

Consolidated Plan FY 2010-2014 & FY 2010 Annual Action Plan

**Community Development Block Grant
& HOME Programs**



Sharon McShurley, Mayor

Connie Gregory, Community Development Director

Community Development Department Staff

Connie Gregory

Director

Barbara Taylor

Assistant Director/Fiscal Analyst

Gretchen Cheesman

Planner I/Unsafe Building Hearing Authority Administrator

Bill Morgan

Planner I/Historic Preservation Officer

Tom Parkison

Planner I/Construction Specialist

Kay Piner

Planner I/HOME Coordinator

Heather Williams

Planner II/Assistant Unsafe Building Hearing Authority Administrator

Consultants on 2010 Consolidated Plan

ACP Visioning + Planning

jgreene@acp-panning.com

Randall Gross • Development Economics

Rangross@aol.com



City of Muncie, Indiana Consolidated Plan 2010-2014 and Program Year 2010 Annual Action Plan



GENERAL

Executive Summary

The Executive Summary is required. Please provide your Executive Summary that should include objectives and outcomes identified in the plan, and an evaluation of past performance. 91.220(b)

2010-2014 Executive Summary

Muncie, like many Midwestern cities, has been impacted by the difficult transition from manufacturing to a service-based economy. Muncie was once prominent in glass manufacturing (Ball Brothers) and later, in the tool and die sector. Today, the region's manufacturing skills base is being re-tooled into production of wind turbines and other emerging energy products. But the overall manufacturing job base continues to shrink, particularly in the face of global recession, international competition, and technological change.

Muncie's at-place employment base fell by 2,700 or 8.5%, between 2000 and 2008 (even before the current national recession). This translates into a decrease of about 1.1% per year. The largest net decrease in Muncie employment was in the manufacturing sector (1,500 jobs or 33.8%), but disturbingly, the city has also seen a decrease in health & education (1,200 jobs or 12.9%) and retail (930 jobs or 22%). These are all areas in which the city once dominated. New employment has been created with the opening of back office operations for Sallie Mae, IBM, and others, but many of the newer "pink collar" jobs offer lower pay scales than the high-wage manufacturing jobs that have been lost. Per capita incomes in Muncie and Delaware County had already declined in real terms (after adjusting for inflation) from a high of \$34,930 in 2000, to \$29,809 in 2006, prior to the current recession.

Definition of Problem. Declining employment opportunities and falling wages have contributed to an increase in problems associated with poverty, housing conditions, and neighborhood stability. Accompanying the decrease in economic opportunity, the city has experienced a declining population. High school and college graduates may be leaving the community in search of better economic opportunities and higher quality of life elsewhere. Their exodus leaves behind, on average, a less-educated and lower-income population base with fewer skills adaptable to the changing economy. De-population of older, inner-city neighborhoods results in higher levels of housing vacancy and neighborhood instability. Lower incomes have pushed some homeowners into foreclosure or to experience other housing problems. Despite the fact that Muncie is considered among the most "affordable" housing markets in the country, some 40% of Muncie households are paying more than 30% of their incomes on housing costs (based on 2008 data). A high proportion of the city's housing consists of smaller homes built before 1940. This aging housing stock is increasingly expensive to finance and maintain, yet less likely to sell in today's market.

Broad Objective. This Five-Year Consolidated Plan is oriented to targeting Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME) funds over the next five years to help rectify key issues associated with housing maintenance, affordability, rehabilitation and marketability. Ultimately, the City of Muncie sees as a primary objective to enhance the quality of its housing stock in order to retain and attract those with sufficient income to invest in and stabilize the city's neighborhoods. This objective relates to the needs of existing homeowners and rental property owners to meet their financial obligations, but also to maintain and upgrade their properties. This objective also relates to the need to enhance the overall infrastructure, amenity-value, and quality of neighborhoods to help improve their marketability and

the city's overall competitiveness for economic development. High-quality housing and amenities will, in turn, help the city attract more jobs and retain more of its population and income base.

Broad objectives are categorized below as prescribed by HUD:

<input checked="" type="checkbox"/> Objective Category: Decent Housing Which includes:	<input checked="" type="checkbox"/> Objective Category: Expanded Economic Opportunities Which includes:	<input type="checkbox"/> Objective Category: Expanded Economic Opportunities Which includes:
<input type="checkbox"/> assisting homeless persons obtain affordable housing	<input checked="" type="checkbox"/> improving the safety and livability of neighborhoods	<input type="checkbox"/> job creation and retention
<input type="checkbox"/> assisting persons at risk of becoming homeless	<input checked="" type="checkbox"/> eliminating blighting influences and the deterioration of property and facilities	<input type="checkbox"/> establishment, stabilization and expansion of small business (including micro-businesses)
<input checked="" type="checkbox"/> retaining the affordable housing stock	<input checked="" type="checkbox"/> increasing the access to quality public and private facilities	<input type="checkbox"/> the provision of public services concerned with employment
<input checked="" type="checkbox"/> 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	<input checked="" type="checkbox"/> reducing the isolation of income groups within areas through spatial deconcentration of housing opportunities for lower income persons and the revitalization of deteriorating neighborhoods	<input type="checkbox"/> the provision of jobs to low-income persons living in areas affected by those programs and activities under programs covered by the plan
<input type="checkbox"/> increasing the supply of supportive housing which includes structural features and services to enable persons with special needs (including persons with HIV/AIDS) to live in dignity and independence	<input type="checkbox"/> restoring and preserving properties of special historic, architectural, or aesthetic value	<input type="checkbox"/> availability of mortgage financing for low income persons at reasonable rates using non-discriminatory lending practices
<input type="checkbox"/> providing affordable housing that is accessible to job opportunities	<input type="checkbox"/> conserving energy resources and use of renewable energy sources	<input type="checkbox"/> access to capital and credit for development activities that promote the long-term economic social viability of the community

Targeting. The 2010-2014 Consolidated Plan provides an approach to housing and amenity enhancement that targets distressed neighborhoods that ring the downtown core. Analysis of various demographic and housing data indicate that six census tracts (1, 2, 3, 4, 6, and 12) contain the highest concentration of housing problems yet also hold potential because of their location near the center of the city. Resources will be targeted to these census tracts and to specific neighborhoods therein, to especially address issues of housing finance/marketing, maintenance, and upgrading, as well as neighborhood amenities.

Services & Activities. Several existing programs will be strengthened and new programs funded to focus on housing maintenance, upgrading, and neighborhood amenities. CDBG will continue to fund ongoing services like Rebuilding Together's emergency housing repair program, and Community Development staff will administer a roof repair and replacement program. Non-profits ecoRehab and Whitely Community Council will continue to purchase vacant houses, rehabilitate, and sell them to income-eligible persons.

HOME funds will continue to be used to assist rental property owners with purchase, rehabilitation, and rental of vacant housing, and will assist Muncie Home Ownership and Development Center and Pathstone in providing downpayment assistance for first-time homebuyers. New programs will be developed and funded to expand and upgrade existing housing stock to market standards, and to enhance the amenity value of distressed neighborhoods through improved parks, streetscape, and community facilities. Additional housing projects will be assisted with HOME funds pending requests for proposals from developers and non-profits.

CDBG-funded activities will assist in enhancing the living environment for Muncie residents and thereby increase the city's competitiveness for economic development. Non-profit organizations will continue to receive CDBG assistance in providing ongoing needed services to homeless persons and low- and moderate-income residents of Muncie, especially important during the current economic transition period.

Understanding that neighborhood revitalization cannot be achieved in a short term, the City expects to work toward achieving the same primary objectives throughout the Five-year Plan period, as itemized below and in tables in Appendix D. Detailed Five-year and Annual PY2010 specific objectives and outcomes include:

Objective	Strategy	5-year goal	1-year goal
Improve access to affordable owner housing	Provide downpayment assistance to qualified first-time homebuyers	120 households	24 households
Increase supply of affordable rental housing	Provide funds to leverage private investment for rehab of existing vacant residential properties and/or converting vacant non-residential properties to residential	60 housing units	12 housing units
Improve quality of owner housing	Preserve owner-occupied homes & homeownership via roof replacement & other emergency repairs	350 housing units	70 housing units
Improve services for low/mod persons	Provide funds to non-profits for addressing homelessness, poverty, & neighborhood stabilization	46,840 people	10,840 people
Improve quality of neighborhood facilities for lower income persons	Improve City parks by installing new playground equipment, & improving recreation & parking areas	7 park facilities	3 park facilities
Improve quality of public improvements for lower income persons	Mill & pave deteriorated neighborhood streets, replace curbs & install ADA compliant sidewalks	7,940 people	1,940 people
Remove slum & blight	Revitalize neighborhoods & improve property values by removing vacant, abandoned, blighted structures	75 structures	15 structures

Past Performance. Most activities in PY2009 have been administered successfully, with expenditures being made in a timely manner and anticipated goals being met. Elaborate detail will be provided to the public in the Consolidated Annual Performance and Evaluation Report in August 2010. A brief summary of overall program performance is provided here:

Community Development staff administered public facilities improvement contracts that installed playground equipment in Heekin, McCulloch, and Thomas Parks; created a walking path in Heekin Park; milled and paved streets in scattered low/mod sites; installed a new wheelchair lift in Cornerstone Center for the Arts; replaced HVAC in Christian Ministries Hope House. CD staff also removed blighted structures throughout the inner city, and managed 17 subrecipient contracts with non-profit agencies that provided services and home repairs to low- and moderate-income homeowners. All CDBG-funded subrecipients were monitored during the program year and all are operating successfully and in compliance with all requirements; two subrecipients received technical assistance regarding timeliness of requests for reimbursement.

A few CDBG projects are behind schedule. The Senior Citizen Center Rehab, funded with PY2005 funds, has gone through several modifications. The original project was for furnace replacement but the Center used another source of funds to complete that project, and decided CDBG funds would be used for entrance improvement, which will be completed by August 2010.

CDBG funds were set aside in PY2006-2008 to assist in building a Unity Center as part of the Muncie Housing Authority's Millennium Place. When other necessary funds did not materialize, MHA decided to purchase and rehabilitate an existing property, and recently purchased a vacant elementary school for that purpose. The CDBG funds are expected to be utilized in order that the Unity Center open by December 31, 2010.

Another delayed project is renovation of Tuhey Pool, the City's only outdoor public pool. PY2009 CDBG funds are appropriated for replacing the drainage and filtration systems, but an engineer's analysis of the pool determined extensive repairs were needed before the pool could be safely opened. The City plans to obtain a bond issue to fund the balance of the renovation in order that the pool open to the public in the summer of 2011.

Following critical monitoring and audit findings released in 2007 and 2008 for the HOME program, HUD provided consultants to work with Community Development to establish sound procedures for administering the program. A new Request for Proposals will be released in June 2010, with expectation to obligate up to \$700,000 for rehabilitation of vacant rental units. Consultants will provide technical assistance throughout the proposal review process to ensure CD staff is prepared to manage the project effectively and in compliance with all requirements. Thereafter, additional unobligated HOME funds will be let for bid in a more timely manner.

It should be noted that Community Development staff have been overwhelmed during the past year with additional grants to administer, along with regular duties, including \$2,007,356 in entitlement Neighborhood Stabilization Program funds, \$385,809 in CDBG-Recovery Act funds, and \$1,900,000 in NSP funds from the State of Indiana. With ever-changing regulations and requirements for these special programs, it is understandable that projects are behind schedule (as they are throughout the United States), but staff are determined to obligate all funds and complete all projects before the federal deadlines.

Action Plan Required Elements:

Geographic Distribution/Allocation Priorities:

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. 91.220(f) *Please note that maps or other attachments may be included as additional files within the CPMP Tool.

PY 2010 Action Plan Geographic Distribution/Allocation Priorities #1 response:

Key census tracts were identified for targeting resources based on an analysis of key demographic and housing indicators. The demographic indicators include the following:

- Percent Very/Low Income Households
- Percent Minority
- Percent Senior
- Percent 1-Parent Families

Specific housing indicators were also analyzed. These indicators included the following:

- Percent Vacant (2000)
- Percent Vacant (2010)
- Change in Vacancy (2000-2010)
- Renter Occupancy
- Housing Built Before 1940
- Foreclosure Risk (HMDA 1-10 scale)
- HMDA High Loan Cost
- Predicted High Foreclosure Rate
- More than 30% of Income Spent on Housing

These factors provide important indicators of housing risk and neighborhood instability. The demographic and housing indicators were taken together to compare census tracts to the citywide average for Muncie. Six tracts were identified as having the largest number of housing risk factors (along with key demographic factors) at rates higher than the citywide average. The six target tracts are 1, 2, 3, 4, 6, and 12.

