes to achieve in quantitative terms, or in other measurable terms as identified and defined by the jurisdiction. 24 CFR 91.215(a)(4)

## Community Development/Public Facilities Objectives

## Community Development/Public Improvements Objectives

## Community Development/Public Services Objectives

## Community Development/Economic Development Objectives

The cities of Lafayette and West Lafayette will utilize the Community Development Block Grant to address the general community development needs. The primary use of these funds will be to help the economic recovery of the area and to upgrade infrastructure in the community. The following are goals and strategies to address the general community development needs.

1. **Improve public infrastructure and public facilities.**

Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Upgrade pocket parks for use by residents in low to moderate income neighborhoods | 3 parks |
| Install/retrofit ramps, sidewalks and curb cuts on public streets to comply with the Americans with Disabilities Act (ADA). | 200 people |
| Install sustainable drainage features to reduce storm water run-off in low to moderate income neighborhoods | 3000 people |
| Support the improvement of public facilities and community centers | 1000 people |

West Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Increase the number of ramps and curb cutouts on public streets to comply with the Americans with Disabilities Act. | 100 people |
| Improve public alleys in low to moderate income neighborhoods. | 200 people |

2. **Encourage economic development activities.**

Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Assist businesses with façade renovations | 3 businesses |
| Encourage the creation of new jobs through the use of an economic development toolbox | 10 jobs |
| Support job training and placement efforts by local service providers | XX people |

West Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Assist businesses with façade renovations | 3 businesses |

## Neighborhood Revitalization Strategy Areas 91.215(g)

5. If the jurisdiction has one or more approved Neighborhood Revitalization Strategy Areas, the jurisdiction must provide, with the submission of a new Consolidated Plan, either: the prior HUD-approved strategy, or strategies, with a statement that there has been no change in the strategy (in which case, HUD approval for the existing strategy is not needed a second time) or submit a new or amended neighborhood revitalization strategy, or strategies, (for which separate HUD approval would be required).

*Neighborhood Revitalization Strategy Area*

The 2010-2014 Consolidated Plan discusses the needs and assets of Tippecanoe County, particularly those in the cities of Lafayette and West Lafayette; however, a Neighborhood Revitalization Strategy Area focuses on a portion of the community experiencing severe distress. A Neighborhood Revitalization Strategy Area (NRSA) gives a community and developers greater flexibility in federal regulations when investing funds from HUD. Projects have enabled large sums of federal dollars, leveraging local tax funds, to redevelop neighborhoods and offer new opportunities to the residents of the community. Built on previous successes, the City of Lafayette will continue to focus in the current NRSA. Figure VII-I shows a map of the current NRSA. The NRSA will expand to include new neighborhoods along the Wabash River, north and south of the previous NRSA.

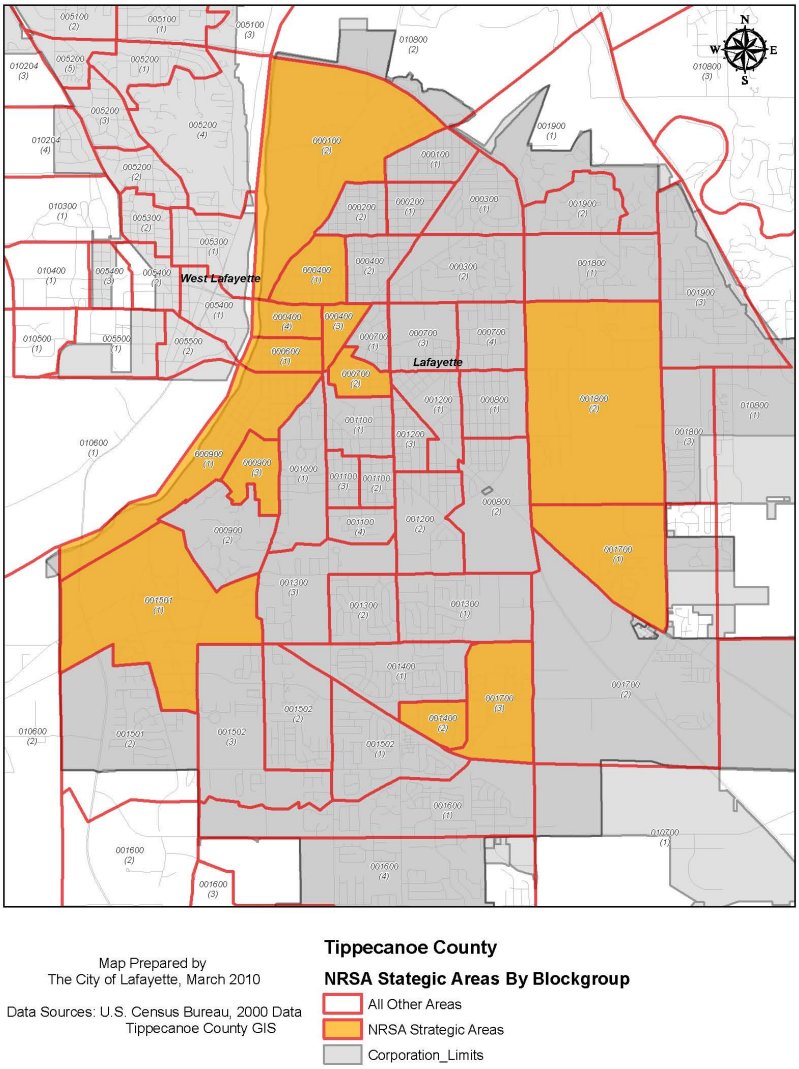



*Figure VII:I: Map of the NRSA. Source: City of Lafayette/ Tippecanoe County GIS, 2010.*

The determination of the NRSA is based on statistical information from the 2000 U.S. Census and must meet federal guidelines. While the regulations are extensive in their explanation, three basic guidelines assist the City with the designation. The first NRSA guideline is that the area must be contiguous. One neighborhood cannot be selected as an addition to the area unless it borders to current NRSA. Figure VI-I shows how all the neighborhoods and communities are connected.

