

City of Michigan City  
Ron Meer, Mayor

# Housing and Community Development 2012 Draft Action Plan

The fourth of five Annual Action Plans under the  
City of Michigan City Housing and Community Development  
Consolidated Plan for 2009-2013

August 2012

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# NARRATIVE RESPONSE

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## I. EXECUTIVE SUMMARY

The Housing and Community Development Act of 1974, as amended, and the National Affordable Housing Act of 1990 require jurisdictions receiving assistance under the U.S. Department of Housing and Urban Development's (HUD) Community Planning and Development programs to prepare and submit a five-year Consolidated Plan detailing the use of federal resources. As an entitlement community, the City of Michigan City receives an annual award through the Community Development Block Grant (CDBG) Program which also requires filings of an Annual Action Plan and a Consolidated Annual Performance Evaluation Report (CAPER). The Planning and Inspection Department, Community Development Division, is the lead agency responsible for the coordination and administration of the City's CDBG program.

The 2012 Action Plan must include a concise executive summary that includes the objectives and outcomes identified in the plan as well as an evaluation of past performance, a summary of the citizen participation and consultation process, a summary of comments or views, and a summary of comments or views not accepted and the reasons therefore. This Action Plan describes how Michigan City plans to spend its Community Development Block Grant for the 2012-2013 program year. It also identifies actions that the CDBG program and other local organizations may use to further the strategies in the City of Michigan City Housing and Community Development Consolidated Plan for 2009-2013 (Consolidated Plan).

### HUD Programs Addressed in the Annual Action Plan:

A brief description of the HUD programs and eligible activities are as follows (information from HUD's Web site, [www.hud.gov](http://www.hud.gov)):

**CDBG:** Community Development Block Grant (CDBG) is awarded to entitlement communities to carry out community development activities such as neighborhood revitalization and economic development. CDBG entitlement communities can develop their own priorities and programs, but CDBG funds must primarily benefit low- and moderate-income people or prevent or eliminate slum and blight. CDBG funds can be used for activities that include but are not limited to acquisition of real property, relocation and demolition, rehabilitation, construction of public facilities, and provision of assistance to businesses to carry out economic development and job creation activities.

The overall goal of these community planning and development programs is to develop viable communities by providing decent housing, expanded economic opportunities and a suitable living environment, principally for low- and moderate-income persons. With this year's CDBG funding, the City and its subgrantees plan to:

- Provide for rental assistance for families to avoid homelessness.
- Help residents to remain in their housing living independently through housing counseling, and security deposits.

- Assist at risk families with counseling and support to prevent child abuse and neglect. These families received assistance with parenting strategies to strengthen the families to avoid the intervention of Child Protective Services.
- Assist homeowners with a rehabilitation of their homes for health, safety and energy efficiency improvements.
- The CDBG program has also prevented homelessness through the services provided by North Central Community Action Agency and Catholic Charities who supplied security deposits and/or first month's rent funded by CDBG.
- Assistance to victims of domestic violence through services provided by Stepping Stones Shelter
- Assistance to homeless persons through services provided by Citizens Concerned for the Homeless via the Grace Learning Center.
- Removal of Architectural Barriers to improve and provide access to recreational life for people with disabilities is a fundamental goal of this project. To ensure that this goal is met, the City seeks to continue implementation of projects that improve access and achieve compliance with Title II of the Americans with Disabilities Act. These requirements include improving physical access to recreational activities located within Michigan City. Michigan City is fortunate to be located next to Lake Michigan and also Trail Creek which meanders through some low-moderate income neighborhoods.

The City of Michigan City completed the required five-year Consolidated Plan for FY2009-FY2013. This document is the third Action Plan representing Michigan City's FY2012. This Annual Action Plan:

- Serves as an application to the U.S. Department of Housing & Urban Development for the City's formula-based Community Development Block Grant (CDBG);
- Describes the strategies the City will follow in carrying out its CDBG programs for the period October 1, 2012 through September 30, 2013; and
- Provides a list of activities planned with respect to CDBG funds for the upcoming fiscal year.
- In accordance with HUD rules and regulations, the Action Plan was made available for public comment on July 13, 2012. The final version complete with any necessary changes will be submitted to HUD on August 13, 2012.

#### **Public Comment**

Comments on the draft 2012 Action Plan are being accepted from July 13, 2012 to August 12, 2012. Two public hearings were held on June 21, and June 28, 2012 to provide input into the 2012 Action Plan. Copies of the Plan were available in the Planning and Inspection Department, on the website at <http://www.emichigancity.com>; and at the Michigan City Public Library.

## Action Plan Format and Contents

The 2012 Action Plan utilizes a format provided by HUD, and thus an expanded Executive Summary is presented here to assist our readers.

The Action Plan contains the following elements:

- Goals, Strategies, and Objectives Matrix in the Executive Summary that details how this year's proposed projects meet national and local objectives, and the performance measures by which those objectives will be measured at the end of the program year;
- Narratives that respond to HUD regulations and explain how the Action Plan addresses affordable housing, homelessness, community development, and non-homeless special needs;
- Description of each proposed project in 2012.
- A detailed Resource Table of other funding for the City, in order to show the non-federal resources that are expected during 2012.
- Additional reports on homelessness, affordable housing barriers, and the Continuum of Care strategy; and
- Public notices and required forms and certifications.

## Goals

The following Table 1 shows how our local program activities funded in Program Year (PY) 2012 is incorporated into the performance measurement system. (Sometimes, more than one outcome is appropriate for an activity; for purposes of this table, we have chosen the outcome that seems most appropriate overall for the activity).

**Table 1. Goals**

	<b>Availability/Accessibility</b>	<b>Affordability</b>	<b>Sustainability</b>
<b>Suitable Living Environment</b>	<ul style="list-style-type: none"> <li>• Counseling for families at risk for child abuse.</li> <li>• Removal of Architectural Barriers at Joe Hawkins Park</li> </ul>		
<b>Decent Housing</b>	<ul style="list-style-type: none"> <li>• Permanent Supportive Housing Services</li> <li>• Rental Rehabilitation Program</li> </ul>	<ul style="list-style-type: none"> <li>• Rental Assistance &amp; Security Deposits</li> <li>• Single Family/Duplex Housing Rehabilitation; This project is for the rehabilitation of single family/duplex homes that were acquired as foreclosures.</li> </ul>	<ul style="list-style-type: none"> <li>• Owner Occupied LMI persons. Homes are expected to be rehabbed and complete during the 2012 program year.</li> </ul>
<b>Economic Opportunity</b>	<ul style="list-style-type: none"> <li>• Grace Learning Center – Continuation of support for GED services to low income adults</li> </ul>		

The City of Michigan City will continue to use our local performance outcome and output measures to track data and program results that are of concern to us here in Michigan City. In addition, our goals are as follows:

Provide Decent Housing

- Assist homeless persons to obtain appropriate housing
- Assist persons at risk of becoming homeless
- Retain the affordable housing stock
- Make available permanent housing that is affordable to low-income residents without discrimination
- Provide affordable housing that is accessible to job opportunities

Provide a Suitable Living Environment:

- Improve the safety and livability of neighborhoods
- Increase access to quality public and private facilities and services
- Reduce isolation of income groups within an area through decentralization of housing opportunities and revitalization of deteriorating neighborhoods.

- Restore and preserve properties of special value for historic, architectural or aesthetic reasons
- Conserve energy resources

**Expand Economic Opportunity:**

- Create jobs accessible to low-income persons
- Provide access to capital and credit for development activities that promote the long-term economic and social viability of the community
- Establish, stabilize and expand small businesses
- Empower low-income persons to achieve self-sufficiency to reduce future generations of poverty in federally assisted public housing.