Allocation Priorities

Certain public service activities funded with CDBG dollars are administered by subgrantees and are available to residents city-wide, as long as they meet income and other program requirements. CDBG funds will be distributed to projects and programs designed to assist extremely low, very low, and low-income persons based on the FY2010 income limits.

However, much of the funding and subrecipient action will be primarily administered and directed to projects in the six target census tracts. The focus of the use CDBG and HOME funds will be to rehabilitate and upgrade existing housing, develop new affordable and marketable housing stock, and increase the amenity value of target neighborhoods. More specifically, long-range plans include targeting CDBG and HOME funds in programs to be developed (TBD) as funding becomes available:

- Assist existing homeowners & investors to repair & rehabilitate housing
 - Repair and replace roofs (Community Development Dept. staff)
 - Complete minor and emergency repairs (Rebuilding Together)
 - Renovate multi-family units (HOME Rental Rehabilitation Program)
 - Strengthen regulatory/incentive programs to encourage landowners to rehabilitate single-family properties (City of Muncie)
- Assist existing owners and investors to update their housing
 - Develop additions or expansions to existing small units (TBD)
 - Add porches, awnings, and other amenities (TBD)
 - Update appliances and improve energy efficiency (TBD)
 - Provide design assistance for painting, upgrading, and cosmetic improvements (TBD)
- Create affordable housing for homeownership & rental
 - Purchase, rehab, & sell vacant housing (Whitely Community Council and ecoRehab)
 - Construct new, affordable housing (TBD)
 - Purchase, rehab, and rent housing (Bridges Community Services, Inc.)
 - Establish Land Bank (using City's EDIT funds) to help consolidate parcels for redevelopment, public amenities, and larger home lots
- Increase the amenity value of target neighborhoods
 - Complete extensive park improvements (City of Muncie, CDBG funds)
 - Repair and rehabilitate recreation equipment, mechanicals, and systems
 - Install pedestrian amenities, such as hiking/walking paths
 - Plant trees and administer Urban Forestry Program
 - Enhance signage and wayfinding
 - Develop public art & cultural programs and art infrastructure
 - Assist with neighborhood festivals and community groups
 - Install specialty features based on park planning & design
 - Extend pedestrian and bicycle greenways and paths (public-private partnerships)
 - Enhance/develop high-quality recreation and community facilities as anchor neighborhood amenities (public-private partnerships)

In addition, the City of Muncie (Community Development Dept.) will continue to utilize the City's Neighborhood Stabilization Program (NSP) funds to remove blighted structures in census tracts 1, 2, 3, 4, and 6, and will use CDBG funds to remove blighted structures in census tract 12 and other areas as appropriate. However, the City will now ensure that demolitions occur within the context of a comprehensive neighborhood stabilization plan, including consideration of housing replacement, lot consolidation, historic context preservation, housing upgrade, public amenity development, streetscape, and other approaches to enhancing overall neighborhood competitiveness.

Target Quantities

The exact number of households and housing units to be targeted within these tracts will be determined based in part on a neighborhood stabilization or revitalization plan. Comprehensive Housing Affordability Strategy (CHAS) data suggest a total of 8,244 households with housing

problems in the city of Muncie, accounting for 44.5% of all households. Of these, 2,902 are rental households and 952 are homeowners with extremely low incomes below 30% of AMI. Another 2,566 are rental households and 636 are homeowners with very low incomes of 30% to 50% of AMI.

Finally, 537 are rental households and 651 are households with low incomes of 50% to 80% of AMI. Altogether, the city may have 6,005 rental households (72.8%) and 2,239 homeowners (27.2%) with housing problems. Target goals within each of the six key census tracts will be allocated based in part on housing needs within each of those tracts, as well as on block-by-block approaches for revitalization and redevelopment.

2. Describe the reasons for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) during the next year and the rationale for assigning the priorities. 91.215(a)(1): Required in Strategic Plan

PY 2010 Action Plan Geographic Distribution/Allocation Priorities # 2 response:

CDBG and HOME funding will be targeted to the six core census tracts identified as 1, 2, 3, 4, 6 and 12. As noted earlier, these tracts were identified based on an analysis of demographic and housing indicators when compared with the city as a whole, including several factors which are disproportionately higher than the rest of the city, as noted in italics/red text. For example, all target tracts have a disproportionately higher percentage of very low income persons, minorities, currently vacant units, older housing stock, and foreclosure risk. Together, these six tracts exhibit a relatively high concentration of housing risk factors that are acting to de-stabilize key neighborhoods near the heart of the city. A summary of the analysis of these factors is provided below, followed by a discussion of each of the targeted census tracts.

Table 1.		Target Census Tracts Measured Against Key Demographic and Housing Indicators, Muncie, Indiana					
Factor	Citywide	Tract1	Tract2	Tract3	Tract4	Tract6	Tract12
% Very Low Inc.	17.0%	<i>41.6%</i>	<i>23.1%</i>	<i>26.2%</i>	<i>29.9%</i>	<i>34.6%</i>	<i>21.8%</i>
% Minority	13.3%	<i>28.7%</i>	<i>21.2%</i>	<i>85.1%</i>	<i>21.6%</i>	<i>14.1%</i>	<i>73.3%</i>
% Senior	13.4%	6.3%	8.8%	<i>16.5%</i>	5.1%	9.3%	<i>15.9%</i>
% 1-Parent HH	13.0%	7.9%	<i>17.0%</i>	<i>18.2%</i>	<i>17.4%</i>	10.5%	<i>19.8%</i>
% Vacant-2000	9.5%	<i>24.9%</i>	<i>22.9%</i>	<i>22.2%</i>	<i>22.8%</i>	<i>22.6%</i>	9.3%
% Vacant-2010	11.5%	<i>29.0%</i>	<i>37.0%</i>	<i>27.5%</i>	<i>30.3%</i>	<i>26.9%</i>	<i>17.0%</i>
Change in Vacancy	21.7%	16.5%	<i>61.2%</i>	<i>23.9%</i>	<i>33.0%</i>	19.1%	<i>83.3%</i>
Renter Occupancy	45.5%	<i>95.9%</i>	<i>66.7%</i>	35.0%	<i>62.4%</i>	<i>79.9%</i>	<i>51.3%</i>
Built Before 1940	23.2%	<i>60.7%</i>	<i>60.5%</i>	<i>48.5%</i>	<i>59.9%</i>	<i>56.0%</i>	20.8%
Foreclosure Risk	8.77%	<i>10.00</i>	<i>10.00</i>	<i>10.00</i>	<i>10.00</i>	<i>10.00</i>	<i>10.00</i>
HMDA High Cost	50.4%	33.3%	47.4%	<i>61.0%</i>	<i>55.6%</i>	<i>55.2%</i>	<i>55.4%</i>
Foreclosure Rate	14.5%	10.6%	14.0%	<i>17.4%</i>	<i>16.1%</i>	<i>16.0%</i>	<i>16.0%</i>
>30% Hsg Costs	16.4%	0.0%	<i>23.9%</i>	<i>40.3%</i>	<i>33.7%</i>	<i>22.3%</i>	<i>17.1%</i>
Sources:	U.S. Bureau of the Census; U.S. Postal Service; Home Mortgage Disclosure Act; and Randall Gross / Development Economics.						

See racial/ethnic demographics for the city on page 25 and maps of Census Tracts in Appendix A.

Tract 1. Tract #1 (Gilbert Historic neighborhood) includes the downtown area of Muncie. Housing is predominately renter-occupied, some of it in multi-family buildings, so there are few homeowners with housing problems. However, the area has a high percentage of very low-income residents. Housing vacancy is very high, at almost 30% (compared with 11.5% citywide). Vacancy has increased, but not as quickly as in the city as a whole. A very high share of the housing stock in this area was built prior to 1940, since this is the oldest part of Muncie. Some of the housing in this area is of historic value.

Tract 2. Tract 2 (East Central and McKinley neighborhoods) also has a high percentage of housing built before 1940, with one of the city's designated historic districts. In addition, this area also has high rental tenure and an extremely high vacancy rate (37%). In fact, housing vacancy may have increased by as much as 61% since 2000. Foreclosure risk among homeowners is rated at 10, and nearly 24% of all Tract 2 households paid more than 30% of their income to housing costs. There is also a high share of very low-income households and 1-parent families in Tract 2.

Tract 3. Tract 3 (Industry neighborhood) is the only one of the six target tracts that has a higher than average homeownership rate. However, homeowners in this area are highly leveraged. The tract has a high HMDA average loan cost and predicted foreclosure rate. Nearly 50% of housing here was built prior to 1940. Over 40% of the households within the Industry area are paying more than 30% of their incomes in housing costs. Foreclosure risk is at 10. This is a significant housing burden. Housing vacancy is high, especially for a largely owner-occupied sub-market, at about 28%. More than 26% of the households are in the very low income category, and more than 18% of households in this minority neighborhood are headed by a single parent. There is also a relatively high proportion of seniors in Tract 3. The area does have an important amenity, Heekin Park, which can be enhanced as an anchor for the community.

Tract 4. Tract 4 (South Central neighborhood), like the others, also has a foreclosure risk rating of 10, with 61% at HMDA high loan costs and 16.1% predicted foreclosure rate. More than one-third of households are paying over 30% of income in housing costs. Nearly 60% of housing was built prior to 1940 and is therefore more susceptible to maintenance issues. Housing vacancy in this tract is the highest in the city, at more than 30%. Almost 30% of households in this area have very low income. More than 17% of households are headed by single parents.

Tract 6. Tract 6 (Old West End neighborhood) is dominated by renter households, much of which found in single-family houses. Among owned housing, foreclosure risk is rated at 10, high cost loans account for more than 55%, predicted foreclosure rate at 16%, and more than 22% paying over 30% of income to housing. Housing vacancy is estimated at nearly 27%. Very low income households account for nearly 35% of all Tract 6 households.

Tract 12. Tract 12 (Whitely neighborhood) has similar housing risk factors to those in Tract 6. Foreclosure risk is rated at 10, about 55% of owner households have high-cost loans, and there is a predicated foreclosure rate of 16%. Vacancy rates increased dramatically between 2000 and 2010. The predominately minority population of Whitely has a relatively high proportion of seniors and single-parent households compared with the city-wide average.

Housing and neighborhood revitalization programs will be targeted to these six census tracts. In addition, specific projects will be identified within these areas based on need (e.g., to address unsafe, unsanitary, and dangerous conditions; to repair dilapidated or deteriorated infrastructure).

3. Describe the actions that will take place during the next year to address obstacles to meeting underserved needs. 91.220(d) and 91.220(k)

PY 2010 Action Plan Geographic Distribution/Allocation Priorities # 3 response:

Perhaps the greatest obstacle faced by the City of Muncie in meeting underserved needs is the mismatch between the scale of problems versus the resources to address and combat those problems. It remains critical for Muncie to target resources and establish greater efficiency in use of funding. The City aims to maximize the use of funds by strengthening its collaborative partnerships with successful non-profits and by leveraging private-sector investment. The City is reducing the number of subrecipient providers and consolidating resources in an attempt to create efficiencies, reduce overheads, and deliver better economies of scale. In doing so, there can be more measurable results.

The City will also focus resources to specific geographic areas within the targeted census tracts in a way that will build on key strengths and create more synergies for leveraging partnerships with the

private sector. Comprehensive neighborhood stabilization or revitalization plans will be established to help guide and focus resources on a block-by-block basis to where there is the greatest opportunity for broader neighborhood revitalization. Furthermore, the City has been working closely with disability advocates, meeting bi-monthly, to ensure that City buildings, streets and sidewalks are in compliance with Americans with Disabilities Act requirements.

Another major obstacle in addressing underserved needs is a lack of clear data regarding the housing needs of persons with disabilities. During the past program year, Muncie Housing Authority housed the only person with a disability who was on a waiting list for public housing. While a survey could be taken by calling all subsidized housing facilities in Muncie to inquire about disabled persons on their waiting lists, confidentiality restrictions would prevent an unduplicated count. In other words, there would be no way to ensure that the same persons were not being counted at every facility. Regardless of these concerns, proposals submitted for HOME funds will be given preference if they include development of units that will accommodate persons with special needs.

Sources of Funds:

4. Identify the federal, state, and local resources the jurisdiction expects to receive to address the needs identified in the plan to include grant funds and program income. Federal resources should include Section 8 funds made available to the jurisdiction, Low-Income Housing Tax Credits, and competitive McKinney-Vento Homeless Assistance Act funds expected to be available to address priority needs and specific objectives identified in the strategic plan. 91.220(c)(1) and 91.220(c)(2)

PY 2010 Action Plan Sources of Funds # 4 response:

The City expects to receive the following resources:

Community Development Block Grant	1,573,841
HUD HOME	671,117

Section 8 funds are awarded to and administered by the Muncie Housing Authority; various funding sources, such as low income housing tax credits, are utilized in projects partially funded by the City of Muncie, but awards are made to developers of the projects, not directly to the City of Muncie. Please see leveraged funds in item 6 below.