*General Demographics*

The current NRSA combines racially and ethnically diverse communities. Residents, as part of the 2000 U.S. Census identified themselves with one or more races. Three dominant races make up the majority of the area's population. 49 percent of residents identified themselves as White and 45 percent identified themselves as Black. Six (6) percent identified themselves as Hispanic. Other races made up less than one (1) percent of the total population for the area.

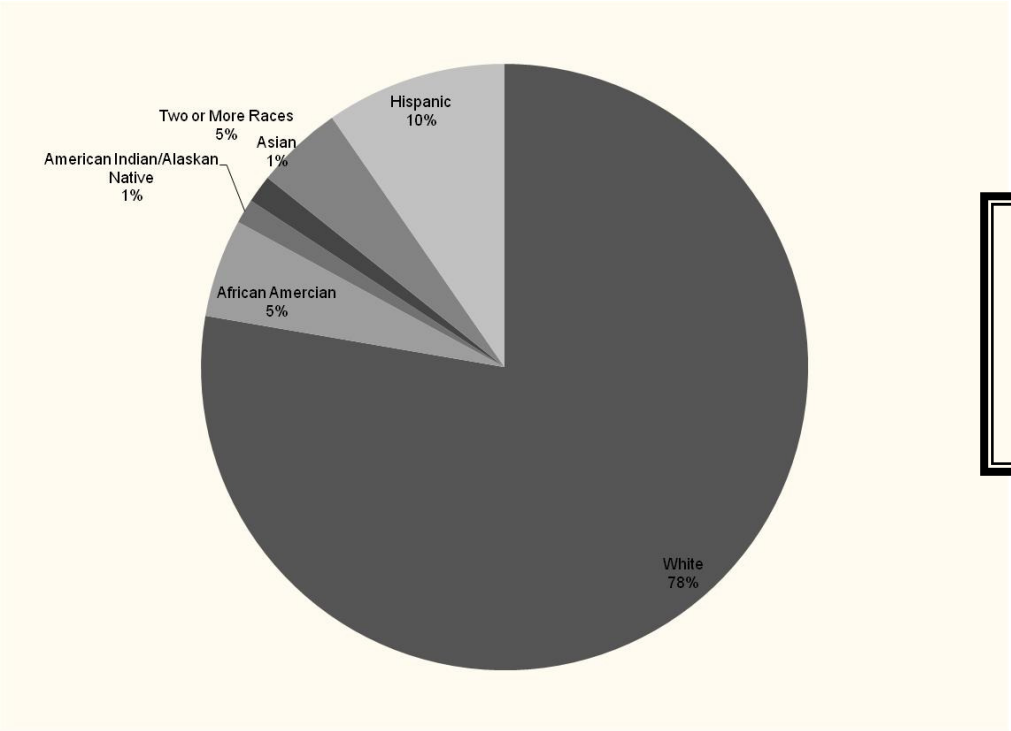



*Figure VI:II: Race/Ethnicity make-up for NRSA. Source: U.S. Census, 2000.*

The second NRSA guideline states the area must have a high percentage of low to moderate-income households. To determine this number, the City of Lafayette utilized census tracts and block groups to determine the percentage of low to moderate-income households in an area. 82 percent of the households in the NRSA are low to moderate income. Meaning, 82 percent of the households are earning less than 80 percent of the MFI for Lafayette. 50 percent of the census tracts and block groups within this area report 80 percent or more of the population living below 80 percent of the MFI.

The third NRSA guideline is the area must demonstrate signs of higher distress than the entire City. To assess the distress of the area, the City analyzed information from the 2000 U.S. Census and from the Home Mortgage Disclosure Act (HMDA). When comparing data from the NRSA and proposed addition to the county date examined earlier in this Consolidated Plan, the evidence clearly shows a need to focus attention in these communities to address the need.

The residents of these communities face many obstacles to reclaim their neighborhoods from decline. Lower income, vacant housing, high housing costs related to income, lack of education and high unemployment are a few of the obstacles the residents must overcome to achieve self sufficiency.

*Education and Employment*

As previously discussed, each census tract has a high percentage of low to moderate income households, some as high as 99 percent. Table VI-I compares the median household income and the median family income for the NRSA to the entire City. Household income is the income total for all persons residing in a residence and family income is the income total for all related persons residing in a residence. The incomes

in the proposed addition are 38 to 40 percent less than those of the entire City of Lafayette.

*Table VII-I: Median Family Income of Lafayette vs. NRSA. Source: U.S. Census, 2000.*

| | | Median Household Income |
|---|---|---|
| Total Lafayette | $ | 41,556 |
| NRSA | $ | 22,789 |

Some households are fortunate to be earning the income they have. A higher percentage of residents in the NRSA do not have employment. Over 25.4 percent of the population was unemployed in the area in 2000. (Statistics for block groups are only available as part of the decennial census). That figure is to have increased during the most recent recession, beginning in 2008. The residents of these communities traditionally face higher unemployment and jobs with lower wages than their counterparts in the rest of the county. At the time these unemployment rates were recorded, the entire county had an unemployment rate of 9.4 percent, much lower than the NRSA.