For more detailed information on annual goals, see the Table 3B Annual Housing Completion Goals in Appendix B.

**Objectives**

The Community Development Block Grant (CDBG) program is currently the only federal entitlement grant program covered by Michigan City's Consolidated Plan. The City also received Neighborhood Stabilization Program grant funds from the Indiana Housing and Community Development Authority (IHDA) that has been used in conjunction with CDBG funds to forward the goals of both of the programs. The CDBG Program provides federal funds to cities to undertake certain kinds of community development and housing activities. Activities proposed by the city must meet the objectives and eligibility criteria of CDBG legislation. The primary CDBG objective is the development of viable urban communities, including decent housing and a suitable living environment, and expanding economic opportunity, principally for persons of low- and moderate-income. Each activity must meet one of the three broad national objectives of:

1. Benefit to low-and moderate-income families. (At least 70% of the City's CDBG expenditure must benefit low-and moderate-income residents.)
2. Aid in the prevention or elimination of slum or blight.
3. Meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community.

For a more detailed account of past and present objectives, goals, and outcomes, see the Summary of Specific Annual Objectives Table in Appendix B

**Table 2. Proposed List of CDBG Projects by Program Area**

CDBG Projects	Organization/Agency	Total Funds Allocated 2012	Total Funds Available Oct. 2012
<b>1. Administration, Planning, Grants Mgt.</b>			
a. Administration, Grants Management	City of Michigan City	\$119,465	
<b>Administration &amp; Planning Subtotal</b>		<b>\$119,465</b>	
<b>2. Housing Programs</b>			
a. Owner-Occupied Rehabilitation Program	Housing Opportunities	\$207,863	
b. Rehabilitation of Large Single Family homes	Michigan City Housing Authority	\$125,000	
c. Acquisition for infill housing	City	\$80,000	
<b>Housing Programs Subtotal</b>		<b>\$332,863</b>	
<b>3. Public Service Projects</b>			
a. Rental Assistance and Counseling	North Central Community Action Agency	\$15,000	
b. Rental Assistance	Catholic Charities	\$15,000	
c. Services for At-Risk Families/Child Abuse	Dunbrook	\$15,000	
d. Services for victims of domestic violence	Stepping Stones	\$15,000	
e. Job training services	Citizens Concerned for the Homeless	\$15,000	
<b>Public Services Subtotal</b>		<b>\$75,000</b>	
<b>4. Capital Projects</b>			
a. Joe Hawkins Park Renovation	City of Michigan City	\$70,000	
<b>Capital Projects Subtotal</b>		<b>\$70,000</b>	
<b>TOTAL COST OF ALL PROJECTS</b>		<b>\$597,328</b>	
<b>Reprogrammed Funds</b>	City of Michigan City	Housing Rehab.	<b>\$290,000</b>
<b>CDBG Entitlement 2012</b>			<b>\$597,328</b>
<b>Total Funds Available Oct. 2012</b>			<b>\$887,328</b>

In addition to understanding how the proposed 2012 projects address the national and local objectives in housing, homelessness, and community development, it is also important to understand the funding breakdown of each of the programs addressed in this plan. Table 2 lists the program funding breakdown.

Outcomes and Evaluation of Past Performance

The 2011 Consolidated Annual Performance and Evaluation Report (CAPER) is an annual report that measures the performance of the projects in the 2011 program year. To summarize past performance for the 2012 Action Plan, a short discussion of new, discontinued, and continuing activities/projects follows.

*Continuing efforts:*

- Owner Occupied Rehabilitation Program: This is an extremely popular program with a waiting list established that will continue to be reduced during the 2012 program year. Priority is given

to the elderly, disabled and families with children under the age of six and to the homeowners living on the Westside of Michigan City.

- **Public Service Projects:** The City issued a Request for Grant Proposals for the 2011 with an option to renew for one year. The City will be exercising its option to renew these contracts for the 2012 program year. The City will be funding North Central Community Action Agency, Catholic Charities, Housing Opportunities, Stepping Stones, Dunebrook, and Citizens Concerned for the Homeless.
- **Removal of Architectural Barriers:** The City in partnership with the City's Parks Department will provide funds to renovate the Joe Hawkins Park on the Westside of Michigan City. This renovation will remove architectural barriers in the playground equipment and do other upgrades to this park to make it safer and more visually appealing to the neighborhood. This neighborhood has had a significant amount of NSP funds and CDBG funds invested. The level of poverty is high for this neighborhood and in addition to making the park ADA compliant renovation of the park to make it more inviting is hoped to encourage more activity by low-income residents reducing obesity. The greatest concentration of persons with disabilities is located in the northwest-central portion of the City (Census Tracts 401, 409, and 410). The Joe Hawkins Park is located in Census Tract 401.
- The CDBG Public Service grants are provided to not-for-profit agencies and they continue to provide services to low and moderate income individuals and families. Public Services continue to be spent quickly, especially the rental assistance. Due to the economic situation, the amount of rental assistance continues to be inadequate for the demand for services. The Housing Needs Analysis states that 26.5% of households in Michigan City were in need of some form of housing assistance. In addition 44% of elderly renters and 66.4% of large family renters were in need of housing assistance; and about 1/5<sup>th</sup> of elderly and large family homeowners were in need of housing assistance. This continues to speak to the need for demand for assistance exceeding the supply of funding available.

## II. GENERAL QUESTIONS

### Geographic Distribution and Allocation

1. Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed during the next year. Where appropriate, the jurisdiction should estimate the percentage of funds the jurisdiction plans to dedicate to target areas.

Michigan City, Indiana is the largest city in La Porte County. The city is situated at the mouth of Trail Creek on Lake Michigan, forty-six miles southeast of Chicago and twelve miles northwest of La Porte. Michigan City was first settled in 1831 and incorporated as a town in 1836 with the hopes that it would become the major port of southern Lake Michigan and future Midwestern center of commerce; however, it never happened as Chicago, Illinois received both designations.

Michigan City's primary basis for allocating investments geographically is dependent upon the location of extremely low and low-income individuals and families. Michigan City will initially focus on areas with high concentrations of extremely low and low-income individuals, paying specific attention to areas that have high concentrations of minorities. Michigan City

neighborhoods that fall into this category include: the Westside, Elston Grove, Eastport, Wabash, and Lakeland neighborhoods. Neighborhood participation in the Citizen's Advisory Committee continues to be a high priority and provides guidance to assist these neighborhoods.

The basis for assigning the priority (including the relative priority, where required) given to each category of the priority needs will be determined by the number and extent of the need of the individuals. When a compelling community development need arises in other areas, the City will evaluate the potential benefit to low and moderate households as well as the City's overall objectives contained in the Consolidated Plan.

Although the Westside of Michigan City has not been a target area there has been an emphasis on that neighborhood since the majority of substandard homes, as identified in the Housing Needs Assessment, are located within the boundaries of this neighborhood. The Westside of Michigan City has seen considerable development and use of funds in the past few years. It was the target neighborhood for the Neighborhood Stabilization Funds that the City received from Indiana Housing and Community Development Authority. CDBG were also used in acquisition of foreclosed and abandoned buildings that were used for the construction of the NSP single family homes that were constructed on those properties.