5. If the jurisdiction plans to dedicate funds within a local targeted area, provide the boundaries of the targeted area and an estimate of the percentage of funds it plans to dedicate to target area(s). 91.220(f)

PY 2010 Action Plan Sources of Funds # 5 response:

Maps showing geographic boundaries of Census Tracts 1, 2, 3, 4, 6, and 12 are in Appendix A. All HOME funds available for rental development will be targeted for these Census Tracts. Rehabilitation of Jackson-Vine Apartments in Census Tract 2 will invest \$311,526 in prior year HOME funds and \$501,839 in Neighborhood Stabilization Program funds in 2010-2011.

Also, a request for proposals will be released in May of 2010, with \$700,000 in unobligated prior year HOME funds for one or more rental development projects in the identified areas, to be completed in 2010. Subsequent requests for proposals for HOME funds will also be targeted for the above areas.

In PY2010, CDBG funds will mill and pave streets in Census Tract 3 (Willard from Macedonia to Burlington) and throughout Census Tract 6, and will be used to replace roofs and make emergency repairs to owner-occupied units in Census Tracts 1, 2, 3, 4, 6, and 12.

PY2010 funds will be spent on capital improvement projects and clearance activity calculated by taking the total CDBG allocation minus Planning and Administration minus Public Services as follows:

Total CDBG PY2010 allocation	1,573,841.00
minus Planning and Administration	(247,436.00)
minus Public Services	(130,000.00)
Total capital improvement & clearance projects	1,196,405.00

PY2010 CDBG Appropriated for Target Areas	
Street Improvements	274,276.56
Christian Ministries HVAC (CT 1)	135,954.00
Single-family Roof Replacement	104,339.60
Single-family Emergency Repairs	60,000.00
Clearance estimate for CT 12	30,000.00
Façade Restoration Bond (CT 1)	198,000.00
Total	802,570.16
As percent of project appropriation	67%

It should be noted that additional funds not included above will be spent to improve Heekin and McCulloch Parks, which are not located in the target census tracts, but serve the citizens in those areas.

6. Explain how federal funds will leverage resources from private and non-federal public sources. 91.220(c)(2)

PY 2010 Action Plan Sources of Funds # 6 response:

The City of Muncie will use CDBG and HOME funds to leverage resources from private and non-federal public sources as summarized below:

Subrecipient Projects	CDBG/ HOME	Other Federal	State	Local Gov't	Private	Fees, Dues, etc.	Total	% Fed.
Alpha Center	10,000	27,000	35,000	27,000	1,055	85,048	185,103	20%
Bridges Community Service	30,000	398,043	62,945	0	92,000	105,616	688,604	62%
Buley Community Center	10,000	0	3,600	0	20,170	2,250	36,020	28%
Gateway Health Clinic	12,000	2150	0	0	78,178	0	92,328	15%
MPD/Victim Advocate	15,000	0	47,111	26,000	3,000	0	91,111	16%
Rebuilding Together	60,000	0	0	0	35,000	0	95,000	63%
Senior Citizen Center	25,000	0	0	0	13,540	0	38,540	65%
TEAMwork Circles™	18,000	24,625	0	0	17,763	375	60,763	70%
Thomas Pk-Av/Ross Ctr	10,000	0	0	0	0	10,300	20,300	49%
Total CDBG	190,000	451,818	148,656	53,000	260,706	203,589	1,307,769	49%
Downpayment Assistance	124,000	0	0	0	1,692,000	0	1,816,000	7%
CHDO Projects	100,668	0	0	0	33,556	0	134,224	75%
Rental Development	469,782	0	0	0	469,782	0	939,564	50%
Total HOME	694,450	0	0	0	2,195,338	0	2,889,788	24%

Above HOME leveraged amounts are estimated, as private and non-federal funds will be determined as development contracts are awarded during PY2010.

7. Provide a description of how matching requirements of HUD's programs will be satisfied. 91.220(c)(2)

PY 2010 Action Plan Sources of Funds # 7 response:

CDBG has no matching requirements. The City's match for HOME funds has been waived by HUD due to economic factors in Muncie.

8. 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. 91.220(c)(2)

PY 2010 Action Plan Sources of Funds # 8 response:

CDBG funds will continue to improve City of Muncie parks serving low/mod areas, including Cooley Park (serving Census Tracts 14, 15 and part of 21), Heekin Park (primarily serving Census Tracts 3, 4, 13 and 15), McCulloch Park (primarily serving Census Tracts 2 and 12), Thomas Park (primarily serving Census Tracts 4, 5 and 16), and Tuhey Park (located in Census Tract 7 but serving low-income persons city-wide). Projects will be selected from the Master Park Plan completed in 2009 <http://www.co.delaware.in.us/egov/apps/directory/list.egov?path=divs&action=202&fDD=21-202>. The City will complete the new Urban Park in downtown Muncie (Census Tract 1) in 2010 using HUD Economic Development Initiative earmark funds, with oversight by the Urban Park Committee and the Park and Recreation Department Superintendent.

In partnership with the Muncie Housing Authority, the City of Muncie will use HOME funds and Neighborhood Stabilization Program funds from Indiana Housing and Community Development Authority to demolish deteriorated public housing units at Parkview Apartments (Census Tract 12), and will redevelop the site with single-family homeownership units and an eight-unit multi-family apartment building. Maps, house plans, and project documents may be reviewed at <http://www.cityofmuncie.com/index/office/CD/NSP.asp>.

Another collaborative project with the Muncie Housing Authority will renovate the former Garfield Elementary School, recently acquired by MHA, for creation of the Unity Center in the northwest corner of Heekin Park at South Madison and East 9th Streets. Phase I of the project will use \$109,347 in CDBG funds from prior fiscal years and \$334,000 in Economic Development Initiative Special Project earmark grant funds for interior modifications to facilitate a childcare center, outdoor play areas, and administrative offices for several non-profit agencies.

The City of Muncie has established a Land Bank to be comprised of properties deeded to the land bank from Delaware County Commissioners following a special "vacant and abandoned properties" tax sale. The Land Bank will be used for the purpose of neighborhood revitalization as follows:

- Consolidation and expansion of residential lots to enhance overall marketability and neighborhood competitiveness.
- Consolidation of lots for redevelopment of affordable, mixed-use, and market-rate housing.
- Consolidation of lots/public land for creation of public or community amenities such as parks and open space, paths, greenways, trails, public art, street widening/ traffic circles, community centers, cultural facilities, education facilities, etc.
- Creation of sites for commercial/mixed-use development that adds amenity value to the community

The Land Bank will be guided by the recommendations from a comprehensive neighborhood stabilization or revitalization plan, which shall target specific sub-areas within the targeted census tracts where there is a need not only for demolition of vacant and dilapidated housing, but also where such sites are appropriate for land assembly for the purposes noted above. The map in Appendix A illustrates planned demolitions that are consistent with the geographic targets and objectives stated herein. The City will also ensure a partnership in collaboration with Delaware

County, which takes ownership of land through tax deed and would otherwise sell such property at fair market value.

Managing the Process

9. 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. 91.220(k)

PY 2010 Action Plan Managing the Process # 9 response:

This 2010-2014 Five-Year Consolidated Plan was developed by the City of Muncie Community Development Department, in collaboration with the various non-profit agencies and service providers that target their resources to the City's key objectives. The City conducted a review of past efforts, goals, targets, and accomplishments to establish a baseline. The City's consultants also prepared an assessment of demographic, economic, and housing indicators; established geographic targets; and identified gaps in programming to address key deficiencies. Various non-profit agencies and service providers established internal targets, which were then reviewed by the City and selected for their ability to meet the City's objectives.

Local non-profit agencies in the Homeless Provider's Network meet monthly to discuss common issues, such as legislation, funding opportunities, continuum of care, and best practices in serving the homeless. HPN provided information and narrative for the Homeless section below.

Continuing a well-established process, the Mayor appointed a Citizen Advisory Committee (CAC) to review applications for CDBG public service activity funds. The make-up of CAC was diverse in income, race, gender, and residence, and included a disability advocate. CAC included the following persons:

Monty Brooks	Roni Johnson	Brad Polk	Diane Curtis
Janice Roddoch	Linda Muckway	Mike King	Jennifer LaPrees

CAC met February 23, 2010, and the Community Development Director reviewed and discussed HUD's national objective to benefit low- and moderate-income persons, local primary objectives, CD staff monitoring responsibilities, and potential conflicts of interest of the group. The CD Director also reduced the number of subrecipients and the total funds awarded for public service activities. CAC reviewed applications and developed funding recommendations for the Mayor, which she accepted without amendment.

10. Describe actions that will take place during the next year to enhance coordination between public and private housing, health, and social service agencies. 91.220(k)

PY 2010 Action Plan Managing the Process # 10 response:

The City of Muncie will continue ongoing collaborative relationships with local public and private housing and social service agencies through active participation of City staff serving on boards, committees, and coalitions (often by Mayoral appointment) working to improve the community in the areas of health, housing, and social services.

In 2010, the City will continue to partner with Ball State University by utilizing student interns in various departments and by participating in immersive learning projects when possible, such as ecoRehab's project described herein. The City will partner with Delaware-Muncie Metropolitan Plan Commission, Ball Brothers Foundation, Ivy Tech Foundation, and others to update the comprehensive plan (and the 2010-2014 five-year consolidated plan), which will identify, prioritize, and address needs in a manner that makes the best use of local resources, creates visual impact, encourages economic development, and improves the quality of life of Muncie residents and visitors.

The City will continue to partner with Muncie Housing Authority and non-profit Affordable Housing and Development Corporation to complete the Parkview Homes project described in item 8 above.

The Community Development Director will continue to meet quarterly with the Funders' Forum to ensure that funding from local sources is coordinated and leveraged for the greatest impact throughout the community. Funders' Forum sessions typically include representatives of Altrusa Foundation, Ball Brothers Foundation, Ball Memorial Hospital Foundation, Community Foundation of Muncie and Delaware County, Gannett Foundation, George and Frances Ball Foundation, Muncie Community Development Department, Psi Iota Xi, United Way of Delaware County, Zeigler Foundation, and Tri Kappa.

Citizen Participation

11. 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. 91.220(b)

PY 2010 Action Plan Citizen Participation # 11 response:

A notice was published in the StarPress on March 15 announcing a public hearing in the City Hall auditorium at 6:00 p.m. on March 30, 2010, for the purpose of reviewing and commenting on the draft 2010-2014 Consolidated Plan/FY2010 Annual Action Plan. The notice included a budget summary for CDBG and HOME funds; announced that the Plan will be posted on the CD webpage; that copies of the plan were made available at Muncie Public Libraries and Community Development Department; and that comments could be submitted by email, phone, in person, by fax, or by postal service. A notice of the meeting was included in 31 emails distributed to agencies that had applied for FY2010 funding.

A public hearing was conducted March 30 at City Hall to provide opportunity for comment on the Consolidated Plan, and six persons attended.

At the City Council meeting April 5, 2010, the CD Director presented a resolution authorizing Mayor Sharon McShurley to submit the Plan, and citizens were offered the opportunity to comment. No citizens commented on the resolution. The Director further announced that the Consolidated Plan/Annual Action Plan could be reviewed online and comments could be submitted to CD until April 14.

The comment period was March 15 through April 14, 2009.

The CDBG application process and forms included a one-page pre-application to determine eligibility of proposed projects and applicants, an electronic fillable five-page application form, and electronic submission of pre-applications and applications. Technical assistance was provided by the CD Director and other staff to applicants on an individual basis as requested or as needed. Most applicants were familiar with the process and found the forms to be reasonably simple and self-explanatory; only a few applicants had minor questions and problems regarding required information.

According to Community Development Department's Citizen Participation Plan, the Consolidated Plan process involves additional citizen participation when a substantial amendment is proposed, which includes "activities that constitute a 100% change in an activity or a new activity not presented in the original Consolidated Plan one-year action plan submitted." During PY2010, CD staff will update the Citizen Participation Plan, which has been static for many years, to provide specific criteria for determining the need for citizen input and an improved strategy for notifying citizens regarding opportunities for involvement in indentifying needs and activities, and monitoring progress, particularly in light of ever-increasing social networking media and diminishing newspaper circulation.

12. Provide a summary of efforts made to broaden public participation in the development of the consolidated annual plan, including outreach to minorities and non-English speaking persons, as well as persons with disabilities. 91.220(b)

PY 2010 Action Plan Citizen Participation # 12 response:

There were many opportunities for Muncie citizens to participate in the development of the Consolidated Plan, especially in identifying community needs and visioning what would make Muncie better. The City of Muncie partnered with Ivy Tech Community College (with funding from Ball Brothers Foundation) to develop the Muncie Action Plan, which is much broader in scope than this Consolidated Plan, but the public participation was critical in providing the foundation for creating goals and strategies included in both Plans.