Lack of education can explain the high unemployment and lower income for residents of the area. 29.8 percent of the residents have not completed high school or a graduate equivalent. The percentage of residents without a high school diploma in the NRSA is significantly higher than the percentage for the entire city, nearly double the amount. This shows a need to educate and train the residents for jobs that pay a higher, living wage.

A living wage is different from the minimum wage. A living wage is a wage in which a household can afford the housing. HUD determines a living wage from a household's ability to afford a two bedroom apartment based on the fair market rents in the City. The household must not work more than 40 hours per week and spend no more than 30 percent of the gross monthly income towards housing. To afford a two bedroom apartment in Lafayette, a household must earn $14.81 per hour. This is the living wage for Lafayette.

*Housing and Market Conditions*

HUD determines housing to be affordable to a household if that household does not spend more than 30 percent of their gross monthly income towards housing costs, including rent or a mortgage, taxes, insurance and utilities. Not all residents are fortunate to pay less than 30 percent of their gross monthly income towards housing. Approximately 3,902 people in Lafayette, or 35 percent, who rent their residence spend more than 30 percent of their gross monthly income towards housing costs. That number jumps to 39.66 percent of renters in the NRSA. Over 20 percent of renters are severely cost burdened, paying more than 50 percent of their gross income towards housing costs.

The homeownership rate is less in the NRSA than in the city of Lafayette. The majority of the population in the NRSA is renting their homes, which is the opposite of the entire county. Figure VII-III shows the disparity between the homeownership rates between the county and the NRSA areas.

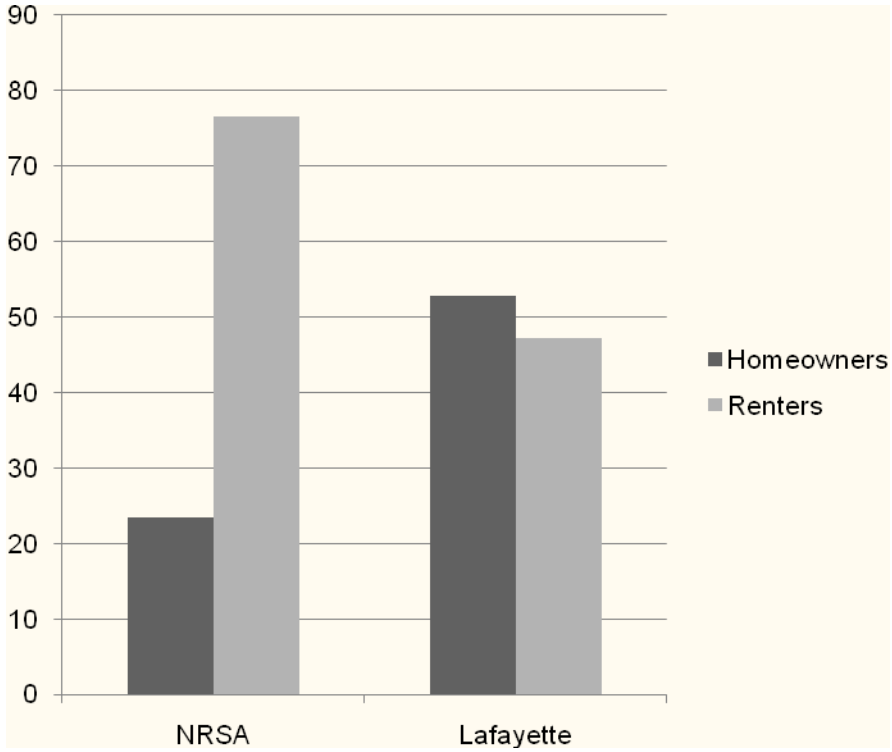



*Figure VII:III: Housing Tenure: Lafayette vs. the NRSA. Source: U.S. Census, 2000.*

For persons wanting to purchase a home, they face greater obstacles trying to obtain a mortgage. HMDA data shows census tracts with higher concentrations of minorities which have a higher denial rate for mortgages. The rate for minority concentrations of 50 percent or more is four times the denial rate for census tracts with less than 10 percent minority. The current NRSA includes these areas of high minority concentration. By targeting affordable homeownership opportunities in these areas, households will be able to gain wealth and investment in their neighborhood through homeownership.

This may be difficult as residents in the NRSA make up a larger portion of the households earning lower incomes. 26.4 percent of the people living in the NRSA live below the poverty line while only 12 percent of the citizens of Lafayette live below poverty. With median income at half of that of the rest of the city, affordable housing development will be the most immediate solution to the problems facing these communities.

To increase affordable housing, there are many homes in the area for potential rehabilitation or re-construction. The United States Post Office tracks vacancy of homes and buildings. 8.93 percent of residential buildings in the NRSA are vacant compared to 9.7 percent in all of Lafayette. This is a rare instance when the vacancy rate is higher for the entire city. This is most likely due to the continuing foreclosure crisis that has hit all income levels and all type of neighborhoods with varying housing values.

*Special Needs Housing and Homelessness*

According to the U.S. Census, nearly 23.1 percent of the population living within the total NRSA area stated having one or more physical or mental disabilities. Location to public transportation and social services is very important to many of these residents. These special needs populations often need services to remain self sufficient. Permanent supportive housing is affordable rental housing option with support services for persons with special needs or very low income.

Still others have not reached a point of stability that permanent supportive housing is a good solution. Some persons with disabilities, substance abuse issues or very low income require more immediate shelter and attention to address their needs. Emergency shelters and transitional housing scattered throughout the NRSA assist these individuals.