- 2. Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a) (1) during the next year and the rationale for assigning the priorities.**
  - Areas that will be the focus of the city of Michigan City's activity during the 2012 program year include 1) Owner Occupied Rehabilitation Program 2) Infill housing 3) )increasing the livability of the Westside Neighborhood.
  - The Westside Neighborhood has received priority in view of the fact that according to the Housing Needs Assessment for Michigan City this neighborhood has the most substandard housing conditions within Michigan City. In addition, the City received Neighborhood Stabilization Grant funds in the amount of \$2.8 million dollars from Indiana Housing and Community Development Authority for the Westside Neighborhood to remove blighted structures, build new houses, and rehabilitate vacant homes for resale to home buyers.
  - The Michigan Township Trustee and Coolspring Township Trustee will continue to provide assistance for basic needs of eligible applicants – utility, rent/mortgage, basic medical, food and household supplies and transportation to seek and accept employment.
  - North Central Community Action Agency pledges to continue to operate and deliver the following programs to Michigan City residents: energy assistance, home weatherization, WIC, emergency rental assistance (including deposits), and transitional housing.
  - Dunebrook pledges to continue to operate and deliver the following program to Michigan City, family counseling services to prevent child abuse and neglect to at-risk families.
  
- 3. Describe actions that will take place during the next year to address obstacles to meeting underserved needs.**

Trying to address underserved needs in an era of declining federal funds and a poor economy is a losing proposition. The decline in CDBG funds continues to undermine the City's efforts to meeting the underserved population. Difficult choices need to be made for populations that are disabled both mentally and physically who need a whole plethora of services but are lucky if they receive any services.

Single Family/Duplex Housing Rehabilitation: The City will continue with its single family housing rehabilitation. This project is for the rehabilitation of single family/duplex homes that were acquired as foreclosures and are being rehabilitated for LMI persons. Homes are expected to be completely rehabbed and complete during the 2012 program year.

One of the primary obstacles to meeting the underserved needs continues to be lack of funds and the continued unemployment. Although the not for profit agencies, and local governments continue to work closely together to ensure activities are not duplicated and to address obstacles, the lack of sufficient funding makes the already stretched resources unavailable for all those in need. With the rising price of gasoline, as well as the increasing food and utilities costs, more persons and families than ever are anticipated to be unable to sustain decent living conditions without assistance. As these costs continue to increase the federal, state and local funds available to assist these persons continues to significantly decline. This is a trend that shows no signs of stopping or slowing down in the near future.

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**Sources of Funds:**

4. Identify the federal, state, and local resources the jurisdiction expects to receive the address the needs identified in the plan.

<b>Federal Resources</b>	<b>Amount</b>	<b>Description</b>
CDBG	\$597,328	City's CDBG allocation as determined by HUD
ESG	\$45,013	Stepping Stones Shelter for Women is the applicant and received a one year grant to serve victims of domestic violence.
ESG	\$50,000	Citizens Concerned for the Homeless operates the Family Homeless Center in Michigan City
NSP	\$2.8 Million	Neighborhood Stabilization Grant received from Indiana Housing & Community Development Authority for the Westside Neighborhood
Public Housing Operating fund	\$556,370	Includes Homeownership Subsidy
Section 8 Tenant-Based Rental Assistance	287	Housing Choice Vouchers
Low-Income Housing Tax Credits (through IHEDA)	\$0	The City of Michigan City does not have these credits.
Michigan Township Trustee Coolspring Township Trustee		Direct Assistance Fund -basic needs: utilities; basic medical; food; job search transportation

5. If you plan to dedicate funds within a local targeted area, provide the boundaries of the targeted area and an estimate of the percentage of funds you plan to dedicate to target area(s).

The program funds that will be dedicated to the Westside Neighborhood will leverage the NSP funds that have been spent in that neighborhood.

6. If your plan includes a Neighborhood Revitalization Strategy Area or Areas, please identify the census tracts for each NRSA and an estimate of the percentage of funds you plan to dedicate to the NRSA(s).

Michigan City has no Neighborhood Revitalization Strategy Areas.

7. Explain how federal funds will leverage resources from private and non-federal public sources.

Federal funds will be leveraged whenever possible. The local not-for-profit agencies such as Catholic Charities use CDBG funds in conjunction with funds that are received from donations, United Way, and the Gary diocese. Using funds other than federal funds also provides "buy-in" of the plan and provides ownership of the plan increasing its chance of success.

8. Provide a description of how matching requirements of HUD's programs will be satisfied.

CDBG does not require matching funds.

9. If the jurisdiction deems it appropriate, indicate publicly owned land or property located within the jurisdiction that may be used to carry out the plan.

The City has received foreclosed property from the County that will be used to carry out this plan. The foreclosed property is being leveraged with NSP funds to build new single family homes on the Westside of Michigan City.

## Managing the Process

### **10. Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.**

The Michigan City Planning and Inspection Department is the lead agency responsible for administering CDBG programs covered by this Annual Action Plan. The Michigan City Citizen's Advisory Committee serves in an advisory capacity to the city on all matters concerning the development of the Annual Action Plan and the allocation of CDBG funds. The CAC is made up of the following individuals and organizations:

- Daryl Crockett, Michigan City Housing Development Corporation
- Dave Fennell, Senior Citizen Center
- Karen Janus, Wabash neighborhood
- Rich Murphy, Elston Grove Neighborhood Association
- Hezze Mitchell, 5<sup>th</sup> Ward Neighborhood
- Judy Hanish, Westside Neighborhood
- Ken Behrendt, Redevelopment Commission
- Lenda Wilson, Michigan City Housing Authority
- Arthur Payne, Michigan City Housing Authority
- Maggi Spartz, Unity Foundation
- Jim Guerrucci, Social & Learning Institute
- Jerri Jones, Stepping Stones

In addition to members of the CAC, the city also consulted with the following entities in the course of preparing this Annual Action Plan:

- Michigan City Housing Authority
  - North Central Community Action Agency
  - Michigan City Housing Development Corp.
  - Michigan City Planning Commission
  - Michigan City Redevelopment Commission
  - La Porte County Habitat for Humanity
  - Swanson Center
  - Michigan City Historic Review Board
  - Michiana Resources
  - La Porte County Division of Family & Children
  - Citizens Concerned for the Homeless
  - Stepping Stone Shelter for Women, Inc.
  - Area II Agency on Aging & Community Services
  - Michigan Township Trustee
-

**11. Describe actions that will take place during the next year to enhance institutional coordination between public and private housing, health, and social service agencies.**

The city of Michigan City works closely with the following agencies and continues to develop an effective institutional structure and enhance organizational coordination. Most of these agencies are members of the La Porte County HOME Team:

Organization/Provider	General Information
Michigan City Housing Authority 621 E. Michigan Blvd. Michigan City, IN 46360	Public Housing and Section 8 Vouchers <ul style="list-style-type: none"> <li>• 177 public housing rental units</li> <li>• 26 Turnkey III homeownership units</li> <li>• 6 transitional housing units for men</li> <li>• 261 Section 8 Vouchers</li> </ul>
Michigan City Housing Development Corporation 621 E. Michigan Blvd. Michigan City, IN 46360	Provide affordable housing services such as rehabilitation and construction of new homes.
North Central Community Action Agency 301 E. 8 <sup>th</sup> Street Michigan City, IN 46360	<ul style="list-style-type: none"> <li>• Energy Assistance Program</li> <li>• Weatherization Assistance</li> <li>• Housing Services</li> <li>• Emergency Shelter</li> <li>• Community Service and Outreach programs</li> <li>• Two Transitional Housing units for families with children</li> </ul>
Catholic Charities 321 W. 11 <sup>th</sup> Street Michigan City, IN 46360	Provides Rental Assistance and Housing counseling for Families
Michigan Township Trustee 531 E. Michigan Blvd. Michigan City IN 46360	Township trustees can help with shelter, food, clothing, utilities, rental assistance and medical expenses within certain guidelines
La Porte County Habitat for Humanity 809 Jefferson Avenue La Porte, Indiana 46360	Constructs houses for low-income residents. The Michigan City Habitat for Humanity and La Porte County Habitat for Humanity merged.
Michigan City Economic Development Corporation 2 Cadence Park Plaza Michigan City, IN 46360	Provides services, programs, and one-on-one assistance to the business community in Michigan City. The MCEDC works to bring together a collaboration of resources, such as city and government officials, the appropriate municipal departments, utility engineers, and the expertise of business leaders.
Citizens Concerned for the Homeless 1005 W. 8 <sup>th</sup> Street Michigan City, IN 46360	<ul style="list-style-type: none"> <li>• 30 Day Shelter for families and children</li> <li>• Have provided some rental assistance</li> <li>• Provide referrals</li> </ul>
Stepping Stone P.O. Box 1045 Michigan City, IN 46360	<ul style="list-style-type: none"> <li>• 45 Day Emergency Shelter for victims for domestic violence and their minor children</li> <li>• Must be victims of domestic violence</li> <li>• Transitional Housing Program that can accommodate 15 families</li> </ul>