The Muncie Action Plan process was driven by a diverse steering committee of about 35 energetic citizens representing broad interests that exist in the community, whose individual networks were crucial to the "tsunami of information" released about Idea Workshop opportunities. Dissemination of workshop notices was unprecedented, involving flyers, posters, radio ads, newspaper articles, letters to the editor, and editorials, church bulletins, newsletters, speakers at various civic group meetings, emails, and various electronic social media.

Between December 1st and December 3rd, 2009 six Idea Workshops were conducted for the Muncie Action Plan process. The workshops attracted over 600 participants, plus eight Youth Council volunteers and 10 registration volunteers; 86 small group facilitators were trained. Based on the characteristics of participants at these workshops, the Steering Committee decided to organize a series of "gap" workshops to gather input from specific underrepresented segments of the Muncie population. Three of these "gap" sessions were held in January, 2010.

The January workshops were intended to engage segments of the Muncie population that were proportionally underrepresented during the initial round of workshops in December. These sessions specifically sought to gather additional input from African Americans, young adults (aged 25-44), low income citizens (those with household incomes below \$40,000) and those with low levels of education (who do not have college degrees). It was not expected that this additional participation would make the overall characteristics of participants in the Muncie Action Plan process proportional to Muncie's demographics. These additional 80 participants had only a slight impact on the overall characteristics, yet they provided strong evidence that the Plan process engaged a substantial cross section of the Muncie population.

Consultants analyzed and assembled citizen comments into themes/topics and test goals, and presented the findings at a Community Choices workshop on March 16, 2010. More than 300 persons confirmed the findings and then worked in small groups to brainstorm action ideas for an assigned Muncie Action Plan topic. ("Actions" are defined as a program, policy, or project.) The Community Choices workshop ended with each group identifying three priority actions for their topic.

The Steering Committee has subsequently worked many hours in small Action Groups to further identify at least three priority actions, identify who is currently working on the action, who should be working on it, and how soon the action should/could be implemented. The Muncie Action Plan is expected to be completed and presented to the public for review in June, 2010.

For more information about the above process, see the Muncie Action Plan webpage at <http://www.cityofmuncie.com/index/office/MAP.asp>

13. Provide a summary of citizen comments or views on the plan. 91.220(b)

PY 2010 Action Plan Citizen Participation # 13 response:

At the public hearing conducted March 30, one attendee commented that homeownership is important in stabilizing neighborhoods, and although downpayment assistance is very helpful in that regard, operating expenses for providing homeownership education and counseling need financial support, as well. No other comments were submitted during the comment period.

14. Provide a written explanation of comments or views not accepted and the reasons why these comments or views were not accepted. 91.220(b)

PY 2010 Action Plan Citizen Participation # 14 response: No comments were rejected.

Institutional Structure

15. Describe the actions that will take place during the next year to develop institutional structure. 91.220(k)

PY 2010 Action Plan Institutional Structure # 15 response:

A multitude of public and non-profit entities serve the needs of Muncie residents. Many organizations and coalitions exist to ensure that the services are comprehensive in nature and that duplication of services is minimized. However, as funding resources dwindle, it is ever more critical that providers strive to work more efficiently, and better coordinate delivery of services. In fact, local funding agencies, such as Community Foundation and United Way, have examined and updated funding priorities, and made changes in application review and funding processes to better determine which agencies meet those priorities.

Non-profit Capacity-building

Muncie has a strong need to develop capacity for organization and leadership in its neighborhoods. At the same time, the recently funded Weed & Seed program is also seeking to foster neighborhood organization and participation. **Citizens who participated in input sessions for the Muncie Action Plan identified as a top priority the creation and strengthening of viable neighborhood associations and a council of neighborhoods that would provide opportunities to network and participate more fully in community revitalization and government processes.** To this end, the CD staff will forge partnerships with Ball State University, Ivy Tech College, United Way, and others to provide training and leadership opportunities for neighborhood groups, non-profits, **and organizations representing racial/ethnic minorities and persons with disabilities,** with the goal of strengthening and stabilizing organizational capacity **in order that citizens may participate more fully in planning, implementing, monitoring, and evaluating CDBG, HOME and other programs.**

The City has begun the process of establishing a land bank, which has the potential to make vacant houses available to non-profits for rehabilitation. For example, Whitely Community Council was awarded funds in FY2009 for acquisition and rehabilitation of vacant house in the Whitely neighborhood. Several churches located in Muncie's inner-city neighborhoods are being encouraged to become directly involved in revitalizing the city by forming community-based development organizations, as well.

Coordination of Economic Development Strategy

The City's economic development strategy is focused primarily on attracting businesses to the community. The City of Muncie's Mayor McShurley works closely with the Muncie-Delaware County, Indiana Economic Development Alliance, comprised of the Muncie-Delaware County Chamber of Commerce, Delaware Advancement Corporation, Muncie Redevelopment Commission, Delaware County Redevelopment Commission, Muncie Economic Development Commission, and Delaware County Economic Development Commission. The primary goals of the Alliance include expansion and retention of existing businesses; attracting new businesses and expanding the tax base; marketing and recruiting tech/knowledge-based businesses; marketing and promoting the local medical community and agri-business; downtown development; coordinating community and regional resources to generate economic growth; promoting internally and externally a positive "quality of life" image of Muncie-Delaware County; and strengthening workforce education.

Local government can perhaps best assist in economic development efforts by revitalizing the city's physical environment to retain and attract businesses and an educated, highly skilled workforce. Businesses and citizens want to locate in cities with sound housing stock and infrastructure, attractive

gateways and corridors into the city, and beautiful, family-friendly recreational areas. To that end, the City's Public Works and Community Development Departments, the Muncie Sanitary District, and the Muncie Redevelopment Commission are coordinating infrastructure improvements, including streets, curbs, sidewalks, and sanitary and storm sewers. The work is also coordinated with utility companies who are making improvements in the same neighborhoods.

CDBG funds continue to make the annual bond payment for the Façade Restoration Program that renovated 11 downtown properties in 2004, which has subsequently generated approximately \$11 million of private investment in other downtown properties. The work boosted economic development by transforming the central city into an entertainment, retail, and cultural destination.

The City has collaborated with Ivy Tech Community College in creating the Muncie Action Plan, which partly focuses on Ivy Tech's plan to relocate to the Fisher Building in downtown Muncie. Ivy Tech has already leased a portion of the Patterson Building, also downtown, for its School of Culinary Arts. These Ivy Tech investments are expected to have a positive impact on the revitalization of downtown, potentially bringing up to 5,500 students and 600 faculty and staff. Although Ivy Tech serves primarily a commuter population, the concentration of activity during the day and evenings will help strengthen the market for retail, restaurants, entertainment, and services.

Addressing the goal of a positive quality of life image, CDBG funds are improving City parks with new playground equipment and upgrades to streets, parking facilities, landscaping, and recreational features such as baseball diamonds. City Council provides tax abatements for new housing construction in the city, and HOME funds are rehabilitating existing residential and other structures for rental housing, thus improving the quality and appearance of the housing stock. CDBG and Neighborhood Stabilization Program funds are removing blighted structures in target areas, which will improve neighborhood aesthetics and property values, and provide green space for community gardens and pocket parks. Vacant lots will also be marketed through the City's land bank for residential and commercial redevelopment. Community Development and Muncie Redevelopment Commission staffs are collaborating on brownfields remediation and redevelopment efforts.

Monitoring

16. Describe the actions to be taken that will take place during the next year to monitor their performance in meeting goals and objectives set forth in your Consolidated Plan. 91.230

PY 2010 Action Plan Institutional Structure # 16 response:

Each CD staff member prepares a weekly report for the Director, and a staff meeting is conducted weekly to discuss progress and resolve problems on project activities. A new progress chart has been developed for each type of funded activity, with itemized benchmarks relevant to the type of project. For example, a construction project would include benchmarks such as specifications developed, bid packets completed, legal ad published, pre-bid conference conducted, bids opened, contracts awarded, contracts signed, construction 25% completed, and so forth until the project is completed and all accomplishment data is entered in the HUD tracking system. The chart is posted in the office and is accessible to CD staff as a spreadsheet; dates of accomplishment will be entered on the chart and spreadsheet by project managers as each step is completed, and the CD Director will monitor the progress of each project. The spreadsheet will be available to the public as requested.

The CD Director will also access reports in the HUD tracking system to ensure accomplishments are entered and projects are officially completed in a timely manner.

17. Describe the steps/actions to be taken during the next year to ensure compliance with program requirements, including requirements involving the timeliness of expenditures. Note: If timeliness of expenditures is an issue, please make sure the grant award letter includes language regarding appropriate actions the grantee should take to remedy this problem. 91.230

PY 2010 Action Plan Institutional Structure # 17 response:

CD staff have developed project-specific procedures, checklists, and forms that ensure compliance with all program requirements, and staff have assigned areas for which they are responsible in administering activities, such as environmental review, labor standards, specification development, competitive bidding and contracting, financial management, recordkeeping, and reporting. CD staff will continue to use established file organization systems that simplify project management and monitoring efforts.

All contract templates have been reviewed by City attorneys to ensure relevant requirements are specified, and substantive amendments will be likewise reviewed. Project managers will continue to conduct mandatory pre-bid conferences to explain requirements to potential bidders, and will be monitored by staff during the duration of the contracts.

Regarding timeliness of expenditures, CD staff will continue to review CDBG balance statements and the HOME Deadline Compliance Status Report monthly to discover shortfalls in commitment and disbursement of funds, and will communicate with staff administrators and subrecipients as necessary to identify and resolve problems with program implementation. If a shortfall is identified in HOME commitments, CD staff will solicit proposals from profit and non-profit developers to ensure funds are obligated by HUD deadlines.

18. Describe the steps/action you will use to ensure long-term compliance with housing codes, including actions or on-site inspections they plan to undertake during the program year. 91.230

PY 2010 Action Plan Institutional Structure # 18 response:

CD staff will continue to conduct Housing Quality Standards (HQS) inspections of all housing rehab activities funded by the CDBG and HOME programs, including annual HOME period of affordability inspections. HOME-assisted units occupied by participants in Muncie Housing Authority's Section 8 program will not be inspected by CD staff, but a copy of the annual Section 8 HQS inspection report for the unit will be obtained by the HOME Coordinator and placed in the appropriate HOME file.

Code compliance inspections will be conducted by the City of Muncie Building Commissioner's staff; heating ventilating and air-conditioning (HVAC), electrical, plumbing and structural inspections will be made during and after all major projects that require building permits. Rehab of vacant houses shall be issued a Certificate of Occupancy by the Building Commissioner prior to being occupied, with a copy placed in the file.

19. Describe the 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. 91.230

PY 2010 Action Plan Institutional Structure # 19 response:

The City of Muncie has long-standing partnerships with many non-profit organizations in implementing CDBG-funded projects via subgrantee contracts. Subgrantee contracts include detailed information regarding all local, state and federal requirements, the duration of the contract, CDBG/HOME fund budgets, expectations in terms of quantified performance measurements, such as specific services to be offered each quarter, description of the target population, and the expected outcome, units expected to be completed, forms for collecting and reporting demographics and other data, and forms for submitting claims for reimbursement of eligible expenses. CD staff perform ongoing monitoring by reviewing reporting forms submitted for monthly reimbursement, comparing reported accomplishments with goals stated in the contract.

In order to ensure compliance with all contract terms, CD staff will complete at least one on-site monitoring visit per year at each subgrantee site, and more often as needed for new subgrantees or those with prior monitoring findings. A system of risk analysis has been implemented to establish the

risk associated with each project to determine the intensity and number of site visits required, if beyond the initial visit. CD staff will review overall program implementation procedures and subgrantee financial systems, including a test of reasonableness of expenditures, and client and project files will be examined for completeness. CD staff will work closely with subgrantees to improve their capacity to perform effectively, as needed.

HOME subrecipients are also monitored at least once annually for compliance with contract terms and performance standards. Subgrantee monitoring has been a matter of concern to HUD monitors and Indiana State Board of Accounts auditors in past years so monitoring visits are scheduled at the time of contract execution, typically June 1 of the fiscal year. The HOME Coordinator schedules the three current HOME subrecipients for monitoring one each in October, November and December, allowing 30 days to analyze information gathered at the visits, prepare timely reports, and provide additional technical assistance to resolve any findings.