Goals and Objectives

Once Lafayette has designated a Neighborhood Revitalization Strategy Area (NRSA), it will target the area for housing and economic development projects. While the goal of the city of Lafayette is to assist the entire county, it will track the progress in the NRSA over the next five years, helping residents achieve self sufficiency. Many of the target areas and neighborhoods from the Neighborhood Stabilization Program, mentioned earlier in this Consolidated Plan, are located within the NRSA. The city of Lafayette will strive to stabilize these neighborhoods through modified versions of the five-year goals of this Consolidated Plan. The goals for the NRSA are:

The city of Lafayette will strive to meet the following goals and outcomes within the NRSA.

1. *Stabilize homeownership within the NRSA.*

| **Strategy** | **Five-Year Goal** |
|---|---|
| Provide repairs for homeowners who are unable to save for large repairs, targeting households under 80 percent of the area median income. | 15 units |
| Provide down payment assistance to help first-time homebuyers achieve homeownership | 20 households |
| Assist with lead-based paint testing and abatement of lead-based paint from homes with small children via home repair. | 4 households |
| Acquisition/rehab existing homes in established Lafayette neighborhoods to sell to low to moderate income families | 4 units |

2. *Support social services that meet the basic needs of low income families and households.*

| Strategy | Five-Year Goal |
|---|---|
| Support social service programs that provide case management and other supportive services for low to moderate income households | XX people |

3. *Encourage economic development activities.*

| Strategy | Five-Year Goal |
|---|---|
| Assist businesses with façade renovations | 2 businesses |
| Encourage the creation of new jobs through the use of an economic development toolbox | 2 jobs |
| Support job training and placement efforts by local service providers | XX people |

## Barriers to Affordable Housing 91.215 (h)

6. Describe the strategy to remove or ameliorate negative effects of public policies that serve as barriers to affordable housing, except that, if a State requires a unit of general local government to submit a regulatory barrier assessment that is substantially equivalent to the information required under this part, as determined by HUD, the unit of general local government may submit that assessment to HUD and it shall be considered to have complied with this requirement.

To help the community as a whole overcome the barriers to affordable housing development, and also maximize the impact in the community, the cities of Lafayette and West Lafayette will strive to:

- Overcome financial barriers by seeking additional resources to create concentrated redevelopment
- Attract for-profit developers to partner with community development corporations
- Attract additional subsidy to assist with development for very low income households to maximize long term financial feasibility of affordable housing
- Build projects without long-term debt to help fund operations and maintenance of property
- Enlist all levels of City government to be “cheerleaders” for urban living
- Provide positive stories to media outlets to counter negative stories originated from the urban core

## Lead-based Paint 91.215 (i)

7. Describe the jurisdiction's plan to evaluate and reduce lead-based paint hazards and describe how lead based paint hazards will be integrated into housing policies and programs, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and hazards.

The Tippecanoe County Health Department serves as the primary method for screening children with elevated lead blood levels.

The cities of Lafayette and West Lafayette will continue its support of the lead paint program at the Tippecanoe County Health Department by taking on referrals to receive repairs or lead abatement/renovation through the Community Development Block Grant (CDBG) program. Currently the cities follow the U.S. Department of Housing and Urban Development (HUD) rules for addressing lead based paint hazards when applying CDBG and other grant money.

## Antipoverty Strategy 91.215 (j)

8. Describe the jurisdiction's goals, programs, and policies for reducing the number of poverty level families (as defined by the Office of Management and Budget and revised annually

9. Identify the extent to which this strategy will reduce (or assist in reducing) the number of poverty level families, taking into consideration factors over which the jurisdiction has control.

The cities of Lafayette and West Lafayette, as well as the HOME Consortium will strive for the goals and strategies below to help households stay out of poverty or become self-sufficient and elevate themselves from living in poverty.

- Promote economic empowerment by supporting facilities, services and activities aimed at developing the self-sufficiency of all low to moderate income residents. Programs and activities to be funded over the next five years include:
    - Child care services
    - Healthcare
    - Family self-sufficiency programs
    - Homeless prevention programs
    - Food banks

- Provide economic development opportunities to low to moderate income families. Programs and activities to be funded over the next five years include:
    - The creation of jobs through city incentives
    - Job training programs
    - Assist businesses with improvements and job creation
    - Promote Section 3 opportunities in current housing projects

- Provide affordable housing opportunities to low and moderate income families

- Continue to work with agencies to identify barriers and issues related to poverty and support programs that will help low to moderate income families overcome those barriers.

## Institutional Structure 91.215 (k)

10. Provide a concise summary of the institutional structure through which the jurisdiction will carry out its consolidated plan, including private industry, non-profit organizations, community and faith-based organizations, and public institutions.

11. Provide an assessment of the strengths and gaps in the delivery system.

12. Describe efforts to enhance coordination with private industry, businesses, developers, and social service agencies, particularly with regard to the development of the jurisdiction's economic development strategy. (91.215(l))

The implementation of the CDBG grant and the HOME Investment Partnerships Program involves a tremendous amount of coordination. Because of the close proximity of the two cities, the Cities of Lafayette and West Lafayette naturally affect each other's ability to implement and balance community development. The two Cities are divided by the Wabash River in Tippecanoe County, sharing an east/west border.