<p>Salvation Army 1201 S. Franklin Street Michigan City, IN 46360</p>	<ul style="list-style-type: none"> <li>• Homeless men's shelter program will not be run by the Salvation Army this summer</li> <li>• Faith Based Men's Shelter group manages the winter program</li> </ul>
<p>La Porte County Juvenile Services Center 384 S. Ziglar Road La Porte, IN 46350</p>	<ul style="list-style-type: none"> <li>• Provides emergency services for youth that have been reported or notified as homeless</li> <li>• Acts as transitional housing while foster care or some other alternative living situation such as a relative is sought</li> </ul>
<p>Pact-Bradley House 132 E. 6<sup>th</sup> Street Michigan City, IN 46360</p>	<ul style="list-style-type: none"> <li>• Federal Half-Way House for those leaving federal penitentiary or sentenced out of local courts</li> <li>• Currently serve 59 people in their facility (50 men and 9 women)</li> </ul>
<p>La Porte County Division of Family &amp; Children 1551 S. Woodland Michigan City, IN 46360</p>	<ul style="list-style-type: none"> <li>• Temporary Assistance for Needy Families (TANF)</li> <li>• Food Stamps</li> <li>• Medicaid/Hoosier Healthwise</li> </ul>
<p>Real Services Area II Agency on Aging 2626 N. State Road 39 La Porte, IN 46350</p>	<ul style="list-style-type: none"> <li>• Provides in-home supportive services which allow elderly and/or disabled to remain in their homes as long as possible thus providing maximum independence</li> <li>• Overall services include: Case management, adaptive aides and devises, adult day service, attendant care, homemaker, home delivered meals, home modifications, pest control, and respite care</li> </ul>
<p>La Porte County Council on Aging/Parents &amp; Friends 800 Michigan Avenue La Porte, IN 46350</p>	<ul style="list-style-type: none"> <li>• Provide older adult services, planning and coordination, transportation, rural meals on wheels, assistance to the homebound elderly, guardianship and protective services</li> </ul>
<p>Swanson Center 450 St. John Road, Suite 601 Michigan City, IN 46360</p>	<ul style="list-style-type: none"> <li>• Provides housing programs and supportive services to mentally ill and/or substance abusers</li> <li>• Provides intake evaluation, face-to-face counseling sessions, telephone consultations, and assessment for hospitalization</li> <li>• Assist clients who are returning to the community from mental health institutions and require a structured living setting</li> </ul>
<p>Dungarvin Indiana 400 Legacy Plaza West La Porte, IN</p>	<ul style="list-style-type: none"> <li>• Provides supported living services such as personal assistance; respite, case management, and environmental modifications services. Operates small community DD programs/community day program</li> </ul>
<p>Michiana Resources 4315 E. Michgan Boulevard Michigan City, IN</p>	<ul style="list-style-type: none"> <li>• Provides vocational/developmental rehabilitation services.</li> </ul>
<p>Barker Woods Enrichment Center 3200 S. Cleveland Ave.</p>	<ul style="list-style-type: none"> <li>• Provides speech, hearing and physical therapy to infants and toddlers from birth to 3 years old</li> <li>•</li> </ul>

<p>First Steps 901 Woodland Ave. Michigan City, IN</p>	<ul style="list-style-type: none"> <li>• Early intervention for families that have infants and toddlers with developmental delays or who show signs of being at-risk to have certain delays in the future.</li> </ul>
<p>Goodwill Industries 1209 Franklin Street Michigan City, IN</p>	<ul style="list-style-type: none"> <li>• Provides vocational rehabilitation programs for physically, mentally, and emotionally disabled adults</li> </ul>
<p>VNA Home Care Services 901 S. Woodland Ave. Michigan City, IN</p>	<ul style="list-style-type: none"> <li>• Provides assistance to family care-givers of emotionally disturbed children, developmentally disabled or mentally ill (all ages)</li> <li>• Provides a wide range of medical care and services in patients' homes</li> </ul>
<p>Aliveness Project 301 E. 8<sup>th</sup> St. Michigan City, IN</p>	<ul style="list-style-type: none"> <li>• Provides comprehensive case management and supportive services to persons with HIV/AIDS</li> </ul>
<p>St. Anthony's Hospice Home Care 2424 Franklin St. Michigan City, IN</p>	<ul style="list-style-type: none"> <li>• Provide out-patient care in-home care for the elderly</li> </ul>
<p>Dunes Fellowship House 211 E. 6<sup>th</sup> Street Michigan City, IN</p>	<ul style="list-style-type: none"> <li>• Provide residence for men who are recovering alcoholics and substance abusers</li> </ul>
<p>The Arbors 1101 East Coolspring Ave. Michigan City, IN</p>	<ul style="list-style-type: none"> <li>• Assisted living facility for the elderly</li> <li>• About 50% are low-income and Medicaid</li> <li>• Patients are referred by the hospital</li> </ul>
<p>United Way of La Porte County 800 Lincolnway, Suite 306 La Porte, IN</p>	<ul style="list-style-type: none"> <li>• Planning organization that utilizes an annual fund raising campaign to address community problems</li> </ul>
<p>Unity Foundation of La Porte County 619 Franklin St Michigan City, IN 46361</p>	<ul style="list-style-type: none"> <li>• Discretionary and field of interest grants to charitable organizations in the area of arts, education, health and human services, the environment, and the community.</li> </ul>
<p>Duneland Health Council P.O. Box 9327 Michigan City, IN</p>	<ul style="list-style-type: none"> <li>• The Duneland Health Council's main purpose is to improve the health and general welfare of the greater Michigan City, in community. Grants are primarily given to projects relating to health issues.</li> </ul>
<p>Michigan City Planning Commission 100 East Michigan Boulevard Michigan City, IN</p>	<p>The Planning Commission is appointed to ensure an orderly arrangement of overall designs and objectives for new projects within the City.</p>
<p>Michigan City Redevelopment Commission 100 East Michigan Boulevard Michigan City, IN</p>	<p>The Michigan City Redevelopment Commission is a five-member board that oversees the City of Michigan City Department of Redevelopment. Established under state law, the Commission is empowered to clear, plan, and redevelop blighted areas and to undertake economic development in previously undeveloped or in developing areas within the city limits of Michigan City. The Redevelopment Commission's mission is to address conditions associated with (1) blight (in formally designated "redevelopment areas") and (2) the underutilization of land or barriers to development.</p>

Michigan City Historic Review Board 100 East Michigan Boulevard Michigan City, IN	The mission of the Historic Review Board is to guide the development, redevelopment, rehabilitation, maintenance, and preservation of properties in Michigan City's Historic Districts, thereby protecting the integrity of the city's historic neighborhoods.
Michigan City Urban Enterprise Association 2601 E. Michigan Blv. Michigan City, IN	Indiana Enterprise Zone Program is to improve the quality of life in designated enterprise zones through community and business redevelopment initiatives.