The HOME Coordinator will also complete monitoring visits to entities who received HOME funds, as long as the project is within the period of affordability. Monitoring is determined by the number of units assisted with HOME funds. On-site inspections of HOME-assisted developments are required no less than every three years for projects of one to four units; every two years for projects with five to 25 units; and annually for projects with 26 or more units. Monitoring consists of determining compliance with applicable property standards; verifying information maintained by property owners concerning leases, tenant incomes, rents and utility allowances; and verifying compliance with provisions of written agreements.

Description of Activities

** If using the CPMP Tool: Complete and submit the Projects Worksheets and the Summaries Table.*

20. 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. This description of activities shall estimate the number and type of families that will benefit from the proposed activities, the specific local objectives and priority needs (identified in accordance with Sec. 91.215) that will be addressed by the activities using formula grant funds and program income the jurisdiction expects to receive during the program year, proposed accomplishments, and a target date for completion of the activity. 91.220(d) (Use of the Summaries Table and Project Worksheets or Table 3C/2A will be sufficient. No additional narrative is required.)

PY 2010 Action Plan Description of Activities # 20 response:

Please see Project Worksheets in Appendix C and Tables in Appendix D.

Summary of Specific Annual Objectives and Outcome Measures

** If using the CPMP Tool: Complete and submit the Summary of Specific Annual Objectives Worksheets or Summaries.xls*

21. Provide a summary of specific objectives that will be addressed during the program year. 91.220(c)(3) (Use of the Summaries Table and Project Worksheets or Table 3C/2A will be sufficient. No additional narrative is required.)

PY 2010 Action Plan Summary of Specific Annual Objectives and Outcome Measures #21 response:

Please see Tables in Appendix D.

22. Describe the Federal Resources, and private and non-Federal public resources expected to be available to address priority needs and specific objectives during the program year. 91.220(c)(1)

(Use of the Summaries Table and Project Worksheets or Table 3C/2A will be sufficient. No additional narrative is required.)

PY 2010 Action Plan Summary of Specific Annual Objectives and Outcome Measures #22 response:

Please see Tables in Appendix D, and leveraging table on page 7.

23. Describe the outcome measures for activities in accordance with Federal Register Notice dated March 7, 2006, i.e., general objective category (decent housing, suitable living environment, economic opportunity) and general outcome category (availability/accessibility, affordability, sustainability). 91.220(e) (Use of the Summaries Table or Table 2C/Table 3A will be sufficient. No additional narrative is required.)

PY 2010 Action Plan Summary of Specific Annual Objectives and Outcome Measures #23 response:

Please see Tables in Appendix D.

HOUSING

Annual Affordable Housing Goals (91.220(g))

** If using the CPMP Tool: Complete and submit the Table 3B Annual Housing Completion Goals.*

24. 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. 91.220(g)

PY 2010 Action Plan Affordable Housing Goals # 24 response: See Table in Appendix D.

•Annual Affordable Rental Housing: HOME funds will rehabilitate 12 existing vacant rental housing units, two of which will be completed by a CHDO. **The incomes of tenants occupying HOME-assisted rental units may not exceed 60% of the Area Median Income (AMI) based on the household size, and projects with five or more HOME-assisted units must reserve 20% of the units for very-low income households at or below 50% AMI; therefore all units are expected to serve renters between 30-50% of AMI.**

With assistance from consultants provided by HUD, the City is finalizing a Request for Proposal and a review committee that will result in one or more development contracts by July 31, 2010. Projects will be located in the target area of Census Tracts 1, 2, 3, 4, 6 and/or 12 (see maps in Appendix A). **The city desires to attract rental housing development proposals that will best enable the Muncie community to achieve the following priorities through collaboration and partnership:**

✧ **Strategic utilization of limited financial resources** to invest in areas and projects that will have the greatest overall impact, particularly in regards to other federally funded city initiatives, including but not limited to City CDBG, NSP and HOME initiatives to enhance public parks, complete infrastructure improvements, and acquire vacant and foreclosed properties for rehabilitation and demolition.

✧ **Provision of housing and support services** to the populations that are experiencing the greatest need of high quality, safe, decent and affordable housing with a focus on special needs populations, which includes persons with physical or developmental disabilities or mental impairments, victims of domestic violence, persons with chemical addictions, homeless persons, ex-offenders, and the elderly. Projects that are sited in close proximity and accessibility to desirable facilities tailored to the needs of the tenants will be given a preference, which may include public institutions such as libraries, parks and recreational facilities, public transportation or other public amenities, non-profit service facilities that serve special tenant populations, such as counseling centers, health facilities or

other support services, and commercial facilities such as banks, grocery stores, restaurants, and convenience stores.

✧ *Stabilization and enhancement of the existing housing stock* with a focus on revitalizing neighborhoods with strong housing assets and amenities, and linkages with downtown.

✧ *Implementation of quality development projects* in terms of design, energy performance, and financial feasibility that will contribute to the long-term sustainability of the greater Muncie community. Examples of this include projects that have innovative concepts for successful affordable housing; are compatible with existing built environment; are Energy Star certified and/or incorporate sustainable building design in order to reduce energy expenditures, enhance the health, well-being and productivity of the building occupants, and improve the quality of the natural environment; include local partners in development team; are mixed-use and introduce new services to the community; have a strategy in place to serve tenant population above and beyond HOME program requirements.

•Annual Affordable Owner Housing: CDBG funds will provide repairs to 70 owner-occupied units, with expectation that all households will be **between 30-50% of AMI, of which 56 households will be elderly and 14 households will be small related**. More specifically, Community Development Department staff will administer a program that will repair or replace 10 roofs, gutters and downspout systems; Rebuilding Together will make emergency repairs to 60 owner-occupied homes.

Homebuyer assistance will be provided with HOME funds to a minimum of 24 low- and moderate-income households through partners Muncie Home Ownership and Development Center (4 households) and Pathstone (20 households). **Applicant household income must be between 40-80% AMI. All applicants for the program must complete homebuyer education courses provided by the administering agencies, and must invest \$500 of their own funds toward the home purchase.** Recipients will receive a maximum of \$5000 in assistance, with the specific amount of assistance based on established housing-to-income and debt-to-income ratios. Recipients will be given a five-year forgivable loan, with 20% forgiven per year.

Needs of Public Housing

25. 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. 91.220(h)

PY 2010 Action Plan Needs of Public Housing # 25 response:

✧ *Number of PHA units in the city:* 423

✧ *Physical Conditions:* Sound, meet all UPCS and QHWRA inspection standards.

✧ *Revitalization needs:* Revitalization needs were identified during the last two REAC inspections. All observed deficiencies have been remediated or are in the process through Capital Funding projects and the ARRA Stimulus grant (force account labor). The expected completion date of revitalization needs is June, 2011.

✧ *Number of people on PH waiting list:* 223

✧ *PHA Strategy for serving the needs of those served by public housing:*

Strategy 1: Maximize the number of affordable units available to the PHA within its current resources by:

- Employ effective maintenance and management policies to minimize the number of public housing units off-line.
- Reduce turnover time for vacated public housing units by outsourcing vacant unit maintenance to private contractors.
- Reduce time to renovate public housing units.

- Maintain or increase Section 8 lease up rate by establishing payment standards that will enable families to rent throughout the jurisdiction.
- Undertake measures to ensure access to affordable housing among families assisted by the PHA, regardless of unit size required.
- Implement Section 8 lottery system to streamline application process to allow applicants to apply on-line and to assure compliance with Fair Housing Act.

Strategy 2: Increase the number of affordable housing units by:

- Apply for additional Section 8 units should they become available.
- Leverage affordable housing resources in the community through the creation of mixed-finance housing.
- Pursue housing resources other than public housing or Section 8 tenant based assistance.

Need: Specific Family Types: Families at or below 30% of median.

Strategy 1: Target available assistance to families at or below 30% AMI by:

- Exceed HUD federal targeting requirements for families at or below 30% of AMI in tenant-based Section 8 assistance.
- Employ admission preferences aimed at families with economic hardships.

Need: Specific Family Types: Families at or below 50% median:

Strategy 1: Target available assistance to families at or below 50% AMI by:

- Employ admissions preferences aimed at families who are working.
- Employ admissions preferences aimed at families who are enrolled in school.

Need: Specific Family Types: Families with Disabilities

Strategy 1: Target available assistance to families with disabilities by:

- Affirmatively market to non-profit agencies that assist families with disabilities.

Need: Specific Family Types: Races or ethnicities with disproportionate housing needs

Strategy 1: Conduct activities to affirmatively further fair housing by:

- Counseling Section 8 tenants as to location of units outside of areas of poverty or minority concentration and assist them to locate those units.

The Muncie Housing Authority (MHA) Board of Commissioners has established a Resident Relations Subcommittee that is lead by one of its full-time commissioners. The Board and the Executive Director require all site managers to convene quarterly meetings with residents to provide information, hear complaints and deal with environmental, health and safety issues. The MHA Family Services Department acts as resident liaison for community resources and self-sufficiency programs. Case management and other services are provided for all public housing residents and Section 8 tenants.

MHA is currently working with the Muncie Home Ownership and Development Center (MHODC) to complete the last phase of its HOPE VI Revitalization Plan – the development of 20 single-family affordable new homes. MHA also receives ROSS Family & Home Ownership Grant funds and will collaborate with MHODC to provide counseling and educational services to prospective home buyers.

MHODC is a HUD Certified Counseling Agency, with more than 10 years of experience in providing homebuyer education to prospective home purchasers. Major activities of MHODC include pre- and post-purchase homebuyer counseling, fair housing assistance, mortgage delinquency counseling and predatory lending advocacy.

The MHA Family Services Department will provide ongoing case management services to former residents of Munsyana, even after they purchase a home. The MHA will provide services such as child care, education, job training, and other counseling to help households remain self-sufficient.

26. If the public housing agency is designated as "troubled" by HUD or otherwise is performing poorly, describe the manner in which it will provide financial or other assistance in improving its operations to remove such designation during the next year. 91.220(h)

Antipoverty Strategy

27. 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. 91.220(k)

PY 2010 Action Plan Antipoverty Strategy # 27 response:

The City's overall antipoverty strategy is to fund activities that will focus on improving the quality of life for those living in poverty, and assisting individuals and families achieve economic independence. While CDBG and HOME funds may not reduce the number of persons living in poverty, program funds will repair their homes, increase the number of decent, affordable housing units, and provide other assistance that conserves household resources. Over the next five years, CDBG funds will provide direct benefit to low-income persons as described in this section. PY2010 activities are also itemized in response to item 37 below.

One recent initiative by non-profit TEAMwork for Quality Living, to be supported by CDBG funds, brings together persons living in poverty with those who may have better resources to address basic needs, establishing Circles of Support™ and the Getting Ahead programs. In a nutshell, a "Circle" consists of a Captain (a person/family living in poverty), who is surrounded by Allies (friends not living in poverty). The Captain attends Getting Ahead classes to improve life skills, and Circles meet weekly to plan, discuss, and implement the steps that will lead to the Captain's economic and social stability.

TEAMwork is utilizing programs developed by the Move the Mountain™ Leadership Center, which was "founded in 1992 to inspire and equip communities to end poverty. Our vision is that all American families will have the education, economic opportunity and community support they need in order to thrive. Move the Mountain™ Leadership Center provides training, technical assistance, consulting, and coaching to leaders and communities who are focused on ending poverty."

Since the early 2000's, local agencies have tried to improve public awareness of the plight of people living in poverty. The Delaware County Coalition of Human Services, and more recently, TEAMwork for Quality Living, have hosted seminars based on Ruby Payne's book, *Bridges Out of Poverty*, which defines the culture of poverty and how it differs from the culture of wealth and of middle-class. TEAMwork conducts poverty simulations to demonstrate via role-playing the difficulties faced by low-income persons seeking help, many of which are institutional barriers. Public awareness is the first step in developing solutions to a better economic situation.

Homeowners will receive assistance in maintaining and preserving their homes. The CD staff will provide roof repair/replacement, while Rebuilding Together will make emergency repairs to owner-occupied homes. HOME funds will rehabilitate vacant rental units and construct new single-family homes to provide safe, decent, affordable housing. CDBG funds will also replace the aging HVAC system at Christian Ministries to enable them to continue serving persons in poverty with their men's sleeping room, food pantry, treasure shop, and office.

Using CDBG funds, Alpha Center will provide adult daycare for frail and elderly persons, providing respite for caregivers and enabling elderly persons to remain in their homes. Bridges Community Services will provide transitional housing services for individuals working toward self-sufficiency, and will rehabilitate additional vacant rental units to increase the number of affordable housing units available to low-income households. Gateway Health Clinic will provide free health services and medications to income-eligible persons.

CDBG funds will assist Muncie-Delaware County Senior Citizen Center in providing recreation/social activities for elderly persons, assist Ross Community Center in providing recreation/social activities for all ages, and assist Buley Center in providing youth programming. Muncie Police Department Victim

Advocate office will use CDBG funds to provide advocacy services to victims of crimes.