Each City receives its own allocation of CDBG dollars each year, approximately $702,000 for the City of Lafayette and $477,000 for the City of West Lafayette. Each City has its own application process for the CDBG funds. While non-profit organizations compete for funding to social services and small housing projects, the Cities organize and implement larger housing projects with in-house staff. Larger projects can include the funding of rental rehabilitation, façade projects, infrastructure improvement and large repair projects for homeowners. Both Cities target their incorporated areas for CDBG funding.

Together, the Cities of Lafayette and West Lafayette work together to form a consortium. This consortium is the recipient of $987,000 of HOME dollars every year. Along with the Lafayette and West Lafayette, the incorporated township of Battle Creek and the unincorporated areas of Tippecanoe County work to serve the residents in a wider area. The Board for the consortium is made up of the Mayor from Lafayette, the Mayor from West Lafayette and the Tippecanoe County Commissioner. The Clerk Treasurer of the Town of Battle Ground is also included in notices about the consortium, but does not hold a vote on the Board. The City of Lafayette staff is responsible for implementing the decisions of the HOME consortium's Board. The HOME consortium agreement is up for renewal in 2011. The Board will visit the possibility of addition members from the incorporated townships in Tippecanoe County to the consortium based on need.

Because of close proximity, cooperation naturally plays a role between both cities. Additionally, the city of West Lafayette is home to Purdue University, a Big Ten university with approximately 39,600 students on its West Lafayette Campus. Working together, while using the resources of a large university, serves as strength for this area. Both Cities are share the experiences of a comparable city facing the same economic

and housing issues as well as utilize the intellectual power of a national university to find solutions to housing and economic issues. During consultations, the cities of Lafayette and West Lafayette noted they now devote a great deal time to partnership and solution development whenever facing an obstacle, with more forward thinking than previously, when they would allow a problem or challenge to stifle progress.

The primary gap the cities of Lafayette and West Lafayette have is in its ability to administer the programs. With staffs of 4 and 2 people, respectively, the burden to complete five year plans and other documents necessary to continue receiving the annual allocation fall onto independent contractors. Large projects that can be outsourced to consultants, such as the assembly of this five-year plan and the one-year action plan, enable the staff to continue the daily monitoring and implementation of the actual grants and projects. The additional man-power also helps the Cities assess the assistance and assets of community agencies providing services and housing to low-to-moderate income households.

The cities of Lafayette and West Lafayette participate on a number of county-wide boards/commissions to help coordinate private financial resources to address the needs of the community. Through the consultation process, the staffs at both cities were given positive remarks about their readiness and willingness to participate in local efforts to address the concerns of the community, particularly the homeless population, and help find alternative resources to fund such programs. When asked if city staff served as a barrier or an asset, the overwhelming response was an asset with positive remarks.

## Coordination 91.215 (l)

13. Describe the efforts to enhance coordination between public and assisted housing providers and governmental health, mental health, and service agencies.

14. Describe efforts in addressing the needs of persons that are chronically homeless with respect to the preparation of the homeless strategy.

15. Describe the means of cooperation and coordination among the state and any units of general local government in the metropolitan area in the implementation of the plan.

16. Describe efforts to enhance coordination with private industry, businesses, developers, and social service agencies, particularly with regard to the development of the jurisdiction’s economic development strategy.

17. Describe the jurisdiction's efforts to coordinate its housing strategy with local and regional transportation planning strategies to ensure to the extent practicable that residents of affordable housing have access to public transportation.

The cities of Lafayette and West Lafayette operate HOME programs in-house with the current staff. The staff will implement programs funded by CDBG, including sidewalk/curb replacement, parks and recreation and street improvements. The city of Lafayette will also develop a new homeowner repair program, run by city staff, to fill gaps not currently covered by private sector agencies or non-profit housing developers. The cities of Lafayette and West Lafayette primarily utilize the skills and assets of the private sector for implementation of housing development and social service programs.

There are two non-profit housing developers located in the area, with one serving each city: Lafayette Neighborhood Housing Services and New Chauncey Housing Incorporated. Both organizations are community development housing organizations (CHDOs), meeting all HUD requirements for that designation. Both organizations have demonstrated success in the development of affordable housing. Both organizations are skilled in the rehabilitation of vacant or foreclosed homes and selling them to new home buyers.

The SHARP program, run by the Center@Jenks Rest is noted for providing repairs to the homes of elderly homeowners. This non-profit, while not a CHDO, has a successful program and is the primary organization for such repairs as funded by the city of Lafayette.

Other social service agencies, with an interest in housing – particularly for the homeless or at-risk of homeless, are the Lafayette Transitional Housing Center, YWCA Domestic Violence Intervention and Prevention Program, Mental Health Association, Wabash Valley Hospital Mental Health Center, Wabash Center, New Directions, Home with Hope, Trinity Horizons and the Lafayette Urban Ministry. These agencies serve the homeless population and special needs populations.

Area IV Agency on Aging is the local Community Action Program (CAP) agency. They administer a weatherization program and coordinate efforts with the Lafayette Housing Agency to provide case management as part of the Life Skills Section 8 Housing Choice Voucher program.

As mentioned earlier, the cities of Lafayette and West Lafayette participate on a number of county-wide boards/commissions to help coordinate private financial resources to address the needs of the community. Through the consultation process, the staffs at both cities were given positive remarks about their readiness and willingness to participate in local efforts to address the concerns of the community, particularly the homeless population, and help find alternative resources to fund such programs. When asked if city staff served as a barrier or an asset, the overwhelming response was an asset with positive remarks.