**Citizen Participation**

**12. Provide a description of the process used to allow citizens to review and submit comments on the proposed consolidated annual 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.**

The citizens of Michigan City had a voice in the development of the Annual Action Plan through the use of public meetings. The City also hosted a public meeting to encourage public input on the following dates:

<u>Date</u>	<u>Topic</u>
June 21, 2012	Allocation of CDBG Funds for FY 2012
June 28, 2012	Allocation of CDBG Funds for FY 2012

Citizens were also able to comment on the Annual Action Plan from July 13<sup>th</sup> to August 13, 2012 via written comments.

**13. Provide a summary of efforts made to broaden public participation in the development of the consolidated plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities.**

The plan was posted on the City of Michigan City's website, it was also advertised on in the local newspaper. In addition, notices were posted in the public library. In addition, the HOME Team of La Porte County was informed of the public hearings to take input from concerned citizens and non-profits on the needs of the City of Michigan City's low-moderate income persons.

**14. Provide a summary of citizen comments or views on the annual plan.**  
TBD

**15. Provide a written explanation of comments not accepted and the reasons why these comments were not accepted.**  
TBD

## Institutional Structure

### **16. Describe actions that will take place during the next year to develop institutional structure.**

The following actions have been taking place to overcome gaps in the institutional structure and enhance coordination between public and assisted housing providers, as well as private and governmental health, mental health, and service agencies, which is allowing Michigan City to carry out its strategy for addressing its priority needs:

- The La Porte County HOME team is currently responsible for promoting and enhancing better coordination of programs and services in Michigan City. Members of the La Porte County HOME Team include homeless service providers, the Michigan City Housing Authority, health providers, the city, and funders. HOME Team meetings focus on developing a holistic approach to addressing homelessness, transitional housing, supportive services, and permanent affordable housing needs in Michigan City, La Porte, and La Porte County. The group is currently in the process of reaching out to mental health and disability services providers as well as for-profit housing developers.
- The HOME Team is providing the leadership on the 10 Year Plan to End Homelessness and also the establishment of the Single Room Occupancy (SRO) and permanent supportive housing for single men and women. Subcommittees of the HOME Team provide the focus and expertise needed to achieve the goals and projects identified by the HOME Team as critical to meeting the needs of low-income persons and families.
- The City has made a commitment to work to strengthen and support the capacity of local organizations to meet community needs and to be proactive in developing strategies to help meet the changing needs of service providers. To this extent, the city will continue to provide the technical assistance (facilitation, strategic planning, collaborative grant development support, leadership training) necessary to help agencies continue to collaborate and coordinate to effectively and efficiently provide services to residents.
- The Michigan City Planning and Inspection Department will continue to work closely with the Michigan City Housing Authority on all affordable housing programs and initiatives. The organizational relationship between Michigan City and the Michigan City Public Housing Authority is as follows:
  - a) The Mayor is the appointing official for the Board of Commissioners.
  - b) The Housing Authority has its own personnel policy, contracting procedures, and follows HUD Procurement Policy and Procedures. The Housing Authority does try to keep their personnel policies in line with the city's program
  - c) The City provides garbage collection for the Housing Authority's developments. Other services are provided on an as needed basis (i.e. ice removal and special inspections).
  - d) It is the practice of the Housing Authority to work with the Michigan City Zoning and Planning Department when proposing new housing developments for our community.
  - e) The Housing Authority submits plans to the City for their approval.
- The City of Michigan City CDBG staff began meetings with the not-for-profit housing developers within Michigan City to discuss options for improving the housing stock in the Westside Neighborhood. This group became very active when the Neighborhood Stabilization Grant funds became available. There will be a total of 17 houses constructed in the Westside Neighborhood with one third of the homes going to meet the housing needs of the low-and moderate-income persons within Michigan City. Willard Avenue was chosen as the street where in-fill housing would begin with a majority of the infill housing being located there. The initial strategy is to replace substandard housing; demolish houses/buildings due to severe code issues, and replace vacant

properties with decent affordable housing thus providing options for the Westside neighborhood in a revitalization effort. Partners in this goal include Horizon Bank, the City of Michigan City Code Enforcement Program, the Michigan City Housing Authority, and Habitat for Humanity, Housing Opportunities, Inc. and other non-profit housing providers. The progress of this program has already begun to show improvements in the livability of the neighborhood and increase home values.

The following is a status of the NSP homes:

- Habitat has sold 5 homes and currently has 2 homes presold and under construction.
- Housing Opportunities currently has two homes under a lease/purchase agreement and has two homes under construction
- Michigan City Housing Development Inc. has presold 6 homes and currently has 1 homes under construction expected to be completed by the end of summer that will utilize program income.

### **Monitoring**

**17. Describe actions that will take place during the next year to monitor its housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.**

CDBG Program Staff is responsible for monitoring all CDBG related activities to ensure that National Objectives are being met. Staff continues desk reviews as a key component of the basic monitoring activities. Materials submitted to the CDBG office are reviewed, as a well as progress reports. Progress reports are required as part of the Public Services grants and are assisting in keeping subrecipients on track for expenditures. In addition, on-site reviews were scheduled for all public service recipients of Public Services funds to ensure compliance with HUD regulations.

The City has decided that the most consistent way to monitor Subrecipients is to monitor their activities using the contract as a monitoring tool. The contract will be used in conjunction with standardized monitoring forms that our office has created for this purpose. This is to simultaneously make the Subrecipients aware of the contract compliance requirements that will increase their knowledge of what the contract contains and is applicable to them. In addition, the monitoring will increase compliance with the timelines established in the agreements and the importance of spending the CDBG funds in a timely manner. The cross-cutting requirements will be an integral part of this monitoring.

Staff also has been doing on-site monitoring for compliance with Davis Bacon regulations. The monitoring includes meetings with contractors to ensure compliance before work begins. Review of certified payrolls is done weekly before payment is authorized to the contractor as well. The City continues to meet with contractors before work begins so that Davis Bacon requirements can be discussed and explained which has been an effective tool for the City in ensuring compliance.

**18. Describe steps/actions to be taken during the next year to ensure compliance with program requirements, including requirements involving the timeliness of expenditures.**

CDBG staff monitors compliance with timeliness of expenditures by reviewing IDIS reports. All subrecipients are expected to expend their funds in a timely manner. In addition, as a condition to receive future funding, the CDBG office has established a requirement that at least 50% of the funding received in the current year has been expended with 100% of the funding in the prior year

has occurred. Failure to meet these thresholds eliminates them from requesting future funding until this threshold is met. It will be emphasized to all of the subrecipients the importance of continuing to spend funds in a timely manner. Contract compliance will be emphasized since most of the subrecipient agreements contain milestones and achieving these milestones will improve spend down of the CDBG funds. IDIS reports are used to monitor spend down rates for the CDBG program overall and for each project individually. Sub recipients that do not meet the spend down ration will not be allowed to apply for additional funding and may jeopardize future funding for their organization if the slow spending is habitual.

**19. Describe steps/action you will use to ensure long-term compliance with housing codes, including actions or on-site inspections you plan to undertake during the program year.**

CDBG staff works closely with the City of Michigan City's Code Enforcement Section. During the program year of 2009, a major overhaul of the reports required to document that structures are considered blighted under the Indiana Code occurred. This resulted in reports from all of the inspectors representing the different code groups inspecting the houses when vacant to make a determination of the building major deficiencies. In 2012, this will continue to have an increased emphasis as the CDBG office attempts to decrease the number of substandard units in the Westside neighborhood before they are turned into rentals.