The City of Muncie is partnering with Delaware County Community Corrections and the Weed and Seed program to train former prisoners in deconstructing blighted structures. The first two training sessions used CDBG-Recovery Act funds to provide a consultant to train workers and future trainers, one of whom established a deconstruction business and hired trained DCCC workers. Pay for the workers has been subsidized by the local Work One office.

The Muncie Housing Authority recently opened a new Neighborhood Networks Center in one of its non-dwelling facilities. The construction and computer equipment costs were funded by a HUD Neighborhood Networks Center grant in the amount of \$250,000. The Center, built as a requirement of the Hope 6 Millennium Place Revitalization Plan, provides free computer training and internet access for low-income public housing residents. Residents also receive assistance with job training and life-skills. All programs at the Center are designed to help residents transition from public assistance into "living wage" jobs. Assistance is also provided to school-age children and youth with homework and after-school care, healthcare information, and greater access to free public services.

Barriers to Affordable Housing

28. Describe the actions it plans to take during the next year to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing. Such policies, procedures and processes include, but are not limited to, land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220(j)

PY 2010 Action Plan Barriers to Affordable Housing # 28 response:

Delaware County (which includes the city of Muncie) land use controls and zoning ordinance are fairly inclusive and flexible. The lot sizes & residence zones include minimum standards that mirror historic platted lots of 50' x 120' and there is a general provision that allows building on smaller nonconforming lots if setbacks can be met. Additionally, the ordinance allows for the use of mean setbacks to retain the character of older neighborhoods and for the rebuilding of nonconforming structures. There are no growth boundaries, and recent changes to Indiana state law regarding tax caps will help to ameliorate that potential barrier.

Building code provisions are standard, with no extraordinary provisions specific to this area. (Any actions affecting the relaxation of building codes could impact basic fire and safety provisions so potential changes will be carefully reviewed.) Permit fees and charges are not excessive and do not present a barrier at this point.

While the City has no obvious policies that serve as barriers to affordable housing, City programs may further assist potential developers in obtaining properties in target areas. Vacant and abandoned properties can be so designated by County Commissioners and sold separately in annual tax sales. If not sold in the regular annual tax sale, County Commissioners can take deed to the property immediately and convey these vacant and abandoned properties to the Muncie Redevelopment Commission (MRC) for disposition through a land bank. The land bank manager is in place and the first "vacant and abandoned" tax sale is expected in summer of 2010. Also, the City is administering a three-year EPA Brownfields site assessment grant, now nearing the end of the third year. (Site assessment reports are available on line at www.munciebrownfieldsproject.org.) The site assessments should enable the City to apply for EPA funds to remediate the hazardous conditions at the sites, thus making them viable for appropriate new development or green space.

The City is currently working on completing an update of the 2006 Analysis of Impediments to Fair Housing Choice, which is expected to be completed by **August 31, 2010**.

29. Describe the actions that will take place during the next year to foster and maintain affordable housing. 91.220(k)

PY 2010 Action Plan Barriers to Affordable Housing # 29 response:

Subrecipient Rebuilding Together will help maintain owner-occupied homes by completing various minor and emergency repairs, and Community Development Department will repair and replace roofs, gutters and downspouts. Using PY2009 CDBG funds, Whitely Community Council will purchase, rehab, and sell a vacant home in Whitely neighborhood, and ecoRehab will rehab and sell a vacant house in East Central neighborhood. Muncie Home Ownership and Development Center (MHODC) will sell the house built in Whitely in 2010 and will use the proceeds to build another single-family affordable home.

Pathstone and MHODC will provide downpayment assistance, housing counseling and education to 24 homebuyers in PY2010. Developer Flaherty and Collins is continuing to build 17 affordable single-family homes using HOME funds in Whitely, Gilbert, East Central, and Industry neighborhoods. Neighborhood Stabilization funds will rehab 10 vacant rental units in East Central neighborhood, with private funds completing 14 vacant units.

Lead-based Paint

30. Describe 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. 91.220(k)

PY 2010 Action Plan Lead-based Paint # 30 response:

In compliance with the requirements of 24 CFR Part 35, Lead Hazard Reduction Program, the City of Muncie notifies owners and tenants of CDBG- and HOME-assisted target housing constructed prior to 1978 about the hazards, symptoms, and treatment of lead-based paint, and the precautions to be taken to avoid lead-based paint poisoning. The notice includes the HUD pamphlet, *Protect Your Family From Lead in Your Home*.

Lead-based paint testing is not conducted in minor rehabilitation or emergency home repair projects, as these projects are determined to be "exempt" projects, but when the City brings housing units into full compliance with all housing, health and building codes, staff inspects the unit for lead-based paint hazards. HOME-assisted housing units and CDBG Housing Rehab projects will be assessed for lead-based paint hazards prior to renovation. After rehab, all units will receive Lead Based Paint Clearance by conducting a dust sampling clearance and sending samples to an accredited laboratory for testing, after which the licensed inspector will evaluate the report prior to issuing a Lead Based Paint Clearance for the project.

The City has staff certified by the Indiana State Department of Health to conduct lead risk assessments, and lead clearance inspections necessary to comply with regulations. If a child who is age six or under and living in a HUD-assisted unit is found to have elevated blood lead levels, the case will be given to the Delaware County Health Department, and the housing will be tested for lead-based paint. The Health Department then ensures that the property owner removes the lead-based paint hazard.

The Delaware County Health Department offers lead testing to children referred by physicians or WIC, requested by parent/guardian, and as follow-up for children with elevated lead results. The Health Department manages cases for all Delaware County children with elevated lead results that are referred to them by the Indiana State Department of Health, involving follow-up testing, home visits, medical referrals, and reports to the Indiana State Department of Health.

The Delaware County Health Department's Environmental Division provides environmental evaluations. Most of the identified lead-based paint is located on the exterior surfaces of housing units, which is scraped and repainted and in some cases "wrapped" or covered with vinyl or aluminum materials. Soil that is suspected of lead contamination from peeling paint is sent for testing to the Indiana State Board

of Health laboratory. If lead contamination is found, the hazard is corrected by replacing the top six inches of soil.

HUD requires that EPA (Environmental Protection Agency) rules be used with added requirements. On or after April 22, 2010, "Lead Safety for Renovation, Repair, and Painting" (The RRP Rule) becomes the standard for all firms working in pre-1978 homes and child-occupied facilities and the firms must be certified and use lead-safe work practices during renovations. On this date, all covered renovations must be performed by Certified Firms, using Certified Renovators and other trained workers. HUD requires that all workers be Certified Renovators or Supervised by a certified abatement supervisor (who, under the RRP Rule, must also be a Certified Renovator).

HOMELESS

Specific Homeless Prevention Elements

*Please also refer to the Homeless Needs Table in the Needs.xls workbook.

31. Homeless Prevention 91.220(i)

- a. Describe activities it plans to undertake during the next year to address emergency shelter and transitional housing needs of homeless individuals and families (including subpopulations).**

PY 2010 Action Plan Homeless Prevention Elements # 31a response:

Homelessness

The City of Muncie, and Delaware County, currently subscribe to the McKinney-Vento Continuum of Care approach in order to serve homeless persons. The local Homeless Providers Network is very active both locally and regionally (Indiana Region 6) to ensure that a comprehensive network of services is available to the homeless population. The strategy includes components of prevention, outreach, intake assessment, emergency shelter, transitional shelter, permanent housing, and supportive services. Those issues are identified in the priority needs table as prescribed by HUD, located below.

It appears that the Muncie community's array of support services and housing is sufficient to encourage homeless persons to become permanently housed. The Homeless Providers Network, (HPN), **which includes participation of the City of Muncie Community Development Director**, has identified gaps in the current services. Those gaps and needs were prioritized based upon 1) whether the need - housing or supportive service- is currently being met, and 2) whether a need - housing or supportive service- is adequate to meet the current and future demand of the local homeless population. The gaps have been identified for individuals and permanent housing for those with disabilities, particularly those suffering from mental health problems and addictions.

In January 2010, a Point-In-Time count was conducted that indicated the area had a rise in homelessness over last year. This year we found 411, a 100% increase over last year. The HPN stated that part of the reason for increase was more sophisticated counting procedures.

2010 Point-in-Time Count			
Sheltered		Unsheltered	
Bridges Community Services	95	Soup Kitchen	45
YWCA	77	Muncie Mission meal site	33
Muncie Mission	73	Meridian Drop-in Center	14
Passage Way	32	on the street	3
Christian Ministries	32		
Stepping Stones	6		
A Better Way	5		

The Point-In-Time number of homeless persons by race and ethnicity as collected by the Housing Provider Network, compared with the city as a whole, is as follows:

Race/Ethnicity	Population	% of Population	No. of Homeless	% of Total Homeless
White	52,774	84.5%	283	68.8%
Black/African American	6,203	9.9%	107	26%
American Indian & Alaska Native	250	.4%	10	2.4%
Asian	416	.7%	2	.5%
Native Hawaiian/Other Pacific Islander	0	0	0	0
Some other race or two or more races	638	1%	9	2.2%
Hispanic or Latino (of any race)	1,027	1.6%	8	1.9%

The 2010 count indicates a disproportionate number of homeless persons identified as Black/African American and as being of two or more races. However, of the persons counted above, 67 are being assisted with HPRP funds, but according to HUD guidelines, they are counted as homeless until that assistance ends for them. Of those 67 persons, 21 (31.3%) are Black/African American, and 5 (7.4%) are some other race/two or more races, demonstrating a higher percentage (38.7%) of assistance to minorities.

Emergency Shelter Needs

Emergency shelter needs are addressed for several sub-populations. Women victims of domestic violence and their children are referred to A Better Way; single men are referred to Muncie Mission; single women are referred to Wayside Mission or YWCA; and any person or family may be referred to Christian Ministries' Sleeping Room, the latter two are very limited on space. In order to meet demand, both Muncie Mission and Christian Ministries have expanded their capacity. It is determined that there is still not adequate emergency shelter for single women and single women with children.

The emerging need, for unaccompanied single women, with or without children, is now being addressed by the local HPN group. It has been determined that to adequately serve those needing services, the group would need to develop approximately 15-20 beds, particularly during the winter months. The hope is to attempt development of these beds by the winter of 2011.

Many of the shelters operating in the community do so with Emergency Shelter Grant funding through the State of Indiana, local CDBG funds, as well as local dollars. **In PY2010, CDBG funds will replace the old boiler heating system at Christian Ministries with an energy efficient HVAC system, improving living conditions in the Men's Sleeping Room, as well as in areas serving low-income persons, including the food pantry, office, and Treasure Shop. Plans for 2011 include replacement of electrical systems in the YWCA.**

Following are supportive services provided:

Individuals	Persons in Families with Children
Job Training	Transitional Housing
Case Management	Permanent Housing
Housing Placement	Job Training
Life Skills Training	Case Management
Education	Child Care
Supportive Permanent Housing	Education
Permanent Housing	Housing Placement
	Life Skills Training
	Permanent Housing

Transitional Housing

Transitional housing is offered at three agencies inside the city limits, with 96 units in all; Passage Ways for domestic violence victims and the Bridges Second Wind Program for families with children, in addition to single women living at the YWCA. A Better Way and Bridges programs operate with McKinney-Vento SHP funding and Emergency Shelter Grant funds through the State of Indiana, Emergency, Food and Shelter (FEMA) funds, and local funding. **Bridges will be supported in PY2010 with CDBG public service funds, and with HOME funds for rehabilitation of rental units.** The YWCA operates with independent resources, at this time. There are no expansion plans for transitional housing in the community. All providers offer a wide array of support services.

Permanent Housing with Supportive Services

Currently, there are no providers of this service; however the Point-In-Time Count reflects a need for such service. Meridian Services has attended the Indiana Supportive Housing Institute to bring the skills needed to develop a project to the community. Unfortunately, they have not been able develop a project yet. **The City of Muncie has discussed potential projects with Meridian Services, considering the use of HOME funds for the affordable housing component, and discussions will continue in PY2010 in the hope of bringing together necessary funding from a variety of sources for both housing and sustainable supportive services.**

Meeting the Need and Filling the Gaps

The local Homeless Providers Network decided to steer the Permanent Housing for Persons with Disabilities toward Meridian Services, operator of a Shelter Plus Care Program. With help from Indiana Housing and Community Development Authority, funds were awarded this year for their project to expand. Residents will be able to access a myriad of services offered at the agency. Additional services are also needed to accommodate single women with children on an emergency basis. The HPN will continue to seek a feasible, sustainable solution for this population.

The Muncie Housing Authority (MHA) offers permanent housing opportunities for those coming from the shelter/transitional programs via Section 8 Housing Choice Vouchers and Public Housing units.