Some of these Boards include:

- The Homelessness Intervention and Prevention Network
- Human Relations Commission
- Weed and Seed

Efforts of these boards are to bring the different heads of the private and public organizations and agencies providing the services together to discuss barriers to the

provision of services, needs of the community and alternative solutions to addressing those needs.

## Monitoring 91.230

18. Describe the standards and procedures the jurisdiction will use to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.

Monitoring assures that recipients of federal funds are in compliance with local objectives and federal program requirements. The intent and objective of the cities is to work cooperatively with contractors and sub-recipients in the use of federal funds as best possible and within reasonable time constraints. Monitoring shall be an ongoing process with technical assistance available throughout the implementation and completion of all activities undertaken.

In accordance with Part 91.230 of the Consolidated Plan regulations, the cities issue the below statement of policy regarding a Monitoring Plan. This statement of policy describes the monitoring objectives and procedures used in the monitoring process. The cities will meet the overall monitoring objective to document and ensure compliance by annually planning and conducting review of projects and activities. Recipients deemed to be at a higher risk for non-compliance will receive an increased level of technical assistance and oversight until the concern has been resolved.

*Community Development Block Grant*

Part 570 governing the use of Community Development Block Grant (CDBG) funds requires that any activity, function, or program related to the use of federal funds for housing, suitable living environment, neighborhood improvements, and expanded economic opportunities, principally for low and moderate income persons, shall be monitored to ensure compliance. Monitoring for program compliance is an ongoing process of planning, implementation, communication and follow-up. Monitoring actually occurs throughout the life of a funded activity, from initial project planning to the end of long-term compliance periods. While the cities will develop and implement individual monitoring plans to best meet the needs of each community, the underlying parameters for those plans follow.

*Initial Review of Project Eligibility*

1. Requests for funding must be supported with an application to be reviewed for allocation recommendation. Applications include specific information regarding design of project, cost of project and beneficiaries.
2. Each activity must be eligible under related program rules and must meet one of the three national objectives -- benefit low and moderate income persons, aid in the prevention or elimination of slum and blight conditions, or meet an urgent need which threatens the health or welfare of the community.
3. An activity must be consistent with local goals and objectives as expressed in adopted policies and/or established plans and must comply with related program regulations.
4. Successfully funded applicants are required to sign a funding agreement outlining all of the requirements, regulations and standards. Funding agreements for all real property activities shall specify the acceptable use of the property, the length of the restrictive period, and disposition requirements.

*Ongoing Review of Project Compliance*

1. On-site monitoring will be conducted as may be deemed necessary and reasonable by the City. Desk reviews and off-site monitoring will be an ongoing activity.
2. Claims for payment are filed, with appropriate documentation, with the program manager. The program manager reviews the claim and approves it for payment.
3. Quarterly, monthly, and/or annual reports on project and activity status are required of all sub-recipients.
4. The program manager will also monitor for beneficiary compliance.
5. The Cities of Lafayette and West Lafayette program activities generally do not include program income to the sub-recipient/contractor. If this does occur, all program income shall be returned to the City for appropriate use and reporting except in those limited situations that are authorized by the City.

*Follow-up and Enforcement*

1. Compliance concerns are addressed at all phases of an activity, as soon as the project manager is aware of the issue. Technical assistance is provided as necessary to maintain compliance.
2. Annual reviews of sub-recipient activities are conducted by the project manager, using a checklist of areas to be reviewed. The annual reviews are followed up with written statements of compliance or non-compliance. In situations of non- compliance, the written statements detail methods and timeframes to bring the activity back into compliance.
3. Sub-recipients may be required to file a Certified Public Accountant (CPA) annual report of sub-recipient's financial stability and federally funded project expenditures. Records shall be maintained for five years after project closeout, which is when final payments and all related matters are closed.
4. Enforcement of activities not in compliance shall follow Part 85.43 with the right of appeal, as well as termination of a contract/agreement.

## *HOME Investment Partnerships Program*

As lead agency for the Lafayette Housing Consortium, the City of Lafayette is responsible for monitoring of HOME funded activities. As with the CDBG policy, monitoring for HOME program compliance is an ongoing process of planning, implementation, communication and follow-up and occurs throughout the life of a funded activity, from initial project planning to the end long-term compliance periods. Technical assistance is provided during the initial project planning and during the development stage. Progress and final payments are contingent upon compliance. Monitoring reviews during the period of affordability are conducted with the use of checklists and are followed up with written statements of compliance or noncompliance. In situations of non-compliance, the written statements detail actions and timeframes to bring the activity back into compliance. In addition, HOME funded activities are monitored according to the regulatory requirements for each type of activity.

*HOME Activities Administered by CHDO's, Non-Profits, or For-Profit entities*

1. Applications for funding must include specific details about the project, costs and beneficiaries.
2. Successfully funded applicants are required to sign a funding agreement, mortgage and/or covenants outlining all of the requirements, regulations and standards.
3. A program manager will perform site inspections periodically throughout the project.
4. Claims for payment are filed, with appropriate documentation, with the program manager. The program manager reviews the claim and approves it for payment.

5. The program manager will also monitor for beneficiary compliance.

*Follow-up and Enforcement*

1. Compliance concerns are addressed at all phases of an activity, as soon as the project manager is aware of the issue. Technical assistance is provided as necessary to maintain compliance.
2. Annual reviews of subrecipient activities are conducted by the project manager, using a checklist of areas to be reviewed. The annual reviews are followed up with written statements of compliance or non-compliance. In situations of noncompliance, the written statements detail methods and timeframes to bring the activity back into compliance.
3. Subrecipients may be required to file a Certified Public Accountant (CPA) annual report of subrecipient's financial stability and federally funded project expenditures. Records shall be maintained for five years after project closeout, which is when final payments and all related matters are closed.
4. Enforcement of activities not in compliance shall follow Part 85.43 with the right of appeal, as well as termination of a contract/agreement.