Limited resources and funding continues to limit the effectiveness of long-term compliance with housing codes for both occupied and vacant properties. Vacant properties continue to be a major problem for the City due to the volume of foreclosures and declining property values. The City has been doing inspections on houses that are unsafe and present a hazard to the public.

The Board of Works has adopted HUD's definition of an abandoned property to expedite the demolition of substandard vacant properties. During the program year of 2012, this adoption of abandoned property has helped reduce these properties, however the problem continues.

In addition to housing codes the City has emphasized priority in the Owner Occupied Rehabilitation Program to serve those families that have children under the age of six to reduce or eliminate the exposure to lead based paint. This continues to be a high priority for the City of Michigan City since the majority of the homes are over 50 years of age and in the lower income neighborhoods the homes are more likely to be closer to 100 years of age.

**20. Describe actions to be taken to monitor subrecipients (including sponsors or administering agents) during the next program year. This includes the monitoring of all programs, CDBG, HOME, ESG, or HOPWA, as applicable.**

The CDBG program Staff continues to increase its focus on program accountability and monitoring of the CDBG contractors, subrecipients, and grantees. New grants have defined reporting requirements that include specific due dates for submittal to the city of Michigan City.

Two types of monitoring will take place during the program year: Desk and On-Site. Desk monitoring includes a review of the expenditures of funds and the progress of projects through periodic reports received from the Grantee or Subrecipient. Prior to the processing payments grant files are reviewed to verify that required reports have been received. Also, the payments are tracked through a CDBG database; IDIS, the City of Michigan City's accounting system (FUNDWARE), and the grantees' records.

On site monitoring will include yearly site visits to verify on-going compliance or to inspect work, either in-progress or completed and review records to ensure that program requirements are

satisfied. Areas to review during the site visits may include agency financial management systems, client eligibility, labor standards, equal opportunity, lead-based paint regulations, procurement practices, and other areas as applicable. Technical assistance is provided as needed. CDBG staff monitored its subrecipients during this program year and anticipates that it will continue to monitor them with an onsite visit yearly. In addition to the onsite visits the subrecipients are required to file quarterly and year-end reports on the activities that they are conducting using CDBG funds. These reports are reviewed by staff for compliance.

**Description of Activities**

21. The action plan must provide a summary of the eligible programs or activities that will take place during the program year to address the priority needs and specific objectives identified in the strategic plan.

See Appendix B

**Summary of Specific Annual Objectives and Outcome Measures**

#22-#24 See Appendix B.

DRAFT

### III. HOUSING

#### Annual Affordable Housing Goals

- 25. Describe the one-year goals for the number of homeless, non-homeless and special-needs households to be provided affordable housing using funds made available to the jurisdiction and one-year goals for the number of households to be provided affordable housing through activities that provide rental assistance, production of new units, rehabilitation of existing units, or acquisition of existing units using funds made available to the jurisdiction. The term affordable housing shall be defined in 24 CFR 92.252 for rental housing and 24 CFR 92.254 for homeownership.**

Please refer to the Priority Housing Needs and Housing Market Analysis Tables in Appendix B for information on the number of extremely low-income, low-income, and moderate-income families to whom Michigan City will provide affordable housing (rental housing and homeownership) over the next five years.

The results of the housing market analysis and the severity of housing problems for extremely low-income, low-income, and moderate-income renters and owners provided the basis for assigning the relative priority given to each priority need category.

The following housing market characteristics will influence the use of funds made available for rental assistance, production of new units, rehab of old units, and acquisition of existing units:

- High vacancy rates
- Number of substandard rental and owner-occupied housing units
- Market demand
- Availability of bank loans
- Age of existing units
- Fair Market Rents Vs. Rent affordable at 30% of 50% of Median Family Income
- Public housing rehabilitation needs.

The City of Michigan City currently receives only CDBG funding. The City receives NSP funding through IHCDA and will be using those funds to accelerate the goals of the Consolidated Plan 2009-2013. The largest impact from the NSP funds will be on the creation of 17 new single family homes, and the demolition of blighted vacant buildings.

#### Needs of Public Housing

- 26. Describe the manner in which the plan of the jurisdiction will help address the needs of public housing and activities it will undertake during the next year to encourage public housing residents to become more involved in management and participate in homeownership.**

Public housing initiatives in the City of Michigan City are administered by the Michigan City Housing Authority (MCHA). The MCHA currently provides affordable rental housing opportunities through 177 public housing rental units and 261 Housing Choice Vouchers. The MCHA also provides affordable homeownership opportunities through 26 scattered site lease-to-purchase homes. MCHA units are all in

good condition and almost 100% occupied. MCHA also has plans in place to construct or acquire four additional public housing units.

MCHA encourages public housing resident to become more involved in management and participate in homeownership through the following activities:

- Created six Homeownership opportunities through Section 8 Homeownership vouchers and currently have 19 slots for encouraging homeownership. Section 8 homeowners will purchase five NSP homes on the Westside.
  - Working with Boulevard Garden's Resident Council to develop a productive relationship in changing the community and addressing concerns. The Michigan City Housing Authority currently has an active Resident Council at the Boulevard Garden's site. They are surveying the other programs to find more active participants and seeking grants for resident employment for overseeing programs. The Michigan City Housing Authority will continue to network with other agencies for assistance in other areas of expertise. The Public Housing Annual Plan includes funding for development of resident initiatives.
  - Developing partnerships with organizations such as, Housing Opportunities, Inc., Michigan City Area Schools, Baby Talk, Michigan City Police Department, Corner to Cornerstone Mentoring Program and Art Gallery.
  - The Michigan City Housing Authority currently has under construction two duplex units with 2 apartments each, 2-3 bedrooms in the Westside neighborhood increasing the number of available public housing units from 176 to 180 units.
  - One of the most effective methods has been the examples of the successful homeowners who purchased NSP houses. This has been some of the most successful ways that other public housing residents have actually seen the benefits of owning their own home. It has generated more interest in homeownership since these houses have been built and occupied. All of the houses constructed by the Michigan City Housing Development Inc. are occupied by Section 8 voucher holders.
27. 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 during the next year. The Michigan City Housing Authority is a "standard performer".

#### **Antipoverty Strategy**

28. Briefly describe the actions that will take place during the next year to reduce the number of poverty level families (as defined by the Office of Management and Budget and revised annually), taking into consideration factors over which the jurisdiction has control. The La Porte County HOME Team is currently responsible for promoting and enhancing better coordination of programs and services for low-income residents of Michigan City. Members of the La Porte County Home team include homeless service providers, the Michigan City Housing Authority, health providers, the city, and funders. The HOME Team meetings focus on developing a holistic approach to addressing homelessness, transitional housing, supportive services, and permanent affordable housing needs in Michigan City, La Porte, and La Porte County. The group is also currently in the process of reaching out to mental health and disability services providers as well as for-profit housing developers.

Catholic Charities will continue to provide self-sufficiency training and financial literacy training to include opportunities for homeownership as well as other asset building strategies. Funding is currently available to help individuals who would like to achieve a GED. In addition under Catholic Charities' leadership, the Michigan City schools will implement a financial literacy course for high school freshmen. The purpose of this training is to provide early on the financial tools to young people that they do not receive at home so that they are better prepared for the realities of living in the community. The goal is to reduce the number of people moving into homelessness due to dropping out of high school, and becoming pregnant without the financial means to support either themselves or their children. The HOME Team's goal is to continue to grow, inviting more agencies and working together on these life issues. .