- b. Detail their 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, and to address the special needs of persons who are not homeless identified in accordance with 91.215(e).**

PY 2010 Action Plan Homeless Prevention Elements # 31b response:

HUD defines a chronically homeless person as "either (1) an unaccompanied homeless individual with a disabling condition who has been continuously homeless for a year or more, OR (2) an unaccompanied individual with a disabling condition who has had at least four episodes of homelessness in the past three years."

The Muncie area Homeless Providers Network, which includes Muncie Mission, Meridian Services Drop-In Center, Christian Ministries, A Better Way, YWCA and Bridges Community Services, currently handles the chronically homeless in the following manner. When it is determined that a person is "chronically homeless", they are referred to Meridian Services, which provides three types of permanent housing, including Shelter Plus Care. The referring agency, in the meanwhile, provides case management services and refers the client to mainstream services available in the community, including, but not limited to, addictions counseling and application for permanent housing resources.

The base plan is to provide a continuum beginning at the emergency shelter level and ending with permanent housing, ideally from Section 8 and project-based housing, with the needed level of support services. The HPN believes the process takes approximately two to four years to bring the client to stabilization. At the current time, the level of available supportive housing appears to be adequate.

However, it is unknown whether the impact of the economic situation of the area will lend itself to an increased demand for such activities.

In PY2010, the Community Development Director will continue to participate in meetings and discussions with HPN agencies and other entities, such as Delaware County Community Corrections, which will include regularly reassessing needs of the chronically homeless and special needs population, identifying housing and service delivery priorities and gaps, and determining the appropriate type and level of CDBG and HOME funds that could be leveraged with other funds during the remaining years of the Consolidated Plan period to expand existing programs as needed to meet increased demand.

32. Describe its planned action steps over the next year to address the individual and families with children at imminent risk of becoming homeless. Specifically, did the grantee explain how it intends to prevent low-income individuals and families with children (especially those with incomes below 30 percent of median) from becoming homeless and to help homeless persons make the transition to permanent housing and independent living.

91.220(i)

PY 2010 Action Plan Homeless Prevention Elements # 32 response:

Homeless Prevention Activities

In 2009 the City of Muncie was awarded entitlement funds from the American Revitalization Act to address Homeless Prevention and Rapid Re-housing (HPRP) of homeless persons. Following discussions with the Homeless Providers Network, the City rejected the funds in order that those funds would revert to the Indiana Housing and Community Development Authority to be parlayed with Region 6 funding, increasing dollar availability to local consumers needing assistance in becoming permanently housed. The program, whose primary goal is to reduce homelessness by 33%, has distributed approximately one-third of the first year allocation, placing them on target for the three-year funding period. The project has been promoted by various means of outreach, including bus signage, billboards, posters and brochures. The project is being administered by Bridges Community Services, Inc.

The Homeless Providers Network works in several areas of the city to assist low-income residents with learning self-sufficiency. Muncie Community Schools (MCS) lost funding for a program operated in shelters and community-based public service agencies called Learning Choices. In response, MCS made available more ready access for the homeless at the Work One site and at the new Muncie Mission facility. A full range of GED classes are offered, funded by another source, at both sites.

Due to monitoring findings regarding Community Development's program oversight, the City discontinued HOME-funded Tenant Based Rental Assistance to Christian Ministries that provided limited but much-needed security deposits and first month's rent. The local HPN are looking for alternative funding for this program, and would like to expand it to allow for more intervention and prevention through rental assistance. The hope is to hire a housing case manager to work with the program to ensure that consumers are going into decent housing, get on the Section 8 waiting lists, receive mainstream services, and work with housing agencies to secure more permanent housing. Replacing funding for these projects has been slow, but efforts continue.

Outreach and Assessing Needs

Meridian Mental Health Services (MMHS) operates a Drop-In Center for very low- and low-income persons. Clients receive a hot meal for breakfast and a sack lunch to take with them. In addition, the Center provides space for other services agencies, such as Veterans Affairs, Social Security Administration, Delaware County Health Department, and Center Township Trustee, to offer assistance to people who are at the Center. Patrons may receive referrals, transportation, medical services, housing, and other needed services. Participation in services is not a requirement; however, staff find that people who return to the Drop-In Center regularly do receive many needed services.

In addition, Muncie Mission has opened a noon-time meal site for single men. They receive a hot meal, as well as access to a myriad of support services and information on other community services which

are available to them. They are not required to attend any religious services and the meal site helps many who need assistance in addressing their immediate needs.

33. Discharge Coordination Policy — Does the jurisdiction certify that it has 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. 91.225(c)(10)

PY 2010 Action Plan Homeless Prevention Elements # 33 response:

Discharge Policies

Foster Care:

Each state must write a Chafee Plan outlining the state's plan to implement the Foster Care Independence Act of 1999 (FCIA). The law assists young people transition from foster care to stable housing, as well as receive services. The State of Indiana's Plan provides youth ages 14-18 with independent living services, preparing them to live as healthy, productive and responsible lives as self-sufficient adults. Each youth has a comprehensive independent living assessment which identifies strengths and areas for improvement. Services are geared to assist the youth in areas needing improvement. Services include financial, housing, mentoring, counseling, employment, education and other appropriate support.

Health Care:

The following is the discharge policy plan concerning those with developmental disabilities from health facilities operated by the state of Indiana:

It is the policy of the Bureau of Quality Improvement Services that all individuals moving from State Operated Facilities, Large Private ICF/MR settings and nursing homes be monitored to assure that the transition is proceeding smoothly, that the individuals' Individualized Support Plan is being implemented appropriately, and that any concerns that occur during the transition are dealt with quickly. Individuals transitioning from a state operated facility are surveyed six months after the post transition process is completed, using the residential services and supports survey instrument. Additionally, tracking/monitoring of specialty evaluations occurring during the transition process is performed for individuals transitioning from State Operated Facilities.

Mental Health:

Formal protocol has been implemented for individuals being discharged from state institutions of care under statute: IC-12-21-2-3. Other protocols are being developed for each individual Community Mental Health Center in Delaware County. The Indiana Family and Social Services Administration, Division of Mental Health and Addition policy implemented their policy in October 2003. The policy directs that it is the responsibility of the Gatekeeper to develop a discharge plan and to assure that no person leaving a state-operated institution will be discharged to homelessness. The state operated facility staff develops the discharge plan and consumer participation in development of the plan is documented. This policy applies to patients who are transferred to or discharged from a state institution administered by the Division of Mental Health.

Corrections (local jails and state or federal prisons):

The following is the discharge policy plan concerning those leaving correctional facilities operated by the state of Indiana:

It is the policy of the Indiana Department of Corrections to provide case management services to create an individualized Re-Entry Accountability Plan prior to discharging offenders.

Case management coordinates the delivery of all treatment services, including the management of programs and services needed for the successful transition from incarceration to community living. This ensures a true continuum of supervision and helps to reduce recidivism through an individualized Re-

Entry Accountability Plan. Case management in the correctional environment helps to 1) provide effective programs and services to meet the needs of each offender; 2) prepare the offender for a productive life within the community; 3) increase the offender's potential for successful reintegration into society; and 4) provide for the safety and security of the community.

To implement a case management process, the Department utilizes a Unit Management Team approach. Unit management is based upon the subdivision of a correctional facility into smaller units. Unit management emphasizes decentralization and delegated authority to a multi-disciplinary unit team. Unit management improves staff and offender communication and facility security.

Emergency Shelter Grants (ESG)

34. If applicable, describe how the ESG matching requirements will be met. 91.220(c)(2)

PY 2010 Action Plan ESG # 34 response: *Not applicable to City of Muncie.*

NON-HOMELESS SPECIAL NEEDS HOUSING

Non-homeless Special Needs (91.220 (c) and (e))

** If using the CPMP Tool: Complete and submit Needs Table/Non-Homeless Needs.*

35. Describe the priorities and specific objectives the jurisdiction hopes to achieve for the period covered by the Action Plan. 91.220(c)(3)

PY 2010 Action Plan Non-homeless Needs # 35 response:

The City of Muncie supports activities that allow special needs persons to stay in their own homes and to maintain a lifestyle of independence and dignity. Therefore, priority will be given to project activities that are directed towards meeting the many needs of the non-homeless persons who have special needs, **including HOME-funded rental housing development (rehabilitation or new construction).**

FY2010 CDBG-funded activities that will assist special needs persons, such as elderly and disabled persons, include architectural barrier removal and emergency repair of existing housing via Rebuilding Together, adult day services via Alpha Center, and roof repair/replacement program via Community Development Department.

The Muncie Housing Authority provides public housing units that may accommodate persons with special needs. The MHA Capital Fund Program is used as needed to rehabilitate units occupied by persons with disabilities. The MHA inventory includes Gillespie Towers, a seven-story high-rise for seniors and persons who are mobility-impaired. **MHA housed seven persons with disabilities in Gillespie units that became available during the past program year, and housed one person with disabilities in a family development unit. At present there are no persons with disabilities on MHA waiting lists.**

36. 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 this Action Plan. 91.220(c)(1) and 91.220(c)(2)

PY 2010 Action Plan Non-homeless Needs # 36 response: See funding resources on page 3.

COMMUNITY DEVELOPMENT

Community Development Block Grant

** If using the CPMP Tool: Complete and submit the Needs Worksheets/Non-Housing Community Development and Summary of Specific Annual Objectives Worksheets or Summaries.xls*

37. Identify the estimated amount of CDBG funds that will be used for activities that benefit persons of low- and moderate-income in sufficient detail, including location, to allow for citizens to determine the degree to which they are affected (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). 91.220(l)(1)(i) and 91.220(l)(1)(iv)

PY 2010 Action Plan CDBG # 37 response:

Project/Activity	Description/Location	CDBG \$
Christian Ministries HVAC	Phase 1 HVAC upgrade at homeless facility, 401 E Main St	135,954.00
Park Improvement	Cooley Park (corner of S. Mock and E. 23 rd streets): new playground equipment & baseball diamond upgrade; Heekin Park: landscaping at corner of Madison St. & Memorial Dr. Total	184,113.00
Street Improvements	mill & pave 21 blocks of streets in Old West End; E. Willard (Macedonia to Burlington); pave parking lot at McCulloch disk golf	334,276.56
Roof Repair/Replacement	owner-occupied home repairs, CT 1, 2, 3, 4, 6, 12	104,339.60
Emergency Home Repairs	owner-occupied home repairs, CT 1, 2, 3, 4, 6, 12	60,000.00
Alpha Center	adult daycare at 315 S Monroe St	10,000.00
Bridges Community Services	transitional housing services, office at 318 W 8 th St	30,000.00
Buley Center	youth programming at 1111 N Penn St	10,000.00
Gateway Health Clinic	free health services at YWCA, 310 E Charles St	12,000.00
Mun-Del Co Senior Citizen Ctr	recreation/social activities at 2517 W 8 th St	25,000.00
MPD Victim Advocate	victim advocacy, Muncie Police Dept, office at 300 N High St	15,000.00
Ross Community Center	recreation activities, 1110 W 10 th St	10,000.00
Teamwork for Quality Living	Circles of Support™ & Getting Ahead, office at 300 S Madison St	18,000.00
	Total PY2010 to benefit low- & moderate-income persons	948,683.16

See detailed budget on pages 30 and 31, maps in Appendix A, Project Worksheets in Appendix C, and Tables in Appendix D.

38. Describe all CDBG resources expected to be received during the program year, including the following, in addition to the annual grant:

- a. Program income expected to be generated by and deposited to revolving loan funds. *(Not required by regulation, good information to present in Action Plan)*

PY 2010 Action Plan CDBG # 38a response: *Not applicable to City of Muncie.*

- b. Any program income that will have been received before the start of the next program year and that has not yet been programmed. 91.220(l)(1)(ii)(A)

PY 2010 Action Plan CDBG # 38b response: *Not applicable to City of Muncie.*

- c. Proceeds from Section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives in its strategic plan. 91.220(l)(1)(ii)(B)

PY 2010 Action Plan CDBG # 38c response: *Not applicable to City of Muncie.*

- d. Surplus funds from any urban renewal settlement. 91.220(l)(1)(ii)(C)

PY 2010 Action Plan CDBG # 38d response: *Not applicable to City of Muncie.*

- e. Any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan. 91.220(l)(1)(ii)(D)

PY 2010 Action Plan CDBG # 38e response:

The City of Muncie repaid HUD for a FY2006 CDBG expenditure in the amount of \$4,356.00 for an activity declared ineligible. The activity involved replacement of park lights, which was considered to be a routine maintenance activity and thus not eligible with CDBG funds. The funds will be used to assist in completing the entrance replacement at the Muncie-Delaware County Senior Citizen Center.