*HOME Rental Projects*

1. Each project is monitored as described above.
2. Documentation is provided to the program manager to ensure compliance with the funding agreements/mortgage/covenants. This documentation includes the number of assisted units, type and size of units, income level of residents, rent rates, utility allowances, and units receiving Section 8 or units receiving TBRA, if applicable.
3. HOME units are physically inspected to verify the condition of each unit and ensure compliance with HQS standards.

*Tenant Based Rental Assistance (TBRA) Projects*

1. TBRA projects are governed according to their funding agreements.
2. On an annual basis, the program manager meets with the administrator of each TBRA program. The administrator provides the program manager with information program policy and procedures, outreach, participant selection, unit information (including lead based paint visual and HQS inspections), tenant income documentation, tenant leases, and, if applicable, information regarding required self-sufficiency programming.
3. Claims for payment must be approved by the program manager and must include applicable documentation.

*HOME Activities Administered by the City of Lafayette*

1. Each activity is reviewed by the program manager for project feasibility, occupant eligibility and other factors such as appropriate subsidy levels.
2. The program manager will inspect each project to estimate project costs and requirements.
3. Upon approval of a project, funding agreements and/or mortgages are signed by applicant outlining terms and conditions of funds.
4. The program manager will monitor the progress of the project. The program manager will work with building inspectors in the appropriate jurisdiction to verify compliance with local building codes and construction standards.
5. Claims for payment are reviewed and approved by the program manager monitoring the project.
6. A final inspection at the completion of the project must be completed prior to the final payment. Also prior to final payment, the certificate of occupancy and/or inspection reports from the Building Department are obtained.

## Housing Opportunities for People with AIDS (HOPWA)

*Refers to the HOPWA Table in the Needs.xls workbook.

19. Describe the activities to be undertaken with HOPWA Program funds to address priority unmet housing needs for the eligible population. Activities will assist persons who are not homeless but require supportive housing, such as efforts to prevent low-income individuals and families from becoming homeless and may address the housing needs of persons who are homeless in order to help homeless persons make the transition to permanent housing and independent living.

20. Identify any obstacles to meeting underserved needs and summarize the priorities and specific objectives, describing how funds made available will be used to address identified needs.

21. The Plan must establish annual HOPWA output goals for the planned number of households to be assisted during the year in: (1) short-term rent, mortgage and utility payments to avoid homelessness; (2) rental assistance programs; and (3) in housing facilities, such as community residences and SRO dwellings, where funds are used to develop and/or operate these facilities. The plan can also describe the special features or needs being addressed, such as support for persons who are homeless or chronically homeless. These outputs are to be used in connection with an assessment of client outcomes for achieving housing stability, reduced risks of homelessness and improved access to care.

22. For housing facility projects being developed, a target date for the completion of each development activity must be included and information on the continued use of these units for the eligible population based on their stewardship requirements (e.g. within the ten-year use periods for projects involving acquisition, new construction or substantial rehabilitation).

23. Provide an explanation of how the funds will be allocated including a description of the geographic area in which assistance will be directed and the rationale for these geographic allocations and priorities. Include the name of each project sponsor, the zip code for the primary area(s) of planned activities, amounts committed to that sponsor, and whether the sponsor is a faith-based and/or grassroots organization.

24. Describe the role of the lead jurisdiction in the eligible metropolitan statistical area (EMSA), involving (a) consultation to develop a metropolitan-wide strategy for addressing the needs of persons with HIV/AIDS and their families living throughout the EMSA with the other jurisdictions within the EMSA; (b) the standards and procedures to be used to monitor HOPWA Program activities in order to ensure compliance by project sponsors of the requirements of the program.

Neither the city of Lafayette nor the city of West Lafayette receive funds to service people with HIV/AIDS, or the Housing Opportunities for Persons with HIV/AIDS grant (HOPWA). The Center for Mental Health, Inc. utilizes HOPWA funds from the state of Indiana to provide housing services, including long and short term rental assistance. Short term rental assistance helps the individuals and households with rent or utility assistance in the event of possible eviction or utility shut-off.

HOPWA funds are also used in conjunction with other funds from the state of Indiana and private resources to provide social services. Some people living with HIV/AIDS make the 90-minute drive to Indianapolis, the closest city receiving HOPWA funds, to receive services specific to their needs. It is the hope of the local community to find additional resources to help this population in their own community.

## Specific HOPWA Objectives

25. Identify specific objectives that the jurisdiction intends to initiate and/or complete in accordance with the tables* prescribed by HUD.
    *Complete and submit Table 1C Summary of Specific Objectives or, if using the CPMP Tool, the Summaries.xls worksheets.*

26. Describe how Federal, State, and local public and private sector resources that are reasonably expected to be available will be used to address identified needs for the period covered by the strategic plan.
    As mentioned earlier, Tippecanoe County does not receive funds to assist persons living with HIV/AIDS directly. With one agency to serve the entire community, the cities of Lafayette and West Lafayette will utilize the limited CDBG resources they have to assist this population. The primary method they will be able to do this is by funding homelessness intervention and prevention programs that also serve persons with HIV/AIDS. The cities will also coordinate with the Homelessness Intervention and Prevention Network to locate other resource to help this population, including to continue support of applications to the state of Indiana for HOPWA funding.