### **Barriers to Affordable Housing**

#### **29. Describe the actions that will take place during the next year to remove barriers to affordable housing.**

There are numerous hurdles related to affordable housing and obstacles for those with special needs. Below are the profiles of some of the barriers we face in our community and our strategy to address each particular barrier.

- a) **Barrier: Zoning ordinances need to be updated.** Zoning regulations allocate parcels of land to different classifications with certain uses being permitted, while others are proscribed. Zoning regulations often restrict density and limit housing types in locations what might otherwise be suitable for affordable housing. Such restrictions therefore exclude lower income households from many neighborhoods.

**Strategy:**

The revised zoning code was adopted by the City of Michigan City and progress has been made with this barrier. The Zoning Code better reflects the appropriate land use for the area and market. This revision does help facilitate solving some of the problems with the old zoning code. The zoning code needs to focus more on housing and housing related issues from a regional perspective. However, the lack of multi-family zoning does make it more difficult to provide affordable housing to its residents. As the knowledge of the new zoning ordinance becomes common, it should become easier for developers to adhere to the code without the ambiguity that existed before the new ordinance was passed.

- b) **Barrier:** Security deposits, utility deposits, and high rent fees are obstacles to affordable housing.

**Strategy:**

The North Central Community Action Agency and Catholic Charities using CDBG funds continue to work on off-setting the cost of security deposits, utility connection/reconnection fees, and high late rent fees by paying deposits and offering one time emergency assistance payments. The Michigan township trustee also offers financial assistance to low-income renters.

- c) **Barrier:** The lack of quality housing units available for lower-income persons.

**Strategy:**

- Progress has been made in this area as well since with the use of NSP, 17 new energy star homes are being constructed.
- Encourage swift reclamation of abandoned and nuisance properties through the acquisition/demolition of such properties. The Board of Works has adopted the HUD definition of abandonment which does assist with this strategy. Currently 25 blighted structures have been demolished with this strategy.
- Attract, strengthen, and stimulate private market forces and other public resources to invest in inner-city communities to stimulate their rebirth; reinforce blocks that are interconnected throughout the community; and bring people and capital into these areas in order to create mixed-income communities of choice.

d) **Barrier:** Lead based paint is commonly found as it was extensively used in building until 1978. Older housing is therefore most vulnerable to the problem. Generally, the older the home, the greater the problem. It is a serious health hazard, especially for young children, and an expensive problem to fix. Because lead costs can be expensive in deteriorated housing and funding is not readily available, most developers are not eager to engage in the rehab of housing that may contain lead-based paint hazards.

**Strategy:**

- Look at other cities and their approach to contracting for lead work.
- Increase the number of lead licensed contractors for more competitive bidding.
- Continue to look for additional funding for lead-based paint hazard reduction.
- Target specifically families with children under the age of six. The City is hopeful with the new mapping system for the Consolidated Planning effort being implemented by HUD that data will be more useful than the tools that the City currently has available.

e) **Barrier:** The age and condition of the housing stock is a barrier. Approximately 49% of homes in Michigan City are 50 years old or older. Costs can exceed \$50,000 when substantial rehabilitation is necessary. Often, a large gap exists between the cost of rehabilitation and the financial resources available. Citizens with an interest in preserving the old forms of architecture (and history) have sprung up but frequently meet with resistance from residents of the neighborhoods who fear they will be pushed from their homes. For the elderly, the cost of maintaining their homes has become a heavy financial burden and some resort to converting their single family home into a duplex or possibly a multi-family dwelling further taxing the neighborhood infrastructure, while others watch their life investment deteriorate around them. Properties are sometimes abandoned and taxes are not paid. The property deteriorates further and become targets of vandals, and attract other nuisance activities.

**Strategy:**

- Rehabilitation assistance is provided to homeowners with the elderly, the disabled, and families with small children, receiving priority for receiving funds.
- The City will continue to market its home ownership programs to public housing tenants in an effort to provide them with additional housing choices.
- Counseling is provided to homeowners receiving these funds to educate them on basic maintenance on their homes to help avoid further deterioration.
- The City has drafted an Ordinance requiring that blighted and abandoned vacant properties should be registered with the City of Michigan City. This is an effort to

eradicate the blighted vacant buildings that continue to be a detriment to the neighborhood and are particularly detrimental to the low-moderate income neighborhoods.

- f) **Barrier:** Financing is a barrier to the production of affordable housing with the crux being the economic gap. Many owners and occupants of properties needing rehab simply do not have the resources to pay for the rehabilitation, and the affordability gap makes the problem even worse. Also, persons with special needs require assistance with making units accessible.

**Strategy:**

- A portion of the City's Community Development Block Grant is being used to continue a credit-counseling course administered by Housing Opportunities, Inc.
- Continue to partner with banks when possible to encourage new housing and redevelopment in LMI neighborhoods.
- Under the NSP program, lease-purchase options are being used that will allow low-income persons an opportunity to get their credit issues resolved and then purchase safe affordable housing for their families.

**30. Describe the actions that will take place during the next year to foster and maintain affordable housing.**

- The city of Michigan City will work closely in the next year with the non-profit housing developers increase the amount of affordable housing.
- The biggest impact on affordable housing in 2012 will be the new housing resulting from the Neighborhood Stabilization Grant. As a result of this grant the following developers will constructing these homes all in the Westside Neighborhood:
  - a) Habitat for Humanity: 2 homes
  - b) Housing Opportunities: 4 homes
  - c) Michigan City Housing Development Corp.: 1 homes

**Lead Based Paint**

- d) **Describe the actions that will take place during the next year to evaluate and reduce the number of housing units containing lead-based paint hazards in order to increase the inventory of lead-safe housing available to extremely low-income, low-income, and moderate-income families, and how the plan for the reduction of lead-based hazards is related to the extent of lead poisoning and hazards.**

The following actions have been taken to evaluate and reduce lead-based paint hazards in Michigan City:

- The City of Michigan City has hired an environmental consulting firm to provide professional environmental services including lead paint testing, environmental assessment, and lead paint testing pre- and post testing for the Owner Occupied Rehabilitation Program. The use of these services to effectively assess hazards and determine the most appropriate and cost effective methods of hazard reduction.
- The City of Michigan City will provide information on lead based paint hazards to homeowners doing their own repair work on their homes. Participants in the Owner Occupied Rehabilitation Program receive the booklet "Protect Your Family from Lead in Your Home".

## IV. HOMELESS

### Specific Homeless Prevention Elements

- 31. Please describe, briefly, the jurisdiction's plan for the investment and use of available resources and describe the specific planned action steps it will take over the next year aimed at eliminating chronic homelessness by 2012. Again, please identify barriers to achieving this.**

The City has responded to this data in coordination with the HOME Team of La Porte County. The focus for several years has been the creation of permanent supportive housing for single men and women, as well as families. This year the HOME Team will evaluate its progress on the 10 Year Plan to End Homelessness. There continues to be a need for a single men's and women's emergency shelter. The HOME Team will be studying options to achieve reducing homelessness for single men and women.

- a) **Barrier:** NIMBY

**Strategy:** Continue to educate the population on the homeless. The HOME team has established a marketing committee to help promote a more positive image of the homeless in Michigan City.

- b) **Barrier:** Limited zoning in Michigan City for multi-family units. This presents problems for locating permanent supportive housing since the land available for multi-family units is limited to certain areas of the city. Some of these areas are not near services that are needed by homeless persons.

**Strategy:** Zoning plays a critical part because if an agency is required to get a rezoning or a special use permit, it opens the opportunity to the neighborhoods to reject arbitrarily the project. In addition, even if welcome, the process to obtain such special permissions takes time.

- c) **Barrier:** Funding for housing for the chronically homeless. Although available through the Continuum of Care there never seems to be enough resources to acquire, rehabilitate, and operate the housing.