The City of Muncie repaid HUD for ineligible FY2006 HOME expenditures in the amount of \$11,941.00 that will be used for rental development projects. The funds were spent on tenant based rent assistance for units that could not be documented as meeting HUD Housing Quality Standards.

39. If a jurisdiction intends to carry out a new CDBG float-funded activity, does the plan include the following information: 91.220(l)(ii)(E)

PY 2010 Action Plan CDBG # 39 response: *Not applicable to City of Muncie.*

40. Identify its 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. (Use of Table 2B or the Community Development Needs Table is sufficient, additional narrative is not required) 91.220(d)

- a. For activity for which the jurisdiction has not yet decided on a specific location, such as when a jurisdiction is allocating an amount of funds to be used for making loans or grants to businesses or for residential rehabilitation, did they provide a description of who may apply for the assistance, the process by which they expect to select who will receive the assistance (including selection criteria), and how much and under what terms the assistance will be provided.

PY 2010 Action Plan CDBG #40 response: Please refer to Community Development Needs Table in Appendix D.

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 persons. (Use of Table 2B or the Community Development Needs Table and Summaries Table is sufficient, additional narrative is not required) 91.215(f), *Required in Strategic Plan*

PY 2010 Action Plan CDBG # 41 response: Please refer to Community Development Needs Table and Summaries Table in Appendix D.

42. An “urgent need” activity may be included in the action plan only if the jurisdiction certifies that the activity is designed to meet other community development needs having a particular urgency because existing conditions pose a serious and imminent threat to the health or welfare of the community and other financial resources are not available. Did the jurisdiction certify the need for an urgent need activity in the action plan. 91.220(l)(1)(iii)

PY 2010 Action Plan CDBG # 42 response: *Not applicable to City of Muncie.*

HOME/ American Dream Down Payment Initiative (ADDI)

43. Describe other forms of investment to be used for their HOME program not described in § 92.205(b). 91.220(l)(2)(i)

PY 2010 Action Plan HOME/ADDI # 43 response:

Developers typically use various combinations of Low Income Housing Tax Credits, Historic Tax Credits, Indiana Housing and Community Development Authority Trust Funds, Indiana Housing and Community Development Authority Development Funds and private funds. At least one multi-family rental rehabilitation project scheduled for PY2010 will include Neighborhood Stabilization Program funds.

44. Describe how HOME matching requirements will be satisfied. 91.220(c)(3)

PY 2010 Action Plan HOME/ADDI # 44 response: *Not applicable to City of Muncie.*

45. If the PJ will use HOME or ADDI funds for homebuyers, state the guidelines for resale or recapture, as required in § 92.254 of the HOME rule. 91.220(l)(2)(ii)

PY 2010 Action Plan HOME/ADDI # 45 response:

HOME Recapture Guidelines (Revised July 31, 1998)

In accordance with the HOME investment Partnerships Program, 24 CFR Part 92, and pursuant to Section 92.254 of the Final Rule, the City of Muncie (hereafter "City") has established the following recapture guidelines. These guidelines apply only to projects in which HOME funds assist with the purchase (with or without rehabilitation) of a property as the principal residence of the eligible homebuyer. This assistance will only be provided in a manner which permits recapture of a percentage of those funds if, at any time during the period of affordability, the assisted property is no longer the principal residence of the buyer. The following calculations will be applied only in the event the net proceeds from the sale of the property are not sufficient to pay the balance of HOME funds due and payable.

The HOME amount subject to recapture is based on the amount of HOME assistance that enabled the homeowner to buy the dwelling unit. This includes any HOME assistance that reduced the purchase price from the fair market value to an affordable price, but excludes the amount between the cost of producing the unit and the market value (development subsidy).

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

In the calculation for net proceeds, the City will only consider the balance of mortgage(s) that actually purchased the house and/or improved the property. Consolidation of personal debt will not be included in this calculation. Owner investment shall include downpayment, initial closing costs, payment to mortgage principal, and any documented capital improvements made by the owner since purchase. Capital improvements must be verified with receipts and shall not include personal labor of the family.

On the following page is the recapture calculation worksheet.

(This space left intentionally blank)

HOME Amount Subject to Recapture:

1. **Reduction in Price from HOME Subsidy:**
 a. Market Value at Purchase
 b. Less Sale Price to Initial Homebuyer
 c. Amount of Resulting Price Reduction (1a - 1b)

2. **Direct Subsidy to Homebuyer:**
 a. Downpayment Assistance
 b. Closing Cost Assistance
 c. Loan(s)
 d. Total (2a + 2b + 2c)

3. **HOME Amount Subject to Recapture** (1c + 2d) \$

4. **Reduction for Homeowner Tenure**
 Pro-rate the amount subject to recapture by the length of occupancy
 a. Number of months of occupancy
 b. HOME Affordability Period (____ yr x 12 = ____ months)
 c. Homeowner tenure (3a / 3 b) %
 d. Recapture % (100% - 3 c) %

5. **HOME Investment Subject to Recapture** (3 x 4d) \$

6. **Homeowner Investment**
 a. Down payment
 b. Initial closing costs
 c. Payment to principal
 d. Capital improvements (verified by receipts)
 e. Total homeowner investment (6a+6b+6c+6d) \$

7. **Net Sale Proceeds**
 a. Total sale price of property
 b. Outstanding Mortgage Balance
 c. Closing Costs to Seller
 d. Total Investment (5 + 6e)
 e. Net Proceeds from Sale (7a-7b-7c-7d) \$

8. **Distribution of Proceeds**
HOME Funds to be Recaptured

$$\frac{\text{HOME Investment Subject to Recapture (5)}}{\text{Total Investment (7d)}} \rightarrow \frac{\$}{\$} = \boxed{} \times \frac{1}{(7e)} = \boxed{} \$$$

Amount to Homeowner

$$\frac{\text{Total Homeowner Investment (6e)}}{\text{Total Investment (7d)}} \rightarrow \frac{\$}{\$} = \boxed{} \times \frac{1}{(7e)} = \boxed{} \$$$

46. Describe actions to be taken to establish and oversee a minority outreach program within the jurisdiction to ensure inclusion, to the maximum extent possible, of minority and women, and entities owned by minorities and women, including without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking, underwriters, accountants, and providers of legal services, in all contracts, entered into by the PJ with such persons or entities, public and private, in order to facilitate the activities of the PJ to provide affordable housing under the HOME program or any other Federal housing law applicable to such jurisdiction.

91.230

PY 2010 Action Plan HOME/ADDI # 46 response:

When the City releases a Request for Proposal for HOME-funded projects, notices will be published in the StarPress, the Muncie Times (a minority-owned newspaper), and on the Community Development Department website, with special outreach directly to minority- and women-owned businesses (MBE/WBEs), which are defined as businesses at least fifty-one percent (51%) owned and controlled by minority group members or women. All Community Development contracts for projects using federal funds include a requirement for contractors to use their best efforts to afford minority/woman-owned business enterprises the maximum practicable opportunity to participate in the planning and completion of the project agreement; their efforts are reviewed during program monitoring.

However, there is no local list of MBE/WBEs, and although the State of Indiana has a list of certified MBE/WBEs, only eight Muncie businesses are presently listed. The City will encourage the Muncie Chamber of Commerce to maintain a list of women- and minority-owned businesses, which would be provided, along with the State of Indiana website, to developers and subrecipients under contract with the City with the goal of increasing MBE/WBE participation in HOME-funded projects.

47. If the PJ will use HOME funds to refinance existing debt secured by multifamily housing that is being rehabilitated with HOME funds, state its refinancing guidelines required under § 92.206(b).

PY 2010 Action Plan HOME/ADDI # 47 response: *Not applicable to City of Muncie.*

48. If the PJ is going to receive American Dream Down payment Initiative (ADDI) funds, complete the following narratives.

PY 2010 Action Plan HOME/ADDI # 48 response: *Not applicable to City of Muncie.*

Housing Opportunities for People with AIDS NA

Other Narrative

Include any Action Plan information that was not covered by a narrative in any other section.

• Removal of Slum and Blight:

The properties selected for demolition are unsafe, unfit for human habitation, structurally impaired, a fire hazard, a public health hazard and a public nuisance. The removal of these properties alleviates the hazards associated with vacant and abandoned structures and improves the value of neighboring properties. Blighted properties deter owners from investing in their own properties because they do not see adequate return on their investment. Removal of blight eliminates visual cues that an area is in decline, improves the look and feel of the neighborhood, and encourages future reinvestment.

The goals associated with the removal of Slum & Blight include the removal of fire hazards, public health hazards and public nuisances. Vacant and abandoned structures represent decline, neglect, and devaluation of property and people. The removal of abandoned properties helps to reestablish attractive residential and commercial opportunities throughout Muncie.

Fifteen structures have been selected for demolition using CDBG clearance funds during PY2010. Over the next five years, a total of 75 properties will be demolished using CDBG funds. Many of these additional 75 structures have yet to be identified but will result from properties that have been declared unsafe by Muncie's Building Commissioner and have gone through the Unsafe Building Hearing Authority's hearing process.

In addition, 37 houses will be torn down during the spring of 2010 using Neighborhood Stabilization Program (NSP) funds, with another 20 houses currently identified for demolition during the summer and fall of 2010. NSP funds must be used by September 30, 2013, but will likely be exhausted much sooner in respect to the clearance set-aside.

Asbestos inspection and abatement of NSP properties may result in fewer than the projected 136 demolitions. It is possible that funds will provide for the demolition of an additional 25 houses during the spring of 2011. Although these additional properties have yet to be identified, they will also result from properties that have been declared unsafe by Muncie's Building Commissioner and have gone through the Unsafe Building Hearing Authority's hearing process.

Demolition and Deconstruction contractors will compete for jobs based on a competitive bidding process that will include provisions allowing Deconstruction contractors to bid competitively. In conjunction with Delaware County Community Corrections we have conducted three deconstruction training programs for re-entering offenders. These training programs were funded by CDBG-R. Deconstruction contractors are required to hire two of these trainees to work on city clearance projects. The City of Muncie is making every effort to keep demolition debris from ending up in landfills when there is an opportunity to sell materials for reuse. However, this effort towards sustainable demolition must be balanced against the need to keep costs low in order to maximize government funding for clearance.

PY2010 Action Plan Budget Summary

Nat.	Project Categories & Activities	CDBG \$
Obj.*		PY2010
	- Public Facilities -	
LMA	Infrastructure/Street Improvements	270,163.56
	McCulloch Park parking lot	60,000.00
	Infrastructure delivery costs	4,113.00
LMA	Park Improvements:	
	Heekin Park landscaping	20,000.00
	Cooley Park playground equipment	110,000.00
	Cooley Park baseball diamond upgrade	50,000.00
	Park Improvements delivery costs	4,113.00
LMC	Public Facility Rehab:	
	Christian Ministries HVAC	135,954.00
	- Housing Rehabilitation -	
LMH	Single-family Owner Occupied	
	Roof Repair/Replacement	90,000.00
	Rebuilding Together Emergency Repairs	60,000.00
	Rehab delivery costs	14,339.60
	- Slum/Blight Removal -	
SBS	Clearance/Demolition	143,196.44
	Clearance/Demolition delivery costs	36,525.40
SBA	Facade Restoration Bond Payment	198,000.00

	- Public Services -	
LMC	8 Subrecipient Activities	130,000.00
N/A	- Planning/Administration -	247,436.00
		1,573,841.00

*Key to National Objectives codes above:

LMA = Low/Mod Area – Census data at the block group level provides number of persons that are low- and moderate income

LMC = Low/Mod Client – Income level is verified for individuals receiving CDBG-funded services

LMH = Low/Mod Housing - Income level is verified for households receiving housing assistance

SBS = Slum & Blight Removal on Spot Basis – blighted structures are removed from scattered sites

SBA = Slum & Blight Removal on Area Basis – blighted structures are removed from identified slum and blight area

PY2010 Action Plan Budget Summary (continued)

Nat.		HOME	HOME	
Obj.*		PY2010	Prior Yrs	Total
	- Housing Rehabilitation -			
LMH	Single or Multi-family Rental Rehab	349,781.90	867,572.00	1,217,353.90
	- Community Housing Dev. Org. -			
LMH	CHDO Set-aside (15%)	100,667.55		100,667.55
LMH	CHDO Admin (5%)	33,555.85		33,555.85
LMH	Downpayment Assistance:			
	Pathstone	100,000.00		100,000.00
	Muncie Home Ownership & Dev Ctr	20,000.00		20,000.00
	- HOME Administration (10%) -	67,111.70		67,111.70
	Total	671,117.00		1,538,689.00

*Key to National Objectives codes above:

LMH = Low/Mod Housing - Income level is verified for households receiving housing assistance