1. *Support the needs of people living with HIV/AIDS and their families.*

    Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Support case management and other services for people living with HIV/AIDS | 200 people |
| Form a partnership with local service providers to access funding that will support services and housing for persons living with HIV/AIDS | Find 2 additional funding resources |

West Lafayette will:

| Strategy | Five-Year Goal |
|---|---|
| Form a partnership with local service providers to access funding that will support services and housing for persons living with HIV/AIDS | Find 2 additional funding resources |

## OTHER NARRATIVES AND ATTACHMENTS

2. Include any Strategic Plan information that was not covered by a narrative in any other section. If optional tables are not used, provide comparable information that is required by consolidated plan regulations.

*Fair Housing Initiatives*

Neither the city of Lafayette nor the city of West Lafayette has any regulatory impediments to fair housing choice. The city has a number of positive aspects regarding fair housing choice.

- The Comprehensive Plan for the Tippecanoe County includes mixed housing to allow for greater housing choice across the county.
- Overall, Tippecanoe County does have a high amount of affordable housing available, with 63 percent of the values of homes affordable to households earning 80 percent of the median family income or less. 93 percent of the rental units are affordable to households earning 80 of the percent median family income or less.
- The Human Relations Commissions provided regular training programs to landlords over the past five years and continues to serve as advocates for fair housing choice.
- The cities of Lafayette and West Lafayette made some progress towards the goals set in the previous AI, including supporting additional homeownership training, providing articles for community outreach and including minority realtors in housing development projects.

Despite the progress made, some obstacles or impediments to fair housing still exist. The following chart outlines a variety of areas in need of improvement. The table ties each area to a specific area in this document. Each area may not have an impediment to fair housing choice connected, but may instead be an obstacle to fair housing such as maintaining records, fair housing education or community partnerships. The cities of Lafayette and West Lafayette will utilize five years, 2010-2014, to address the impediments listed in the chart.

| Area in Need of Improvement | Impediment/Obstacle | Resolution/Outcome | Date to be Completed |
|---|---|---|---|
| Compliance Data | The general population is not aware of fair housing issues or where to file complaints. | Create user friendly information brochures and distribute through community housing development and social service agencies. | On-going: 2010-2014 |

| Area in Need of Improvement | Impediment/Obstacle | Resolution/Outcome | Date to be Completed |
|---|---|---|---|
| Community Input | The general population, particularly the minority population, is not fully educated in the home buying process. | Support homeownership training classes. | On-going: 2010-2014 |
| Compliance Data | The recently updated Comprehensive Plan for the city of West Lafayette and Lafayette lists fair housing choice as a goal or vision for the city. | Include a vision within the Comprehensive Plan before final adoption to include fair housing. | 2010 Fiscal Year |
| Community Input | Though undocumented, some landlords are unclear on the protected classes as part of the fair housing acts, particularly familial status. | Provide education seminars to landlords and tenants to help facilitate understanding about the requirements of fair housing and each party's responsibilities. | On-going: 2010-2014 |
| Housing Profile | Racial disparities are prominent in the number of denials for home loans. | Contribute to the professional publications, such as those with local real estate groups to encourage fair housing practices and emphasize the importance of fair housing choice. | On-going: 2010-2014 |

The cities of Lafayette and West Lafayette may use partnerships with state agencies and housing or community development advocacy groups to go beyond the steps listed in this plan to promote fair housing. The cities may also support other initiatives by the State of Indiana to promote fair housing. Such initiatives may include education programs related to fair housing, homeownership training or tighter mortgage and lender regulations. Such additional efforts may be listed in annual reports but the above initiatives and resolutions will be completed by the cities of Lafayette and West Lafayette over the next five years, 2010-2014.

3. Section 108 Loan Guarantee

If the jurisdiction has an open Section 108 project, provide a summary of the project. The summary should include the Project Name, a short description of the project and the current status of the project, the amount of the Section 108 loan, whether you have an EDI or BEDI grant and the amount of this grant, the total amount of CDBG assistance provided for the project, the national objective(s) codes for the project, the Matrix Codes, if the activity is complete, if the national objective has been met, the most current number of beneficiaries (jobs created/retained, number of FTE jobs held by/made available to LMI persons, number of housing units assisted, number of units occupied by LMI households, etc.)

*Not applicable to the cities of Lafayette and West Lafayette.*

4. Regional Connections

Describe how the jurisdiction's strategic plan connects its actions to the larger strategies for the metropolitan region. Does the plan reference the plans of other agencies that have responsibilities for metropolitan transportation, economic development, and workforce investment?

The city of Lafayette and West Lafayette do coordinate efforts within their region well. The cities' staffs participate on a number of committees, boards and networks to help the region find solutions to meet the needs of the community. They will continue such efforts over the next five years. In addition, the cities will strive to meet with staffs from other regions to exchange findings when implementing housing and social service programs. These meetings can also help educate staff on HUD regulations, new initiatives, other financial resources and problems other cities have encountered which Lafayette and West Lafayette can avoid. The following are strategies to enhance coordination efforts within and beyond the community.

**1. Improve administration and coordination between the cities of Lafayette and West Lafayette.**

Both cities will:

| **Strategy** |
|---|
| Coordinate public meetings to compliment each other's Consolidated Planning efforts and utilize all meetings as a way to provide citizen input to each other's plans |
| Coordinate volunteer efforts to help both communities and reach all low to moderate income census tracts |
| Develop stronger relationships with other HUD entitlement cities to share ideas and expertise. Use this network on a bi-annual basis to improve efforts in the local community. |