**Strategy:**

- Continue to search for grant and other funds to support housing for the chronically homeless.
- Continue to partner with non-profit agencies to provide services to the homeless.

- 32. Homelessness Prevention-The jurisdiction must describe its planned action steps over the next year to address the individual and families with children at imminent risk of becoming homeless.**

The City plans to continue to work closely with the La Porte County HOME Team to meet the needs of the homeless and homeless prevention. Through the work with the HOME Team, the City will continue to ensure the activities are consistent with the goals of the Consolidated Plan. In order to improve the strategies and seek additional funding, Michigan City service providers are part of a Continuum of Care (CoC).

With the completion of the 10 year Plan to End Homelessness, the HOME Team continues to move forward with implementing this plan. The HOME Team has determined that it needs to

evaluate the strategies described in the Plan to determine the progress made in reaching its goals. This will be an ongoing process in the Program Year 2012.

As federal funding is reduced and the economy continues to struggle, the City of Michigan City has more and more residents that are one-step away from homelessness. With dwindling funds it becomes more difficult to assist these persons, resulting in more homelessness.

It was determined that the highest priority was to establish permanent supportive housing for single men and women who currently are being housed at the Interfaith Men's Shelter and the Salvation Army. The Salvation Army will not be able to operate a summer men's shelter as they have in the past due to lack of funds. The Interfaith Men's Shelter is operated by volunteers and rotates from church to church so the HOME Team was researching some different alternatives to that situation. The acquisition of permanent supportive housing for single men and single women as well as families owned and operated by Housing Opportunities fills some of the need for the homeless but does not completely solve the problem of the chronic homeless.

The City of Michigan City completed its Analysis of Impediments and a Housing Needs Analysis and as a result, a housing gap was identified for the disabled and elderly population. Services have been provided to assist these populations, but again the demand exceeds the funds. Homelessness prevention is becoming increasingly difficult as utility costs increase, the jobs available are more service oriented resulting in less pay and usually without benefits, and the continuing reduction in funds that assist families with these issues. The not-for-profit agencies work closely together to avoid duplicating services and provide emergency type funds for low income families and individuals. There are services and a shelter available specifically for women and families, as well as for victims of domestic violence. Catholic Charities, Stepping Stone, North Central Community Action Agency, and the Salvation Army provide some services to individuals and families. Education is the key to preventing homelessness. In addition, even when qualified for higher paying jobs, those at risk of homelessness often choose minimum wage employment because it is convenient to get to work. Transportation is an overwhelming obstacle to living wage employment. Minimum wage jobs often offer more flexible hours so that parents can be home to care for sick or unattended children. Through Catholic Charities memberships in local, state, and national organizations, they lobby for funding to improve education, transportation and affordable child care.

The victims of domestic violence are almost always already homeless due to domestic violence. After providing them with safe shelter and support, the next goal is to help them return to the community in permanent housing, without the threat of violence. Case management support while at the shelter helps them to obtain employment that will take them from the vulnerable status of possible re-victimization to independent living. Many of the clients may have been in living situations in which they were not considered in low-income or poverty-level situations, however when a woman decides to leave an abusive situation, she often has to leave the financial resources that she and her children once had. Therefore, one of the main focuses is to find adequate employment for sufficient income.

In addition, Public Services funds will be used to prevent homelessness through direct assistance for rental assistance, case management, utility assistance, educational assistance, and self-sufficiency classes. Other public services funds directly assist victims of domestic violence, homeless families, and single women who are residing in homeless shelters.

33. **Discharge Coordination Policy**-The jurisdiction must certify it established a policy for 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 city will work with homeless service providers and the La Porte County HOME Team to implement a cohesive, community-wide Discharge Coordination Policy that can be successfully implemented to ensure that persons being discharged from publicly funded agencies and institutions do not become homeless upon release. The policy will be created through the strategic planning process associated with the development of the 10 Year Plan to end homelessness.

#### **EMERGENCY SHELTER GRANTS (ESG)**

34. **If applicable, describe how the ESG matching requirements will be met.**  
The City of Michigan City does not receive ESG grants.
35. **(States only) Does not apply to the City of Michigan City.**

### **V. NON-HOMELESS SPECIAL NEEDS HOUSING**

36. **Please describe any supportive housing activities being undertaken to address the priority housing needs of person who are not homeless (elderly, frail elderly, persons with disabilities, persons with HIV/AIDS, person with alcohol or other substance abuse problems).**

The Owner Occupied Rehab. Program also gives priority to the elderly and the disabled and provides rehabilitation work up to \$20,000 per home for health and safety issues within the home. According to the Housing Needs Analysis, in 2000, 44% of elderly renters and 20% of elderly homeowners were in need of housing assistance. In addition 41% of persons with disabilities who rent and 25% of persons with disabilities who own a home were in need of housing assistance. The 2011 Action Plan will target these populations as much as possible.

The elderly population with housing needs continues to increase in Michigan City. CDBG funds are used to provide assistance with maintenance so that the elderly can remain in their homes for as long as possible. The population with fixed incomes such as the elderly and disabled are particularly hard hit with the increasing costs of gasoline. Not only the increased utility costs but also increased food and other costs can leave them in a financial crisis. There are not enough resources or funds to provide for this population.

### **VI. COMMUNITY DEVELOPMENT**

37. **Identify the estimated amount of CDBG funds that will be used for activities that benefit persons of low- and moderate-income (an amount generally not to exceed ten percent of the total available CDBG funds may be excluded from the funds for which eligible activities are described if it has been identified as a contingency for cost overruns.)**  
Please refer to the Housing and Community Development Activities Table in Appendix B.
38. **CDBG resources must include the following in addition to the annual grant:**
- a. **Program income expected to be received during the program year, including:**
    - i. **The amount expected to be generated by and deposited to revolving loan funds;**

- ii. **The total amount expected to be received during the current program year from a float-funded activity described in a prior statement or plan.**

There was no program income generated in the City of Michigan City.

- 39. If a jurisdiction intends to carry out a new CDBG float-funded activity.**

The City of Michigan City does not have float funds for its CDBG funds.

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

The non housing development needs include sidewalks, and street improvements. Also included are improvements to the City's parks including accessibility for the disabled.

- 41. 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 person.**

Michigan City's natural and geographic location has historically provided a stimulus for its growth, and the City will continue to work closely with the Michigan City Economic Development Corporation (MCEDC) in economic development activities in marketing, business attraction and retention, workforce development and brownfield redevelopment.

One of the major projects that may provide employment opportunities for low-and moderate-income persons is the Trail Creek Development Plan. In the past year the City of Michigan City has moved forward with this plan with the intention of beginning its development when a master developer is found. The City continues with the development of the Trail Creek development plan and is seeking a quality master developer willing to partner with the Michigan City Redevelopment Commission to redevelop the area into an attractive, livable destination capitalizing on the amenities of Trail Creek to create recreational uses, a variety of dwelling units and retail, entertainment and recreational uses in support of the new neighborhood. This area which is within the Elston Grove neighborhood includes low-and moderate-income persons so development of this area should benefit the current residents of the neighborhood as well as provide jobs for those residents as well. The success of this development is anticipated to "spill over" into the surrounding neighborhoods providing economic stimulus to the downtown area, and the surrounding neighborhoods.

In addition, it is hoped that with the NSP program that the creation of new jobs will occur as a result of new construction and demolition of vacant blighted structures. Improving the Westside neighborhood will create new opportunities for private re-investment and continued coordination with the local banks, and non-profit housing developers will continue to provide a decent housing and a suitable living environment.

- 42. There are no urgent needs as defined by HUD CDBG regulations in the Annual Action Plan.**